UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

MARTIN FLEISHER, AS TRUSTEE OF THE MICHAEL MOSS IRREVOCABLE LIFE INSURANCE TRUST II and JONATHAN BERCK, AS TRUSTEE OF THE JOHN L. LOEB, JR. INSURANCE TRUST, on behalf of themselves and all others similarly situated, Plaintiff, vs. PHOENIX LIFE INSURANCE COMPANY, Defendant.	**Civil Action No. 11-cv-8405(CM)**
SPRR LLC, on behalf of itself and all others similarly situated, Plaintiff, vs. PHL VARIABLE INSURANCE CO., Defendant.	**Civil Action No. 14-cv-8714(CM)**

DECLARATION OF ANN M. JULIANO IN SUPPORT OF PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT

I, Ann M. Juliano, declare as follows:

1. I submit this declaration in support of final approval of the proposed class action settlement between the Plaintiffs Martin Fleisher, as Trustee of the Michael Moss Irrevocable Life Insurance Trust II and Jonathan Berck, as Trustee of the John L. Loeb, Jr. Insurance Trust, in Civil Action No. 11-cv-8405(CM), and Plaintiff SPRR LLC in Civil Action No. 14-cv-8714 (together, "Class Plaintiffs" or "Named Plaintiffs"), for themselves and on behalf of the proposed Settlement Class, and Defendants Phoenix Life Insurance Company and PHL Variable Insurance Company (together, "Defendants" or "Phoenix"). I have personal, first-hand knowledge of the matters set forth herein and, if called to testify as a witness, could and would testify competently thereto.

A. Experience and Qualifications

2. I am a Founding Director at Demeter Investments Limited ("Demeter Investments"). Demeter Investments is a financial consulting company that offers independent, discrete and high quality analysis to clients active in alternative investments with a core focus in the insurance market. The three founding partners—myself, James Rouse, and Marcos Flores—have worked together for the past 10 years in a broad range of senior positions in institutional investor capacities in the longevity markets, which includes working at a large bank, large asset manager and as advisors to insurance companies. Demeter Investments works with large, regulated institutional investors with a mandate to asses and acquire life related exposure in the US and Europe to include life settlements and longevity/mortality derivatives. The team at Demeter has traded in over $20bn longevity risk swaps, notes and securitizations since 2003. Additionally, the team at Demeter executed the first ever swap in the UK Pension fund market.

3. At Demeter Investments, I am responsible for market-facing responsibilities, new business development and finding trade opportunities within the insurance and European credit market. Prior to Demeter Investments, I was a Managing Director at Fortress Investment Group responsible for the risk exit of a large life settlement position. Prior to Fortress, I worked at Credit Suisse as a Director in various roles in the Longevity Markets Group including co-head of Origination and Distribution. Previously, I worked on a ratings derivative product at Moody's Investors Service and covered the energy sector at Bloomberg. I participated in the Advanced Management Program at Harvard Business School and hold a Bachelor of Science degree in Political Science.

4. My colleague James Rouse is a Founding Director of Demeter Investments responsible for the risk models and underwriting of life settlement assets. Prior to Demeter Investments, Mr. Rouse was a Managing Director at Fortress Investment Group where he was primarily responsible for the analysis and pricing of life settlement portfolios. Prior to Fortress, Mr. Rouse had spent 11 years at Credit Suisse most recently as a Director within the Longevity Markets Group where he was responsible he was responsible for the development of structured products and longevity derivatives linked to life settlements and pension schemes. Prior to the Longevity Markets Group, Mr. Rouse was in the Risk Management Division of Credit Suisse. Prior to Credit Suisse, Mr. Rouse worked as a manager within the Risk Control division at Sumitomo Bank and as a manager in the Financial Institutions Group at Deloitte and Touche.

5. My colleague Marcos Flores is a Founding Director of Demeter Investments, acting as an expert consulting advisor for institutional clients in the insurance and credit lending markets globally. Prior to Demeter Investments, Mr. Flores started Hibiscus Capital in 2012, a consultant to large Private Equity Funds and Insurance Companies with strategic investments.

Prior to Hibiscus, Mr. Flores spent 12 years working at Credit Suisse as a Managing Director within the Longevity Markets Group. In his role, Mr. Flores was responsible for the origination, structuring and distribution of longevity risk, which included life settlements. During this time, he was a SIAP (Significant Influential Approved Person) for the Financial Services Authority of the UK and worked with CARMAC (Credit and Risk Management Committee) within Credit Suisse to develop the global strategy of the longevity business at the bank. Prior to his activity in the longevity asset class, Mr. Flores led the Fixed Income structuring teams at Credit Suisse for Europe and Latin America. Mr. Flores joined Credit Suisse when the firm merged with Donaldson, Lufkin & Jenrette, where he was a member of the Latin American Structuring team. Mr. Flores had also spent three years in Commodities Sales and three years at an affiliate of the Spanish development bank, Banco Exterior de Espana, based in Mexico.

B. Valuation Purpose and Materials Considered

6. Demeter Investments was retained by Plaintiffs' counsel to independently value the non-monetary benefits for a specific portfolio of life insurance policies (the "Class Policies") contained in the proposed settlement of the above referenced actions. These benefits include: (a) a commitment not to increase the cost of insurance rates ("COI") on the Class Policies prior to 31 December 2020 (the "COI Freeze") and (b) a commitment not to seek to void or rescind any of the Class Policies on grounds of lack of insurable interest or misrepresentation in application forms (the "Validity Confirmation" and together with the COI Freeze, the "Non-Monetary Benefits")

7. In conjunction with my colleagues Mr. Flores and Mr. Rouse, I participated in the preparation of the valuation of the Non-Monetary Benefits. I have relied extensively on the financial market and modeling expertise of both Mr. Flores and Mr. Rouse in the completion of

this work. Our valuation methodology, valuation opinion and primary significant assumptions for our opinion, are proffered below and, in more detail, in our report, dated August [ ], 2015 on the valuation of the Non-Monetary Benefits, which is attached as Exhibit A (the "Report").

8. In conducting our work and forming the opinions set forth herein, I relied on my substantial experience and expertise in the area of life settlements as well as the substantial experience and expertise of Mr. Rouse and Mr. Flores. In addition, we considered the materials referenced in the Report.

9. In determining the estimated valuations of the Non-Monetary Benefits set forth in this Declaration, we have employed methods and analyses of a type reasonably relied upon by experts in the field of life settlements in forming the opinions and inferences on the subject.

C. Assumptions and Valuation Methodology

10. The primary significant assumptions are set forth in Section 1 of the Report. The valuation methodology is set forth in Section 2 of the Report.

11. The analyses, opinions and conclusions of value set forth herein and in the Report are my own and my colleagues' analyses, opinions and conclusions of value.

12. Neither I nor my colleagues have any bias, present interest or prospective interest with respect to the above referenced actions or the parties involved with it, or the Class Policies.

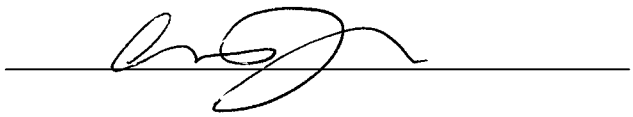
13. Demeter Investments is receiving compensation for our time spent on this assignment. The engagement of Demeter Investments for this assignment and the compensation for completing it are not contingent on the development or reporting of a predetermined value or any direction in value, the amount of the valuation opinion, or the attainment of a subsequent event directly related to the intended use of this valuation.

D. Valuation Opinion

14. Based on procedures performed, it is our opinion that a reasonable estimate of the Non-Monetary benefits is $94,347,000. This amount represents the estimate of the COI Freeze of $61,093,000 as detailed in the Report and the estimate of the Validity Confirmation of $33,254,000 as detailed in the Report.

I declare that the foregoing is true and correct under penalty of perjury under the laws of the United States.

Executed this 19th day of August, 2015 at New York, New York.



Ann M. Juliano

Exhibit A

19 AUGUST 2015

Report On the Value of the Non-Monetary Benefits Achieved in the Class Action Settlement with Phoenix (the "Report")

Executive Summary

Based on the analysis set forth in this Report, Demeter Investments has determined that a reasonable estimate of the value of the two non-monetary benefits provided by Phoenix to the class as part of the settlement to be the following:

Commitment	Value
COI Freeze	$61,093,000
Validity Confirmation	$33,254,000
Total	**$94,347,000**

Scope

Demeter Investments was retained by the counsel for the plaintiffs in connection with a class action against PHL Variable Insurance Company and Phoenix Life Insurance Company (collectively, "Phoenix") in order to value the non-monetary benefits contained in the proposed settlement agreement.

This Report provides an estimate of the value of two commitments from Phoenix with respect to the specific portfolio of life insurance policies (the "Class Policies") provided to us by counsel for the plaintiffs. We excluded from our analysis policies owned by Fortress, which we were told opted-out of the Class. We also excluded policies from the calculations that have matured or been lapsed or surrendered as at 1st April 2015 because those are not active and thus are not relevant to the value of the non-monetary benefits.

The two non-monetary benefits (the "Non-Monetary Benefits") that are the subject of this Report are the following covenants of Phoenix:

1. Not to increase COI rates prior to 31 December 2020 (the "COI Freeze"); and

2. Not to seek to void or rescind any of the policies on grounds of lack of insurable interest or misrepresentation in application forms (the "Validity Confirmation").

Approach

Demeter Investments, founded by 3 senior experienced individuals, has 50 years of cumulated experience in the life settlement market and total experience in longevity risk and insurance of over 100 years.

Through the founder's roles at Credit Suisse, Fortress Investment Group, Hibiscus and now as an independent consultant for large institutional investors globally, the team has worked with multiple origination and distribution platforms within the life settlement industry and more broadly within the longevity markets. Specific transaction milestones include $14.8bn of life settlement portfolios, $10.7bn of reinsurance contracts, $8bn of longevity swaps, $3.7bn of premium finance loans, $2.1bn of Regulation XXX (Triple X) risk and $1.6bn of annuities.

With extensive trading experience over the past 10 years, Demeter Investments has developed its proprietary models specifically designed for the evaluation of longevity and mortality in the older age population for the purposes of valuing longevity-based investments. The robust proprietary model has over 1,500,000 medically underwritten lives and over 200,000 maturities from multiple sources, making it one of the most expansive actuarial underwriting models in the life settlements industry.

A more detailed description of Demeter Investments is set forth in Exhibit 3 of this Report.

Approach for COI Freeze

In providing the COI Freeze, Phoenix is foregoing the ability to raise COI rates even in the event of negative changes to the mortality expectations of the Class Policies. To evaluate the benefit of the COI Freeze, we considered the probabilities of various future changes in mortality scenarios of differing degrees of magnitude, and, using those numbers, the difference in what Phoenix would have been able to recover using a COI increase compared to what they now cannot for the next five years.

We assumed that the COI increases in 2010 and 2011 were done by Phoenix to bring the COI rates for the Class Policies in line with expected premiums and death benefits as of those dates. We also assumed that the current base case forecast for the Class Policies is acceptable to Phoenix and that it would have no cause to raise COI today. Thus, we focused our analysis on the likelihood and impact of future fluctuations in mortality based on volatility estimates for mortality required by insurance industry regulatory standards in conducting stress tests. For example, if the mortality experience is a lot heavier than expected next year, that would be a potential situation where Phoenix would normally consider raising COI again, but now cannot, resulting in a benefit to the Class. To put into context, given the size of the portfolio of Class Policies is $5bn, the base case scenario (where we assume Phoenix is content) is $1.39bn of Death Benefit and $815.6m of premium for the period of April 2015 to December 2020.

For purposes of this report, we have considered only the potential for COI increases driven by the mortality performance of the pool and not any other factors that could impact the profitability of the pool, such as the performance of the underlying investments. We take no position and offer no opinion as to when a COI increase would be permissible under the terms of the policies, or what factors may appropriately be considered under those terms.

The Class Policies have a total of $5bn in outstanding Death Benefit with an average age of 83 as of today. In the next 5 years, nearly 25% of the Class Policies is expected to mature and the underwriting of the policies will be 14 years old. Given the ages of the portfolio and time since underwriting, which increases the likelihood of error in future expectations, along with the $815.6m of premiums expected for this period, mortality has a large impact on the performance of the Class Policies to Phoenix. For example, if Phoenix were simply to repeat the previous COI increase one time, which was an average 15% increase in COI rates across the Class Policies, such an increase again would represent roughly $122m for the Class Policies over the next five years that the Settlement now prevents.

The main driver of a potential COI increase we have considered is the mortality performance of the Class Policies compared to the current estimate. As indicated previously, we assume that Phoenix's current best estimate is accurate.

For the reasons set forth in more detail below, we considered the following five scenarios in our analysis:

1) The pool performs better than expected, from Phoenix's perspective (light mortality), in a mild over-performance
2) A scenario where the pool performs better than expected, from Phoenix's perspective (light mortality), in a strong over-performance
3) Pool performs as expected
4) Class Policies perform worse than expected from Phoenix's perspective (heavy mortality) in a mild underperformance
5) The pool performs worse than expected, from Phoenix's perspective (heavy mortality), in a severe underperformance

The COI Freeze provides meaningful benefits to the Class Policies only in the scenarios where the pool performs worse than expected from the view point of Phoenix, *i.e.*, heavier than expected mortality. This is because in the event of heavier than expected mortality, there would be more deaths than Phoenix expected and Phoenix would therefore have to pay more claims than anticipated – see section 2.1 for more details. We have then looked at the value of those scenarios in avoided increased COIs by the Class Policies with a simple present value calculation of the resulting cash flows, using a discount rate of 7 percent (the basis of which is discussed below in Section 1.7). These calculations take into account the potential for a rate increase in 2021.

The mild underperformance scenario (roughly 8% increase in mortality) would lose Phoenix (and thus save Class members) $117.4m if Phoenix could not raise COI rates during the next five years to adjust to the actual versus expected performance. The severe underperformance scenario (roughly 25% increase in mortality) would lose Phoenix (and thus save Class members) $278.5m if Phoenix could not raise COI rates during the next five years to adjust.

To each one of these values we then gave a probability that these scenarios will occur. Insurance industry regulatory standards require companies to conduct stress tests to ensure adequate capital reserves in any number of scenarios, and included in these stress tests are estimates of the degrees of volatility for the future expectations of mortality. Using the volatility expectations of insurance industry regulatory standards in similar life insurance markets[1] (see section 2.1 for a more detail discussion), we have calculated a probability of 24% for the mild scenario and 12% for the severe scenario. Applying these probabilities to the different scenarios, the probability-adjusted value to the Class of preventing Phoenix from raising rates in the event of the mild scenario would be $28.1m, and the probability-adjusted value to the Class of preventing Phoenix from raising rates in the event of the extreme scenario would be $33.0m. Thus when you sum the two scenarios together, the total value to the Class of the COI freeze is $61.1m in potential COI rate increases over the next five years that have been avoided because Phoenix has agreed to the COI Freeze.

We looked at other drivers of value of the pool including lapse rates, policy funding levels

[1] https://eiopa.europa.eu/Publications/Standards/EIOPA-14-322_Underlying_Assumptions.pdf; Section 3.1

and policy crediting rates, but none of these were as material to the performance of the pool as mortality rates.

Approach for Validity Confirmation

In providing the Validity Confirmation, Phoenix is foregoing the ability to challenge and resist death benefit claims in the future for Class Policies. In order to provide a valuation of the Validity Confirmation, we needed to estimate the timing of the future claims for death benefits for the Class Policies, the probability that Phoenix could successfully resist a claim, and the amount of payout that Phoenix would have saved in the event of successfully resisting claim that Phoenix is now foregoing (and that is therefore a benefit going to the Class).

To approach this project, we generated life expectancy estimates for each policy based off our internal proprietary model in order to assess the longevity expectations of the policy and thus the value to the policyholder of the death benefits relative to the premium payments. Next, we generated the lapse assumptions and future premiums for the Class Policies based on historical data from Phoenix. From there we generated the probability of successful fraud in the application or stranger-originated life insurance ("STOLI") defences to coverage and the probability of policies being contested from raw data that we researched from insurance filings and provide this information in the appendices.

To define the value of the non-contestability component we first generated a cashflow forecast for every policy individually.

This forecast was based on our estimate of the life expectancies of the insured individuals, our estimate of the lapse rate of the policies and our estimate of the future premium payments.

The purpose of this was first to exclude all policies where the sum of premiums would be larger than the death benefit as we assume Phoenix would not likely contest such a policy. This is based on the assumption that should Phoenix prevail in a successful legal challenge to coverage that Phoenix would be likely be required to return the sum of premiums paid against the non payment of death benefit, so Phoenix would have no reason to challenge policies where Phoenix would be required to return more in premiums than it would save in avoided claims.

Where the death benefit would exceed the sum of premiums, we would perform a present value calculation of the death benefit and the premiums over time, all other assumptions of the document below would be included in such calculations. The discount rate to bring these cash flow to today's value is seven percent. *See* Section 1.7.

This number we would then multiply first by the probability of a successful rescission of coverage by Phoenix. We have estimated this number at 75 percent based on data contained in Phoenix's state insurance returns. As a second step we would then multiply the result of this first calculation by 4.4 percent, which is the probability that Phoenix would seek to rescind a policy in court upon the occurrence of a maturity event or otherwise, based on data reported in Phoenix's state insurance returns. *See* Section 2.2.

Section 1 – Assumptions

In order to estimate the value of the Non-Monetary Benefits, we were required to make certain reasonable assumptions. These assumptions are based on our analysis of the data provided to us and our knowledge and expertise of the asset class. The following is a description of the assumptions upon which we based our analyses.

Assumption	Report Section
Future lapse rate of the Class Policies	1.1
Future mortality rate of the insureds for the Class Policies: • Current mortality rates • Future mortality improvements	1.2
Potential for variation in future mortality	1.3
Future premium payment patterns	1.4
Resisted policy claim assumptions: • Phoenix's rate of resisting policies • Phoenix's success % in resisting policies • Payout % on resisted policies	1.5
Data simplifications and overrides	1.6
Discount Rates	1.7

1.1 Future Lapse Rate of the Portfolio.

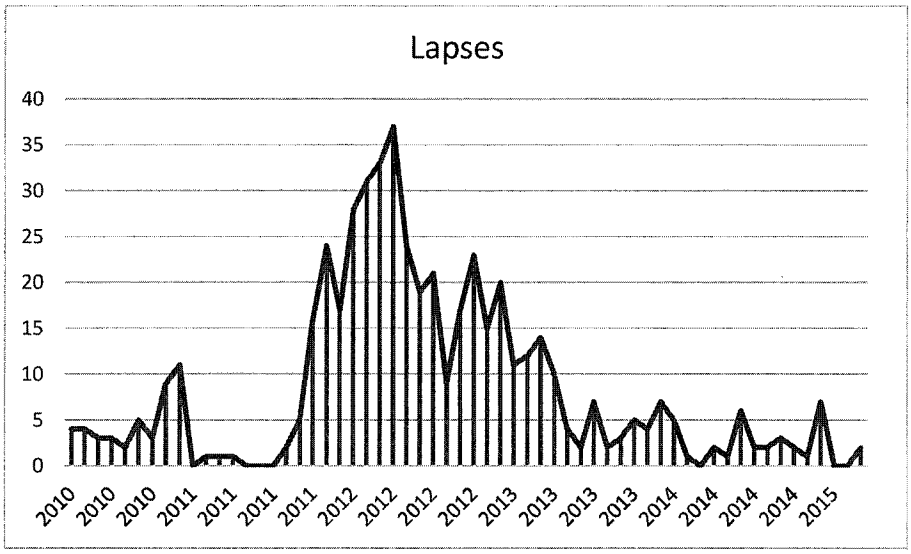
Value Selected

The future lapse rate with respect to the Class Policies is assumed to be 0.28% per month or 3.4% per year. This assumption was used for all of the Class Policies regardless of the projected future durations. The lapse rate of the Class Policies is an important component to valuing the non-monetary benefits because it is reasonable to expect that some policies will lapse going forward and will thus not participate in these benefits.

Rationale

The historical lapse rate of the Class Policies has not been consistent over the time period that we analysed. In particular, there was a strong spike in lapse rates between 2011- 2013.

The graph below plots the number of Class Policies that were lapsed or surrendered from 2010 to 2015 on a monthly basis.



The y-axis plots the number of policies lapsed or surrendered in the pool per month.

Our analysis showed that the large spike in the lapse rates occurred at the time of the announcement that Phoenix was increasing its COI rates. The lapse rate for the Class Policies during the time period between November 2011 and April 2013 is significantly higher than typical insurance standards, which show a 4.5% overall lapse rate for universal life policies[2]. As such, the spike in lapse rates was unique to Phoenix for that time period and such an anomaly that it cannot be relied on for the calculations we are providing. We believe that the Class Policies will perform with respect to lapse rates in a manner consistent with industry standards and consistent with the post-April 2013 performance of the Class Policies. Thus, we relied on the industry lapse rate figures for the Class Policies. Given that lapse rates are the highest in early durations, we adjusted the lapse rate downwards to 3.4% to fit in-line with the characteristics of the Class Policies.

It is possible that in a high mortality scenario lapse rates might fall, but in the interest of providing a conservative valuation we have not modelled this possibility.

1.2 Mortality Assumptions

Because the value of the non-monetary benefits is affected by the timing of deaths and claims, we need to make assumptions about the rates of mortality of the insureds for the Class Policies.

For our analysis, we have divided our mortality assumptions into two categories: (1) current mortality rates (select and ultimate rates); and (2) future mortality improvements.

Select and ultimate rates differentiate how much time has passed since the individual has been underwritten. Typically, the longer away from the underwriting period the policy is, there tends to be a higher mortality rate—the mortality rate for policies underwritten a long time ago is the ultimate rate. The select rate is lower because the insured has just passed certain medical exams for recently underwritten policies. As such, understanding the length of time since the policies have been issued is important to the calculation of the value of the

[2] https://soa.org/Research/Experience-Study/Ind-Life/Persistency/2007-09-US-Individual-Life-Persistency-Update.aspx

policy as a higher the mortality projection for a policy would typically indicate, all other factors constant, the policy has higher value to the investor.

Values Selected

The assumptions used for the Ultimate Mortality Rates (Qx) for the purposes of our analysis are set forth in Exhibit 1A of this Report. The Future Mortality Improvements (annual % improvement in Qx) are set forth in Exhibit 1B of this Report.

Our proprietary data does not show a large disparity between Males and Females with respect to the select effects, therefore we assumed the same select effect for males and females. Based on our analysis, we determined the following to be the appropriate assumption with respect to select effects:

Age	**Duration**
70 years and below	23 years
92 years and over	3.5 years

The Duration 1 select effect was set to 12% of ultimate rate Qx. For ages between 70 and 92 linear interpolation was used to determine duration of select effect.

The ultimate rates and select effects given here are based on the healthiest lives in our database. The historical data provided by Phoenix indicates that these settings are reasonable to use for Males with policy class of "Preferred", "Preferred Plus" and "Non-smoker" (standard).

The historical data produced by Phoenix indicates that these settings are reasonable to use for Females with policy class of "Preferred" and "Preferred Plus". The historical experience for the "Non-smoker" class exhibited higher levels of mortality than these settings, so we adjusted that underwriting class by giving them a 1.15x add on, with the add on tapered to reach zero by age 96.

We assumed a 1.4x add-on for Class Policies where the insured identified as smokers. This add-on, however, was tapered to reach zero by age 96. With respect to impaired lives, we determined that a reasonable assumption would be a 1.7x add-on given special rating factors. This add-on was also tapered to reach zero by age 96.

Rationale

Based on our analysis of the Class Policies and our knowledge of the industry, we determined that the Class Policies were comprised of insured individuals with four different classes of policy: smoker, standard, preferred, and preferred plus. Some of the life insurance policies have extra rating factors.

Our analysis indicated that the Class Policies largely have large death benefit amounts. The historical mortality data for the Class Policies is limited – the history from April 2010 – March 2015 only includes 108 deaths, but this is enough to show the Class Policies have low mortality compared to national population standards. Based on this data and our analysis, we have concluded that the Class Policies were carefully underwritten from a medical

perspective and comprise high-net-worth insured individuals. Therefore, adjustments need to be made for both the underwriting and the wealth of the insured.

Based on our analyses and expertise, we believe that the medical underwriting will lead to a Select and Ultimate rate pattern. The diligent medical underwriting associated with life insurance policies with large death benefits leads to long select periods – select effects used are longer than VBT 2008. We expect that high-net-worth individuals will lead to low ultimate rates – ultimate rates used are mostly lower than VBT 2008. The values for ultimate rates and select effects are based on our own proprietary database containing over 200,000 mortalities and 1.5 million underwritten lives tracked over a period of 15 years.

The future mortality improvement assumptions are based on publically available research published by Towers Perrin.

1.3 Potential for variation in future mortality

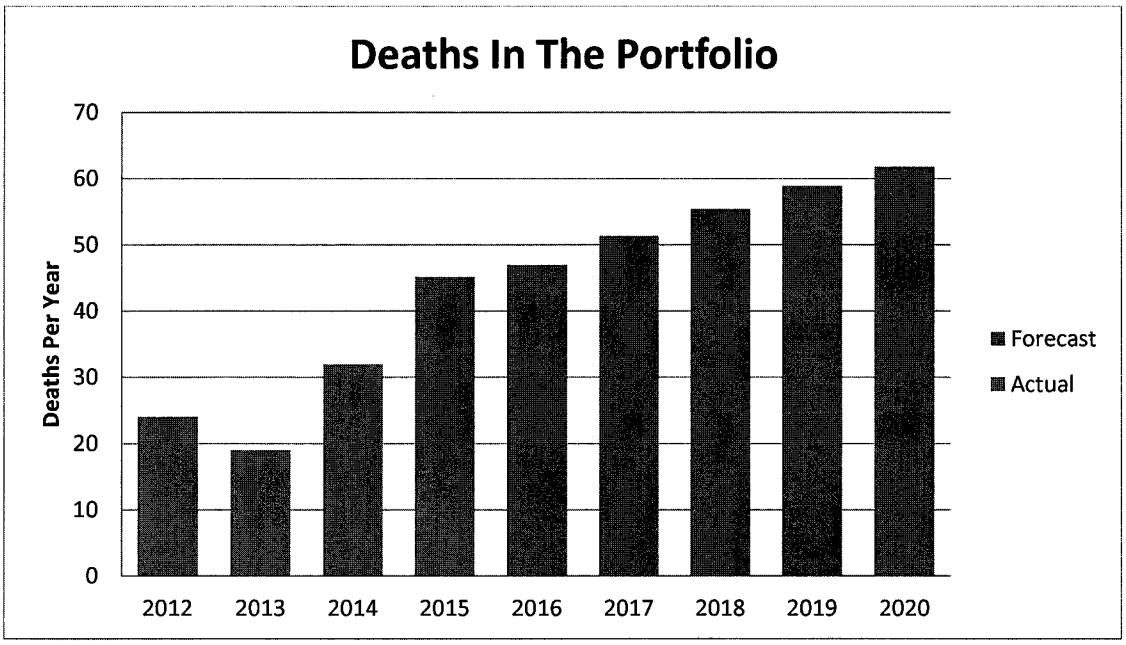
In order to assess the value of freezing COI rates for 5 years, we needed to consider the potential for variation in the mortality rates of the portfolio. This will tell us the likelihood that Phoenix would have otherwise attempted to increase COIs but for the freeze and thus the value to the Class from Phoenix's agreement not to do so.

The next five years will be an important time period in the performance of the portfolio.

The average age at issue of the active policies in the portfolio was 74.8 years old, with average issue date of November 2006. With careful medical underwriting, mortality rates in a pool of 75 year olds who pass a medical exam will be low in the first few years – typically less than 1% per annum.

Over the next five years the portfolio will increase from average age 83.5 years old to 88.5 years old, and the medical exams the group passed will be an average of 8.7 years ago to 13.7 years ago. Thus, there will be an increase in the death rate in the Class Policies. By the time the portfolio reaches age 90 we would expect the mortality rate in the pool to be over 10% per year.

The graph below shows the number of deaths per year for the pool with historic figures in blue and our forecast figures in orange.



Of note, and of great importance in determining the value of the COI freeze, is the potential for the result to vary from expectations.

For example, we noted a very low number of deaths reported in 2013, which was lower than in 2012 despite the fact the pool was one year older in 2013. Expectations would typically be for the number of deaths to increase every year as the insureds age.

We also noted a very high number of deaths reported so far in 2015, 19 deaths in four months to April 2015, indicating that 2015 is on course to report much higher amount of deaths than 2014, which is again contrary to expectations.

The Class Policies have a total outstanding death benefit balance of $5.08bn, which is a similar size to the life settlements portfolios we have analysed, managed and monitored since 2006. From our experience the above examples of volatility in mortality between actual and expected results are normal.

The Class Policies are considered large with the average death benefit in the portfolio of $5.7m. The average monthly premium over the next five years is $17.4k with total expected premium payments of $815.6m up to December 2020.

Thus, each death carries a significant amount of financial impact for Phoenix. We show below the financial impact of that potential variability on total death benefit payments up to 2020 (assuming 3.4% lapse rate)

Scenario	Number of deaths	Total death benefit payments $m*	Scenario Impact $m**
Main Scenario	263.0	1,389.4	0

Slight increase in mortality	287.0	1,515.9	109.7
Slight decrease in mortality	240.5	1,271.0	(117.4)
Large increase in mortality	319.7	1,688.6	238.5
Large decrease in mortality	214.1	1,131.4	(278.5)

*Contract death benefit less account value. Figure not discounted.

**Includes effect of premium payments, impact is discounted at 7% to give present value

The combination of the increasing number of deaths expected in the pool over the next five years and the large size of the policies means the financial outcome for Phoenix over the next five years contains a great deal of variability, potentially varying by hundreds of millions of dollars.

Phoenix's main instrument for dealing with this variability would be adjustments to COI rates at the expense of Class members, which they are now foregoing as part of this settlement, so in order to evaluate the benefit to the Class members for this promise we must consider the likelihood of scenarios shown above.

Potential variations were applied to the ultimate rates and future mortality improvement assumptions in the model assuming a log-normal distribution:

Values Selected

	Variance	95% Percentile	99% Percentile
Current Mortality Assumption	12%	121.8%	132.2%
Future Mortality Improvement	0.75%	101.2%	101.8%

Rationale

Based on our analyses and expertise, we have assumed the 95% percentile for these inputs are similar to the stress shocks used for long term mortality and longevity exposure by insurance companies and also scenarios used in the development of the European Insurance and Occupational Pensions Authority's[3], which regulates Insurance Companies and Pensions in Europe, Solvency II capital adequacy program. Insurance regulators require companies to undergo stress tests to make sure they have adequate capital reserves in the event of unanticipated adverse changes in expectations. We used the assumptions analysed by the European regulator when devising the Solvency II capital adequacy program because they are the most up-to-date and accurate reflection of volatility in mortality expectations in the

[3] https://eiopa.europa.eu

market. In the United States, there is no standardized regulator since each state has its own insurance department, although the National Association of Insurance Commissioners publishes guidelines that are adopted and incorporated by states into their legislation. We would expect most states to require lower reserves than Solvency II, which we estimate imply a roughly 10% volatility. However, certain regulations, such as Triple X, use stress assumptions that are more severe than Solvency II. While these inputs are inherently subjective, our analyses and expertise show that the Solvency II assumptions are the most reasonable assumptions.

When applying the Solvency II volatility assumptions to future expectations of mortality over the next five years, we used the Gaussian Quadrature mathematical theory for modeling the probability of alternative scenarios, which results in the following the spectrum of possible outcomes:

- 12% for outcomes that are classified in this document as severe or a large increase in mortality;
- 24% for outcomes that would be classified as mild or slight increase in mortality outcomes;
- 28% for outcomes that are classified as similar to the base case;
- 24% for outcomes that are classified as a mild or slight decrease in mortality
- 12% for outcomes that are classified as a large or severe decrease in mortality.

The volatility percentages we employed to estimate the level of variability in future expectations of mortality are supported by the fact that every few years, e.g., VBT 2001, VBT 2008, and VBT 2014 the Society of Actuaries updates its basic mortality tables to correct significant changes in expectations. Although many of the recent corrections have reflected lighter (or less) mortality than predicted, future corrections are just as likely to be heavier (or more) mortality in the future when applied to the relevant pool of older aged insured. Indeed, recent industry reports and even Phoenix's own public statements have suggested trends in 2015 of higher than expected mortality going forward. Phoenix recently stated that it is suffering from "unfavorable mortality" in its UL products: "Unfavorable mortality in the open block, primarily in the universal life ("UL") product line, that contributed approximately $35 million to the loss" and "Mortality was unfavorable compared with expectations, with unfavorable open block experience driven by the UL product line." Furthermore, it is a common premise when employing predictive models that past errors in prediction are not an indicator of future errors. Thus the Guassian Quadrature theory results in a model of even distribution for both potential mortality alternatives—higher mortality than expected or mortality. Therefore, we believe our assumptions with respect to the probabilities of the various future mortality scenarios are correct and consistent with mathematical theory on predictive modeling.

Although in our experience we would rely on the Solvency II volatility numbers, we have also calculated the impact from using a lower volatility assumption. Using a volatility assumption of 10%, reflecting the fact that regulators in an individual state might require lower insurance capital reserves than Solvency II, the scenario outcomes result in lower stress shocks. The mild or slight increase in mortality outcome results in a loss of $98.28m (compared with $117.4m using 12% volatility). The severe increase in mortality results in a loss of $234.5m (compared with $278.5m using 12% volatility).

1.4 Future premium payment pattern

Values Selected

The Class Policies are universal life polices and the policy holders can elect a range of funding patterns to pay premiums. The value of both the COI Freeze and the Validity Confirmation is lower with highly funded account balances. For the COI Freeze highly funded account balances reduce the risk the insurance company is exposed to, since the majority of the portfolio runs on death benefit option 'A', where Phoenix pays the death benefit, but retains the account balance. Also the COI rate is applied to the net difference between death benefit and account balance (known as net amount at risk) so large account balances result in less impact of a COI increase. For the validity confirmation, in Demeter's experience, the majority of large face post contestability period policies challenged by insurance carriers are those owned by investors who typically tend to minimally fund the policies. Large account balances would indicate non investor owner policies.

The current COI rates were used after December 2020 (for the purpose of valuation of the Validity Confirmation). The Class Policies with low account values in 2015 were assumed to fund minimally to the policy maturity date. The Class Policies with high account values were assumed to gradually amortize to zero account balance at maturity. Expense rates of $3.50 were used to maturity. The crediting rate on the life insurance policies of 4% was used to maturity. The premium was assumed to be paid monthly and to be received 15 days into the COI period. Death benefits were assumed to stop at attained age 100. For Return of Premium (ROP) policies each premium payment was added to the death benefit up to attained age 100 as these types of policies pay back the premiums put into the policy at the time of death. Using opening account balance given for March 2015 the model solved for premium payments that amortise the account balance to zero by policy maturity.

Rationale

The large majority of the Class Policies has account values that are less than 8% of the death benefit, which indicated to us that the majority of the Class Policies are held by investors that typically fund policies minimally until maturity.

The method of amortising high account balances is not material to the value of the Non-Monetary Benefits.

The difference between paying quarterly and monthly is not material to value of the Non-Monetary Benefits.

The expense load is not material to the value of the Non-Monetary Benefits.

The crediting rates on the underlying life insurance policies are also material to these calculations. As Phoenix no longer actively marketing universal life insurance product in any material amounts, we used the minimum rate because we assume they have little incentive to increase rates above the minimum in future.

Based on our analyses and expertise, we believe these assumptions to be reasonable.

1.5 Resisted Policy Claim Assumptions

In order to determine the value of the Validity Confirmation we must make assumptions about the rate and success of resisting policy claims.

Values Selected

We have assumed that Phoenix will have to return premiums paid for any policies successfully resisted, *i.e.*, where Phoenix succeeds in challenging the payment of death benefits, though we recognize that in certain jurisdictions that Phoenix and other carriers have been able to convince courts to permit the retention of some or all of the premiums received. We note the declining incidence of retention of premiums on claims resisted past their contestability period and so consider this assumption to be reasonable for the Class Policies, which are all post-contestability.

We have also assumed that Phoenix will choose not to challenge life insurance policies where premiums received exceed the amount of the applicable death benefit, since if Phoenix is required to return those premiums such a challenge would not make financial sense. We have assumed a 75% success rate in resisting life insurance policies, with remainder being paid in full. We have assumed a 4.4% rate of Phoenix challenging the life insurance policies that they have written.

Rationale

Phoenix's historical rate of challenging policies is higher than industry average over a long period time according to the National Association of Insurance Commissioners (NAIC) and as set forth in Exhibit 2A. Thus, we used the data specific to Phoenix's historical behaviour rather than more general industry information. Although Phoenix historically challenges payouts on more policies than the industry, Phoenix's payout rate on contested claims is also higher than industry average. This could be correlated with resisting a higher number of claims. Again, we utilized the available data for Phoenix not industry. For the majority of historical situations of rescission without a return of premiums, it appears that they have involved claims that were resisted prior to the expiration of the contestability period. The Class Policies are comprised of life insurance policies that are all beyond the contestability period and for this reason we model that for successfully resisted claims in the pool Phoenix would have to return premiums paid, a conservative assumption that ultimately lowers the overall value of the Validity Confirmation.

Industry Data

$m	**2012**	**2013**
Death Benefit Claims	43,109	43,405
Resisted	323.3	435.4
Challenge Rate	0.7%	1.0%
Payout % On Resisted Claims	14%	15%
Source: NAIC		

PHL Variable

Year	Total Claims	Contested
2007	40,729,420	1,000,000
2008	31,567,450	17,000,000
2009	112,655,111	5,000,000
2010	76,343,805	24,000,000
2011	70,754,387	10,000,000
2012	154,476,956	8,000,000
2013	101,344,251	10,000,000
2014	115,020,989	0

Phoenix Life

Year	Total Claims	Contested
2007	298,457,239	-
2008	300,845,850	33,000,000
2009	314,266,582	-
2010	375,272,028	2,500,000
2011	387,894,435	
2012	350,572,048	5,000,000
2013	319,582,877	25,000
2014	343,874,564	-

Total for PHL Variable and Phoenix Life

Years 2008 – 2013	**2,595,575,780**	**114,525,000**

Total Percent of claims Phoenix contested from 2008 - 2013: 4.4%

A summary of the data regarding the Phoenix Claim History is set forth in Exhibit 2A. It is clear from historical rates of contesting policies that Phoenix challenges policies more frequently than industry average. Given the unique origination time period and channel of the Phoenix pool, it was decided to use Phoenix's average rate of policy challenge rather than industry averages. Resisted claims in 2007 likely relate to policies issued before the date of the Class Policies. Resisted Claims for 2014 may not be completely reported as of the current date. Therefore, it was decided to use the data from 2008-2013, which gives a total of $114.5m of resisted claims out of total death benefits of $2.6bn a rate of Phoenix's contesting death benefit claims for policies of 4.4%.

Originally it was considered to divide the portfolio into two groups, investor-owned and non-investor-owned policies. Upon further analyses of the data, it was revealed that the large majority of the Portfolio has been minimally funded and is of large face and issued in a narrow time period. It was, therefore, decided not to split the group into two, but to apply the challenge rate of 4.4% to the whole pool.

The Phoenix Pay-out History on resisted policies is set forth in Exhibit 2B. This chart shows that of the recent cases Phoenix has been successful in resisting claims on 12 out of 16 cases, indicating a 75% success rate figure. This figure is used in the Policy Validation calculation.

1.6 Data Simplifications

For the purposes of this engagement, it was not possible to obtain all data required to perform exact policy calculations in the time available. For this reason, we made certain assumptions to simplify the data for calculation purposes. None of these simplifications are expected to have had a material impact on the final figures used in the report.

1.7 Discount Rates

We were requested to define the value of the two commitments from the Phoenix point of view. To define the value today of the commitments we have to present value the future cash flows with a certain discount rate. We have decided for a 7 percent discount rate that in our view represents an average cost of capital for an insurance company like Phoenix.

Should the valuation be based on a third party from an investor viewpoint then a different discount rate could be appropriate. Phoenix policies in the life settlement market, for example, trade at significant premiums to policies issued by other insurance companies. Even the commitments being undertaken here will not bridge the gap in return expectations of buyers today. The type of entities that would consider acquiring these type of pools should be assumed to be high-risk investors that target returns far higher than the seven percent discount rate we have used. We would expect an investor for these type of policies to require an estimated 20% return in order to invest in these policies. When using a discount rate of 20%, the value of the COI Freeze would be $43.29m using a volatility figure of 12% and $36.31m when using a volatility figure of 10%. The value of the validity confirmation using a 20% discount rate is $19.8m.

Section 2 – Methodology.

Calculation	Report Section
COI Freeze	2.1

Validity Confirmation	2.2

2.1 COI Freeze

Concept

In providing the COI Freeze, Phoenix is foregoing the ability to raise COI rates in the event that Phoenix's current expectations of future mortality are incorrect and mortality becomes more severe. While the COI Freeze may also impact Phoenix's ability to adjust COI rates for other PAUL policies due to insurance regulations on discrimination, this Report only considers the impact of the COI Freeze with respect to the Class Policies, not with respect to any other policies.

The assumptions set forth above for ultimate rates, select effects and future mortality improvements represent our central estimate or base case mortality scenario.

We have calculated the value of the COI Freeze by assuming that future mortality rates are distributed around the base case according to a normal distribution, which would mean half of the scenarios will have more projected mortality and half of the scenarios would have less mortality, and running various future mortality scenarios. The variance of the normal distribution and the basis for these assumptions are described in the assumptions section above, Section 1.3.

50% of scenarios will have mortality rates that are lower than the expected mortality. In these scenarios, Phoenix will earn a greater than expected profit and, as a rational actor, would not have a justifiable reason to increase its COI rates. In these scenarios, the value of the COI Freeze is zero because Phoenix would maintain its current COI rates regardless of the COI Freeze. As Phoenix is no longer actively marketing universal life insurance products in any material amounts, we assume that it would have little incentive to reduce COI rates below the current rates in future even if circumstances warranted it.

The other 50% of scenarios will have mortality rates that are higher than the expected mortality. In these scenarios, Phoenix will earn a lesser than expected profit, or even a loss, and would desire to increase COI rates. In these scenarios, the value of the COI Freeze is the difference between the profits in the base case mortality scenario and the loss in the increased mortality scenario. This loss could be prevented by increasing COI rates, which Phoenix is foregoing to the benefit of the Class.

We average the values of the COI Freeze in the scenarios to give estimated future benefits. These are then discounted to obtain the present value of the COI Freeze.

Details

Based on the assumptions set forth above, we prepared various cash flow scenarios for the time period of 1 April 2015 to 31 December 2020.

We utilized the data provided to determine the applicable life insurance policies, death benefits, and account balances as at March 2015. We projected the future probability of lapsing a policy, starting at April 2015 using the lapse rate assumption. This assumption was not changed for any of the scenarios.

The death benefit payment obligation on the life insurance policies was assumed to terminate when the insured reached an attained age of 100. For life insurance policies with a return of premium rider each premium payment was added to the death benefit amount. No allowance was made for the possibility of contesting a death benefit claim, as this is incorporated in section 2.2

The base case scenario has negative present value for the relevant five year period. We note that Phoenix has to date received more premium than it has paid in death benefits, and assume that the losses of the next five years in the central scenario loss is incorporated into Phoenix's overall projection for the lifetime of the pool, and that the recent COI increases adjusted the pool to bring it up to current mortality level. This is by far the most significant assumption we made with respect to this analysis.

The normal distribution variance of 12% was considered to apply to the log of the ultimate Qx rates (i.e., the Qx would be log-normally distributed). This was selected as logically a Qx cannot be negative. Similarly the variance of 0.75% of the future mortality improvement rates was considered to apply to the log of the improvement.

We applied the select effects and future mortality improvements to ultimate rates to generate forward Qx for each insured individual and build a set of future survival probabilities starting at April 2015 and ending in December 2020. This is the base case scenario. From the base case scenario we needed to generate alternative mortality scenarios. Two common methods are Monte Carlo simulation and Guassian Quadrature. Based upon our knowledge and experience in this calculations and our analysis of the data, we selected five-point Guassian Quadrature as this would give a more robust and easily analysed result than Monte Carlo.

Applying the assumed distribution variances into five Guassian Quadrature points leads to five different mortality scenarios:

- Two scenarios of higher than average mortality;
- Two scenarios of lower than average mortality; and
- One scenario in line with average mortality.

For each scenario we calculate the future profit (or loss if negative) in any month on a policy. These future profits and losses were discounted to give a present value for each scenario, resulting in five profit or loss scenarios.

The weights are applied to each scenario as per Guassian Quadrature. We performed this calculation as set forth below:

- GQ weights applied to all five scenarios. This represents the expectations **without** COI freeze, and gives a total of $54,492,000
- GQ weights only applied to scenarios where Phoenix made a loss compared to the base case. This represents the expectations **with** COI freeze, and gives a total of $ (6,601,000)

The difference between the two figures is the value of the COI freeze: $61,093,000.

As discussed above, these numbers are derived using a volatility assumption of 12% for current mortality and 0.75% for future mortality improvements, which we believe are the most reasonable estimate of volatility for mortality expectations and the one we would use in analysing our own portfolios. However, as a cross-check, we have also run the above analysis using an alternative volatility estimate of 10% for current mortality and 0.625% for future mortality improvements, as we believe state insurance departments may require a number below 12%. Using these assumptions, the severity of the scenarios included in the calculation is reduced. The loss in the mild mortality increase scenario changes from $117.2m to $92.28m, the loss in the severe mortality increase scenario changes from $278.49m to $234.5m. The probabilities of the scenarios remain the same, and the overall value for the COI freeze applying a lower (but we believe less accurate) volatility assumption reduces from $61.093m to $51.300m

2.2 Validity Confirmation.

Concept

In providing the Validity Confirmation, Phoenix is foregoing the ability to challenge and resist death benefit claims in the future for Class Policies.

In order to provide a valuation of the Validity Confirmation, we needed to estimate the timing of the future claims for death benefits, the probability that Phoenix could successfully resist a claim and the amount of payout that Phoenix would have saved in the event of successfully resisting claim that Phoenix is now foregoing.

This analysis would result in an estimate of the future benefits, which we could then discount to determine the present value of the Validity Confirmation.

Details

In order to determine the value of the Validity Confirmation, we performed a probability weighted net present value calculation using the assumptions set forth above.

We utilized the data provided to determine the applicable life insurance policies, death benefits, and account balances as at March 2015 as well as the cumulative history of premium payments.

We projected the future probability of lapsing a policy, starting at April 2015 using the lapse rate assumption.

We then applied the select effects and future mortality improvements to ultimate rates to generate forward Qx, i.e., ultimate mortality rates, for each insured and build a set of future survival probabilities starting at April 2015.

The future probability of lapse and death for each month was multiplied by the death benefit of the policies, less cumulative premiums paid to that date based on the future premium payment pattern assumption. This reflects the assumption that Phoenix will need to return premium payments for policies where Phoenix successfully resisted paying the death benefits.

Estimates of legal expenses incurred in resisting policies were not considered. We excluded any life insurance policy where the aggregate amount of the premiums paid on the policy

exceeded the death benefit payable. This reflects the assumption that if cumulative premiums paid are greater than death benefit, Phoenix will not challenge a death benefit claim because it would likely have to return the premiums paid.

The death benefit payment obligation on the life insurance policies was assumed to terminate when the insured reached an attained age of 100. For life insurance policies with a return of premium rider each premium payment was added to the death benefit amount.

These amounts are then multiplied by 4.4% (the assumed probability of resisting a policy) and 75% (the assumed probability of success in resisting the policy). The basis for these assumptions was discussed above in Section 1.5.

The results of each life insurance policy in the Portfolio were then aggregated and discounted to reach our estimated value of the Validity Confirmation of $33,254,000.

Section 3 – Conclusions.

Based on the methodology and assumptions set forth above as well as our own expertise in the subject matter, we calculated the values of the COI Freeze and the Validity Confirmation. A summary of our findings are set forth in the table below.

Commitment	**Value**
COI Freeeze	$61,093,000
Validity Confirmation	$33,254,000
Total	**$94,347,000**

We have performed a qualitative review of these results and believe that they are a reasonable calculation of the value of the Non-Monetary Benefits.

Demeter Investments

19 August 2015

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Exhibit 1A

Ultimate Mortality Rates (Qx)

Age	Male	Female
65	0.0044	0.0032
66	0.0050	0.0037
67	0.0058	0.0043
68	0.0066	0.0049
69	0.0076	0.0056
70	0.0087	0.0064
71	0.0100	0.0073
72	0.0115	0.0084
73	0.0132	0.0096
74	0.0151	0.0110
75	0.0173	0.0126
76	0.0199	0.0144
77	0.0227	0.0165
78	0.0260	0.0188
79	0.0297	0.0215
80	0.0340	0.0245
81	0.0388	0.0280
82	0.0442	0.0319
83	0.0504	0.0363
84	0.0573	0.0413
85	0.0651	0.0469
86	0.0737	0.0533
87	0.0834	0.0604
88	0.0942	0.0683
89	0.1061	0.0772
90	0.1191	0.0870
91	0.1334	0.0979
92	0.1489	0.1099
93	0.1656	0.1230
94	0.1835	0.1373
95	0.2025	0.1528
96	0.2225	0.1694
97	0.2434	0.1871
98	0.2651	0.2059
99	0.2872	0.2257
100	0.3097	0.2462
101	0.3322	0.2675
102	0.3546	0.2892
103	0.3766	0.3112

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Exhibit 1B

Future Mortality Improvements

Age	Male	Female
66	1.50%	1.30%
67	1.50%	1.30%
68	1.50%	1.30%
69	1.50%	1.30%
70	1.50%	1.30%
71	1.50%	1.30%
72	1.50%	1.30%
73	1.50%	1.30%
74	1.50%	1.30%
75	1.50%	1.30%
76	1.50%	1.30%
77	1.50%	1.30%
78	1.50%	1.30%
79	1.50%	1.30%
80	1.50%	1.30%
81	1.42%	1.23%
82	1.34%	1.16%
83	1.26%	1.09%
84	1.18%	1.02%
85	1.10%	0.95%
86	1.02%	0.88%
87	0.94%	0.81%
88	0.86%	0.74%
89	0.78%	0.67%
90	0.70%	0.60%
91	0.65%	0.56%
92	0.60%	0.52%
93	0.55%	0.48%
94	0.50%	0.44%
95	0.45%	0.40%
96	0.40%	0.36%
97	0.35%	0.32%
98	0.30%	0.28%
99	0.25%	0.24%
100	0.20%	0.20%
101	0.15%	0.15%
102	0.10%	0.10%
103	0.05%	0.05%
104	0.00%	0.00%

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EXHIBIT 2A

Phoenix Claims Paying History

PHL Variable

Year	Total Claims	Contested
2007	40,729,420	1,000,000
2008	31,567,450	17,000,000
2009	112,655,111	5,000,000
2010	76,343,805	24,000,000
2011	70,754,387	10,000,000
2012	154,476,956	8,000,000
2013	101,344,251	10,000,000
2014	115,020,989	0

Phoenix Life

Year	Total Claims	Contested
2007	298,457,239	-
2008	300,845,850	33,000,000
2009	314,266,582	-
2010	375,272,028	2,500,000
2011	387,894,435	
2012	350,572,048	5,000,000
2013	319,582,877	25,000
2014	343,874,564	-

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EXHIBIT 2B

Phoenix Pay-out History

Phoenix Life

Claim	State	Year	Amount Claimed	Paid Out	Notes
97303913	NY	2008	28,000,000	28,050,000	Lost in Court
97304016	NY	2008	5,000,000	2,500,000	Settled
97304929	NY	2010	2,500,000	1,937,000	Settled
2446500	CA	2013	25,000	25,000	
97400074	NY	2012	5,000,000	O/S	

PHL Variable

Claim	State	Year	Amount Claimed	Paid Out	Notes
40049842	LA	2007	1,000,000	na	
97521157	MN	2008	10,000,000	0	Rescinded without premiums. Confirmed by 8th Circuit. Pre Contestability
97511900	NE	2008	5,000,000	1,800,000	
40079668	CA	2008	2,000,000	2,200,000	Lost in court.
97516032	FL	2009	5,000,000	1,230,000	
97520148	DE	2010	9,000,000	2,000,000	
97527106	CT	2010	5,000,000	1,750,000	
97529709	MN	2010	10,000,000	0	Rescinded without premiums. Confirmed by 8th Circuit. Pre Contestability
97528505	MN	2012	3,000,000	0	Rescinded without premiums.
97523816	MN	2012		0	Post contestability. Appealed to 8th Circuit, who recently overruled lower

			5,000,000		court. Unjust enrichment on retaining premiums to be heard again.
97519312	DE	2011	10,000,000	4,421,519	
97522969	DE	2013	4,000,000	460,442	
40045444	CA	2013	1,000,000	O/S	
40048215	NY	2013	1,000,000	O/S	
97523475	DE	2013	4,000,000	O/S	

From the above data we consider that there are 16 cases with known results, of which Phoenix were successful in 12 cases.

This gives a success rate of 75%.

In the majority of the post contestability cases success meant returning the premiums paid.

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EXHIBIT 3

Description of Demeter Investments

About Demeter Investments

Demeter Investments is a financial consulting company that offers independent, discrete and high quality analysis to clients active in alternative investments with a core focus in the insurance market. The three founding partners—Ann M. Juliano, James Rouse, and Marcos Flores—have worked together for the past 10 years in a broad range of senior positions in institutional investor capacities in the longevity markets, which includes working at a large bank, large asset manager and as advisors to insurance companies. Demeter Investments works with large, regulated institutional investors with a mandate to asses and acquire life related exposure in the US and Europe, which includes life settlements and longevity/mortality derivatives.

Marcos Flores, Founding Director

Marcos Flores is a founding director of Demeter Investments responsible for providing consulting services to large institutional clients in the insurance and credit lending markets globally. Prior to Demeter, Mr. Flores started Hibiscus Capital in 2012, where he consultants large Private Equity Funds and Insurance Companies. Prior to Hibiscus, Mr. Flores worked at Credit Suisse, most recently as a Managing Director within the Longevity Markets Group, where he was responsible for the origination, structuring and distribution of longevity risk, which included life settlements. During this time, he worked with CARMAC (Credit and Risk Management Committee) within Credit Suisse to develop the global strategy of the longevity business at the bank. Prior to this role, Mr. Flores led the Fixed Income structuring teams at Credit Suisse for Europe and Latin America. Mr. Flores was a member of the Latin American Structuring team at Donaldson, Lufkin & Jenrette and also spent three years in Commodities Sales and three years at an affiliate of the Spanish development bank, Banco Exterior de Espana.

Ann Marie Juliano, Founding Director

Ann Marie Juliano is a founding director of Demeter Investments responsible for consulting for large institutional clients in the insurance and credit lending markets globally. Prior to Demeter Investments, Ms. Juliano was a Managing Director at Fortress Investment Group responsible for the capital market strategy and implementation for a large life settlement position. Prior to Fortress, Ms. Juliano was a Director in the Longevity Markets Group at Credit Suisse holding various roles including co-head of the Origination and Distribution platform for Europe and the US. In her role, Ms. Juliano worked with institutional investors in Europe and the US to access longevity risk, managed a team that was responsible for the acquisition of life settlements and sought out new business opportunities for the firm. Previously, Ms. Juliano worked on a ratings derivative product at Moody's Investors Service and worked on the development of a trading platform for the energy sector at Bloomberg.

James Rouse, Founding Director

James Rouse is a founding director of Demeter Investments responsible for the risk models and underwriting of life settlement assets. Prior to Demeter Investments, Mr. Rouse was a Managing Director at Fortress Investment Group where he was primarily responsible for the analysis and pricing of life settlement portfolios. Prior to Fortress, Mr. Rouse had spent 11 years at Credit Suisse most recently as a Director within the Longevity Markets Group where he was responsible he was responsible for the development of structured products and longevity derivatives linked to life settlements and pension schemes. Prior to the Longevity Markets Group, Mr. Rouse was in the Risk Management Division of Credit Suisse. Prior to Credit Suisse, Mr. Rouse worked as a manager within the Risk Control Division of Sumitomo Bank and as a manager in the Financial Institutions Group at Deloitte & Touche.