



Announcement of Settlement Agreement

Dear Shareholders,

The directors of the Fund announce the following development.
<http://www.ise.ie/app/announcementDetails.aspx?ID=11300614>

The situation is that the foreclosure issued by Wells Fargo is in accordance with the Irish structure's legal requirements. On August 14, 2012 a settlement agreement was reached which ensures that the Fund has four months to implement a replacement line to remove Wells Fargo from the position of collateral owner. As per the agreement the option termination date will be November 30, 2012.

The directors are still working to achieve a satisfactory outcome for investors and will update the website with developments as they happen.

Sincerely,



Lifetrade Management Company
HB Management



Lifetrade Management Company
Roy Smith

The Lifetrade Fund B.V.

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