



“ FINAL WARNING “

for Continuing Shareholders
who have
NOT YET
requested redemptions

**Deadlines 28th December 2017
then 29th March 2018**

***DON'T LEAVE IT TOO LATE
You might lose future cash***

[Click Here](#)

for a Special Bulletin

If you **HAVE** already requested
redemption of your Continuing
shares then
DO NOTHING
– the request will be fulfilled
automatically by EEA as
redemption cash becomes
available.

- **Firstly – Apologies.** This update has been delayed three weeks waiting for EEA to publish their November 2017 Fact Sheet covering the Fund to 31 October 2017 – which they have just done this morning. It must be my fault – I made the mistake of thanking them in October for getting the October Fact Sheet out on time for a change. Now they are a month later than expected for the November Fact Sheet – and the December Fact sheet is due any day now (they've just posted the 30 November NAVs on their web site !
- **Policy Maturities** No additional maturities have been reported so far for September or November 2017. One policy (\$500k) matured in October. The outstanding NDB is currently at \$408m against a Maple Life projection (last December) of \$400m for year end 2017.

The Fund spent \$701m (from 2006 to 2011) to purchase 926 policies (on 729 lives) for a total NDB of \$1,854m and has spent a further \$505m to date on premium payments.

605 policies (on 490 lives) have matured to date for a total NDB of \$1,005m and a gross profit (after US taxes) of \$202m which becomes a net loss of \$31m after paying expenses and charges of \$233m. The average duration of these 605 maturities was 40-43 months from the policy purchase date. ViaSource were originally estimating an average of 20-22 months and (since June 2013) 39 – 47 months. Maple Life has been estimating 30- 41 months since December 2014.

A further 14 policies (on 14 lives - \$16m NDB) have lapsed or expired, and 191 policies (on 150 lives - \$429m NDB) have been sold, for a net loss of more than \$85m over the years, which is included in the \$31m net loss figure above. The estimated life expectancy of the sold policies was around 60 months.

At 30 November 2017 there were 116 policies remaining (on 86 lives - \$408m NDB) – See table below.

Remaining Policies after			30-Nov-2017				
NDB / Life	Policies	Lives	Face Value		Est Fair Val @	30-Nov-17	Fair/Face
\$20m +	13	4	\$87.0m	21%	\$38.9m	22%	45%
\$15 - 19m	7	2	\$37.5m	9%	\$15.2m	9%	41%
\$10 - 14m	9	9	\$90.0m	22%	\$49.0m	28%	55%
\$7.5 - 9.0m	9	5	\$43.6m	11%	\$21.3m	12%	49%
\$5.0 - 7.4m	15	13	\$68.0m	17%	\$23.0m	13%	34%
\$2.5 - 4.9m	17	14	\$49.1m	12%	\$19.2m	11%	40%
	-----	-----	-----	-----	-----	-----	-----
<i>Sub-Total</i>	70	47	\$375m	92%	\$166m	94%	44%
\$1.0 - 2.4m	15	13	\$19.4m	5%	\$6.0m	3%	31%
\$0.5 - 0.9m	20	17	\$10.6m	3%	\$3.1m	2%	29%
< \$0.5m	11	9	\$2.6m	1%	\$0.8m	0%	31%
	-----	-----	-----	-----	-----	-----	-----
<i>Sub-Total</i>	46	39	\$33m	8%	\$10m	6%	30%
Total	116	86	\$408m	100%	\$176m	100%	43%
<i>Estimated Outstanding Premiums</i>			<i>(\$110m)</i>				
<i>Estimated Future Net Cash</i>			\$298m		=	\$122m	<i>Sale Penalty</i>

➤ Redemptions – Run-off Shares

At 31 October 2017 there was \$17m of Available Cash across all Run-off Cells (13% of the current Cell NAVs). This will reduce unless there are a significant amount of additional maturities reported during December.

EEA can decide at any time to make a redemption payment, subject to Available Cash being more than \$20m across all Run-off Cells (although they have the discretion to ignore this threshold).

➤ Redemptions – Continuing Shares

Following the \$3.2m redemption payments for the 3rd October quarterly Redemption Day, there are outstanding redemption requests for 136k of Continuing shares valued at \$16m, leaving approximately 857k shares with NO outstanding redemption requests, valued at \$82m. I recently emailed 150 members (and/or their Advisors) with Continuing shares with a “Final Warning” if they did not request redemptions by the current deadline of 28th December 2017. If you hold (or held) Continuing shares and did NOT receive an email from me then please get in touch so that I can update my records.

[Click Here](#) to see a special bulletin on the subject and let me know if you would like further clarification or information. Thanks to those of you who responded by updating

me on the status of your Continuing shares. 80 investors have still not responded and I have written to EEA asking them to send a notice to all Continuing shareholders worldwide, and to include an "opt-in" choice for Continuing investors wishing to have their accrued cash reinvested once outstanding redemption requests have been fulfilled.

The next quarterly redemption day is 2nd January 2018 and there is currently \$8.8m of "Available Cash" across all Continuing Cells. This will reduce unless there are a significant amount of additional maturities reported during December.

However, the redemption status varies according to Cell, as summarised below. This shows that the percentage of outstanding requests varies from 0 – 85% of the total Cell NAV. The last two columns show the Available Cash per Cell and its percentage of the outstanding requests for the Cell, from 9 – 136%. Three Cells have more Available Cash than needed for meeting the outstanding requests, meaning that almost \$4m is currently available for reinvestment in "Other Instruments" should EEA so choose. Any additional requests for the 28th December deadline would be added to the outstanding requests below and the values would be updated to the 31 December 2017 NAVs when applicable.

Continuing Cell	Outstanding Requests Using NAV at 31-Oct-17				
	Total O/S Requests	Total Cell Nav and % of O/S Requests		Cell Available Cash and % of O/S Requests	
USD Fund Class A/X	\$2,815k	\$10,161k	28%	\$864k	31%
USD Fund B/Dist	\$416k	\$803k	52%	\$68k	16%
USD Fund C/Acc	\$297k	\$882k	34%	\$75k	25%
Swedish Krona Class X	\$0k	\$909k	0%	\$2,085k	n/a
Euro Fund Class A/X	\$3,985k	\$9,168k	43%	\$671k	17%
Euro Fund Dist	\$330k	\$415k	79%	\$30k	9%
Euro Fund Acc	\$455k	\$534k	85%	\$39k	9%
Sterling Fund Class A/X	\$564k	\$27,769k	2%	\$1,780k	316%
Sterling Fund B/Dist	\$984k	\$5,211k	19%	\$334k	34%
Sterling Fund C/Acc	\$4,236k	\$33,620k	13%	\$2,155k	51%
Meteor SLS Sterling Fund	\$973k	\$4,417k	22%	\$283k	29%
Meteor SLS Sterling Fund II	\$761k	\$3,649k	21%	\$234k	31%
Way LS Fund	\$0k	\$526k	0%	\$210k	n/a
TOTAL Cumulative	\$15,815k	\$98,065k	16%	\$8,829k	56%

➤ **Policy Sale to Coventry Capital US LLC**

I mentioned this in my last Update and provided a link to the (redacted) version of the Coventry complaint. Coventry asked the Judge to allow them to issue a non-redacted version, which the Judge agreed (in spite of objections on behalf of EEA). This includes the full text of the April 2017 Agreement between Coventry and EEA Inc.

[Click Here](#) to download a Zip file containing the most relevant Court documents.

I will put a separate page on the website as soon as possible to keep you abreast of events in this important case.

➤ **Letter to EEA**

In my last update I referenced two letters that I had sent to EEA and the Guernsey Financial Services Commission (GFSC) dated 2nd October 2017. I have now sent the following additional letter to EEA covering our current concerns.

Click This Link for [Letter to EEA dated 10th December 2017](#)

Continuing Shareholders

Remaining Portfolio and Run-off Projections

Policy Sales

Policy Maturities, Profitability and Ponzi Effects

Administration and Liquidation

EEA (London) have sent the following to their own email contacts :

“ Noting recent press coverage, we remain concerned that ill-informed allegations are being circulated. They can cause unnecessary alarm and anxiety to some shareholders and risk, amongst other things, having an adverse effect on the sale prices of policies. The Manager provides a substantial amount of information and continues to encourage constructive dialogue with Shareholders and their advisers. Shareholders are strongly encouraged to make their own investment decisions based solely on information provided by the Fund and/or any advice provided by their independent financial advisers.

If you have any questions about redemption rights and the process for reinvestment of available cash by Continuing Cells, we refer you to questions 1 and 9 of the Q&A document, available [here](#). You may refer to the Fund's Information Memorandum and relevant Supplements, which are also available at www.eeafmg.gg, for further details. “

I deny that my utterings are “ill informed allegations” and that they cause unnecessary alarm and anxiety or have an adverse effect on the sale price of policies. Regular feedback from IFAs and investors suggest that they value my efforts and information, which exceed what they receive from EEA or via their platforms and other intermediaries. Most investors have been “alarmed and anxious” for several years now since the Fund suspension and restructuring in 2011 – 2013.

David Trinkwon

Director, Medley Systems Ltd
Coordinator – EEA Investors' Group

Tel : +44 (0) 7802 538315
+1 888-513-2726
Skype : david.trinkwon

DISCLAIMER : I do my best to provide sound information and personal opinions, but EEA state that investors should only rely on information provided by themselves or a regulated professional advisor – if you have one. Don't hesitate to contact me if you have any questions or need further information or clarification on any EEA related matter.