



To the Investors of
ILSP Mutual Fund AG & Co. KG

Vaduz, November 29, 2010

LIFE SETTLEMENTS PORTFOLIO (LSP) - LONG TERM LIQUIDITY PLANNING

Dear investors,

the management gladly informs that it has successfully negotiated a substantial increase of the fund's liquidity facilities by an additional up to 30 million USD to an overall amount of up to 70 million USD. Further, a change of the depository bank is imminent.

This measure enables the fund to cover all operational expenses including premium payments for one full year, even if against all odds not a single maturity of a life settlement in which the fund is invested in would occur. From the present perspective the liquidity would suffice approximately until the end of 2011 without any maturities (for comparison: 14.6 mUSD maturities in 2009; 27.6 mUSD maturities in 2010 as of today) and well beyond, if maturities occur as expected.

All investors of LSP, in particular the main direct investor, are heartily invited to join these working capital credit facilities in order to strengthen the overall liquidity situation as a common goal of the fund and all its direct and indirect investors thereby guaranteeing the successful implementation of the fund's investment strategy "buy and hold".

Yours sincerely,

Walter Schadenfroh
President

Olaf Köhler
Managing Director