

## **FUND HOUSE FCP SIF (in judicial liquidation)**

### **Report on life settlements portfolio's sale process**

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FUND HOUSE FCP-SIF (in judicial liquidation) (hereafter the “Fund”), was organized as a mutual investment fund (*fonds commun de placement*) in the form of an open-ended specialized investment fund (*fonds d'investissement spécialisé*) organized under the law of February 13, 2007 relating to specialized investment funds and managed by GLOBAL FUND HOUSE MANAGEMENT Sàrl, incorporated under the laws of the Grand Duchy of Luxembourg.

On September 20, 2017, the Fund was removed by the CSSF from the list of specialized investment funds (*fonds d'investissement spécialisé*) and had its license withdrawn due to pending audits on the annual accounts since 2011, liquidity issues and management practices not aligned with the interests of shareholders.

Following the withdrawal of the license, the Fund was put into judicial liquidation on January 11, 2018 and Maître Alain RUKAVINA was appointed as official judicial liquidator of the Fund (hereafter the “Liquidator”). The Fund is comprised of a single compartment called International Life Settlement Funds, holding a portfolio of 16 life settlement policies (hereafter the “Portfolio of Policies”). The Liquidator’s mandate was to sell the portfolio of policies.

In this respect, the Liquidator had appointed KPMG Luxembourg, Société coopérative to conduct, on his behalf, a competitive sales process of the Portfolio of Policies.

During the liquidation process, the Fund was assisted by professional service providers.

The sales process started on March 28, 2018 with data gathering and analysis of available documents.

A list of 51 potential buyers, active on the life settlement market, was established. Out of the 51 potential buyers contacted, 26 had accepted to sign a non-disclosure and confidentiality agreement and to enter the first round of non-binding bids. 10 interested buyers submitted a non-binding indicative offer, these potential buyers got access to the data room. During a second round of binding bids, 6 interested buyers submitted binding offers after having been granted full access to the data room.

The best offer received was USD 7.945.000. Signature of the purchase agreement took place on 16/17 August 2018 with the entity providing the best offer.

Next steps will consist in

- the termination of the contractual relationship with all service providers involved in administrating the portfolio of life insurance policies services and which are no longer needed;
- the review of the proofs of claim filed by the creditors of FUND HOUSE FCP SIF (in judicial liquidation).

It must be noted that the investors of FUND HOUSE FCP SIF (in judicial liquidation) are not requested to file a proof of claim, as they are identified in the share register of the company.

Luxembourg, dated 16<sup>th</sup> of January 2019

The judicial liquidator

Alain RUKAVINA