



Disclosure Brochure

Form ADV Part 2A

ViaSource Funding Group, LLC
106 Allen Road
Bernards Township, NJ 07920
908-394-7778
Contact Person: Eileen M. Daly, Esq.
edaly@vfgus.com
www.viasourcefunding.com

May 2012

This brochure provides information about the qualifications and business practices of ViaSource Funding Group, LLC. If you have any questions about the contents of this brochure, please contact us at 908-394-7778 and/or edaly@vfgus.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about ViaSource Funding Group, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2 MATERIAL CHANGES

ViaSource Funding Group, LLC (“ViaSource”) has not completed a fiscal year while maintaining a registration as an investment adviser; this is the initial filing for ViaSource. As such, there are no material changes to report.

ITEM 3 TABLE OF CONTENTS

ITEM 1	COVER PAGE	1
ITEM 2	MATERIAL CHANGES	2
ITEM 3	TABLE OF CONTENTS	3
ITEM 4	ADVISORY BUSINESS	4
ITEM 5	FEES AND COMPENSATION	8
ITEM 6	PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	10
ITEM 7	TYPES OF CLIENTS	12
ITEM 8	METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	13
ITEM 9	DISCIPLINARY INFORMATION	19
ITEM 10	OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	20
ITEM 11	CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	21
ITEM 12	BROKERAGE PRACTICES	24
ITEM 13	REVIEW OF ACCOUNTS	25
ITEM 14	CLIENT REFERRALS AND OTHER COMPENSATION	26
ITEM 15	CUSTODY	27
ITEM 16	INVESTMENT DISCRETION	28
ITEM 17	VOTING CLIENT SECURITIES	29
ITEM 18	FINANCIAL INFORMATION	30
ITEM 19	REQUIREMENTS FOR STATE-REGISTERED ADVISERS	31

ITEM 4 ADVISORY BUSINESS

ViaSource is an investment adviser specializing in life insurance settlements (“Life Settlements”) with a principal place of business in New Jersey. ViaSource is a New Jersey limited liability company which began as a viatical and Life Settlement provider in 1999.

In 2005, ViaSource began offering investment advisory services to EEA Life Settlements Fund, an open-ended fund registered in Guernsey, as a sub-adviser to the fund. ViaSource now seeks to offer investment advisory services to similar funds organized both abroad and in the United States (individually each a “Fund” or “Client,” and collectively the “Funds” or “Clients”).

What are Life Settlements?

A Life Settlement is the purchase of an outstanding life insurance policy from its owner. The life insurance policy owner who sells a policy will receive an up-front lump sum of cash, change the beneficiary to the purchaser (or in certain circumstances the purchaser’s custodian), and pay no further premiums on the policy. As the new policy owner, the purchaser pays the annual policy premiums during the remaining life of the individual insured by the policy (the “Insured”) and ultimately will collect the death benefit. The price paid to the seller for the policy depends upon its net death benefit, the Insured’s life expectancy, the projected schedule of policy premiums, the purchaser’s target rate of return on investment, and the insurance company’s credit ratings. An active life settlement market has developed because the purchase price exceeds, and is often a multiple of, the policy’s cash surrender value.

Life Settlements provide secondary market liquidity for an otherwise illiquid long-term asset. Because a policy owner usually buys life insurance well before the Insured expects to die, many things can happen that would change the policy owner’s life insurance needs significantly over the course of the Insured’s remaining life. Some scenarios that could cause a policy owner to need less life insurance are:

- Because of illness, the policy owner’s income has decreased and medical expenses have increased, rendering the policy owner unable to afford the life insurance premiums or unable to pay the high cost of medical care.
- The policy owner has outlived other financial assets and needs to pay for nursing home care, or, anticipating this possibility, seeks funds to buy a long-term-care health insurance policy.
- Policy owner wealth has increased. For example, the policy owner is also the Insured and, because the beneficiary was dependent upon the Insured’s income, the original purpose of the life insurance was to compensate for loss of income if the Insured died young. Over time, the Insured’s earnings have generated sufficient wealth, which the policy

owner has willed to the beneficiary, to provide for the beneficiary during the beneficiary's remaining life.

- Beneficiaries, who were young dependents of the Insured when the life insurance policy was issued, have completed their education, and their earning power has become sufficiently well established for the policy owner to consider them financially independent of their parents.
- The beneficiary has become divorced from the policy owner and, under the divorce agreement the beneficiary chose to receive assets of more immediate value than the life insurance policy.
- The beneficiary became divorced from the policy owner, had been entitled under the divorce agreement to remain the beneficiary only as long as the beneficiary remained unmarried, and has now remarried.
- The beneficiary has predeceased the Insured.
- The policy owner is a business that was the beneficiary of "key-man" insurance on the Insured's life, and the Insured is no longer involved in the business (e.g., the Insured was the founder of a small business which prospered over the years, was sold, and has completed any transitional period during which the business still depended upon the founder's involvement for its success).

Industry Segments

The Life Settlement industry was historically divided into two segments, based on the health status of the insured. "Viatical Settlements" was a term used to describe transactions in which the insured was critically or terminally ill, often defined as having a life expectancy of less than twenty-four (24) months. "Life Settlements" was used to describe all other transactions, and the term "Senior Settlements" was also used at times. As the market evolved, so has the terminology. Presently, most states, industry professionals, and life insurers refer to any transaction involving the sale of a life insurance policy as a "Life Settlement." The term "Viatical Settlement" is becoming arcane, and is presently used mainly in the few states where a distinction is still drawn between transactions involving insured who are terminally or critically ill, and those who are not. There is some confusion as states which regulate all transactions refer to them as "Viatical Settlements" rather than "Life Settlements," however the preferred and generally accepted usage is that all sales of life insurance policies are referred to a "Life Settlements."

Valuable Services, Touchy Topics

Many people are uncomfortable discussing the subject of Life Settlements. This discomfort is understandable, mainly for reasons that stem from the fact that Life Settlements combine two taboo topics: death and money. One reason is that Life Settlements evolved from viatical settlements, which involve terminal illness, a disturbing possibility for anyone to contemplate.

People would also prefer not to think about the personal financial distress that terminal illness can bring about.

A second reason is that, after a Life Settlements, the new beneficiary experiences no emotional loss upon the death of the Insured, while earning a higher return on investment the earlier the Insured dies. Under a theory that discounts or disregards the humanity of investors, the respective interests of the beneficiary and the Insured have changed to become oddly opposing. The original beneficiary would also have benefited financially from an earlier death but, with few exceptions, did not “invest” in the death benefit by paying premiums, and, for non-financial reasons that are paramount, hopes that the Insured lives as long as possible.

Although Life Settlements carry with them the baggage of what are awkward subjects for many, they provide an invaluable service by enabling terminally ill people to live better lives during their remaining days. Life Settlements also serve less dramatic, but nevertheless useful, estate planning or investment purposes. All Life Settlements improve significantly upon the alternatives offered by the life insurance companies that issued the policies (after the insurer has, in many cases, received several years of premiums). Perhaps for these reasons, coverage of Life Settlements in the press has often been favorable. Recognizing the benefits of Life Settlements, Congress has changed federal tax law to make the tax treatment for Insured persons more favorable. As the economic benefit is better understood and the industry matures, the Manager anticipates growing social acceptance and support for this industry.

Credit, Financial and Life Expectancy Analysis and Tracking

ViaSource purchases policies for a Client in accordance with the investment objectives and restrictions agreed to with such Client. ViaSource engages in a detailed process of financial and credit analysis, documentary due diligence, and risk analysis. This process is supported by ViaSource’s internal review of an Insured’s medical records, along with independent medical reports and life expectancy estimates from firms providing such life expectancy analyses. ViaSource employs full-time medical personnel who review medical records, life expectancy estimates and the ongoing health status of Insureds in respect of policies purchased on behalf of a Client. Medical professionals employed by ViaSource contact the care providers of the Insureds periodically to determine the current health status of the Insured.

Premium Payments on Policies

ViaSource generally establishes an account (the “Premium Reserve Account”) with a Client’s custodian consisting of cash and cash equivalents. A Client’s Premium Reserve Account is funded as policies are purchased on behalf of a Client and contains funds sufficient to satisfy the premium payments of all policies held by such Client for a specified period of time, generally at least the next twelve (12) months. Premium Reserve Accounts are maintained on an ongoing basis from the proceeds of matured policies. Each time there is a maturity, ViaSource calculates the premiums due on all policies in the Client’s portfolio for the specified period following the receipt of the proceeds from the policy that has matured and replenishes the Client’s Premium Reserve Account accordingly.

Principal Owners

The principal owners of ViaSource are Marc E. Feaster and Christopher T. Daly.

Types of Services

ViaSource offers the following advisory services to its Clients:

Investment in Life Settlements

Portfolio Management (Life Settlements)

Client Needs

Investment advisory services are tailored to meet the needs of Clients. Clients impose investment restrictions, objectives and policies upon ViaSource by means of an Investment Advisory Agreement. ViaSource considers the Funds it advises to be Clients, and not the investors in the Funds.

Wrap Fee Programs

ViaSource does not participate in wrap fee programs.

Amount of Managed Client Assets

As of April 30, 2012 ViaSource was actively managing \$0 (Zero dollars) of Clients' assets on a discretionary basis and \$1,070,990,000 (One billion, seventy million, nine-hundred ninety thousand dollars) of Clients' assets on a non-discretionary basis.

ITEM 5 FEES AND COMPENSATION

Compensation for Advisory Services

Management Fees

For certain Funds for which ViaSource serves as a sub-adviser, ViaSource charges the Fund a fixed fee for sub-advisory services. This fee is a flat rate, and not based on assets under management.

For all other Funds, ViaSource charges each Fund (or class or series thereof, as applicable) a fee (the "Management Fee") calculated as a percentage of assets under management. Each Fund's Management Fee is set forth in its private placement memorandum ("PPM") delivered to investors and ranges from 1.0% to 2.5%, depending on the Fund and class or series thereof. ViaSource may waive, modify or impose Management Fees with respect to any investor in a Fund different from those disclosed in such Fund's PPM pursuant to a written agreement with such investor.

Performance Fees

ViaSource also charges investors in certain Funds a fee or allocation, as applicable (the "Performance Compensation") calculated as a percentage of net profits earned by such Fund during a specified period. Each Fund's Performance Compensation is set forth in the relevant PPM delivered to investors and ranges from 15% to 25%, depending on the Fund and class thereof. Performance Compensation is generally subject to hurdle return rates and/or loss carryforward provisions. ViaSource may waive, modify or impose Performance Compensation with respect to any investor in a Fund different from that disclosed in such Fund's PPM pursuant to a written agreement with such investor.

Acquisition Fee

For certain Funds, ViaSource receives a transaction-based fee, payable at the time of purchase of a Life Settlement, based on a percentage of the purchase price ("Acquisition Fees"). Acquisition Fees are generally 1% of the purchase price of the policy acquired.

Payment of fees

The timing and method of fee payment varies by type of Client. For certain Funds, fees are deducted from Fund assets. For other Funds, fees are not directly deducted from Fund assets, but are separately billed to the Fund.

The schedule for payment of fees varies by Client and is set forth in the investment advisory agreement between ViaSource and the Client. Acquisition fees and Management Fees are

generally paid monthly, while Performance Compensation, if accrued, is generally charged quarterly or semi-annually.

Other Fees and Expenses

In addition to the fees charged by ViaSource for the advisory services rendered, Clients of ViaSource, including the Funds, bear certain other fees, expenses and costs which are incidental or related to the maintenance of an account or the buying, selling and holding of investments including, but not necessarily limited to: (1) custodial charges; (2) commissions and other related transaction costs and expenses; (3) governmental charges, taxes and duties; (4) servicing fees and other expenses associated with buying, selling or holding investments; (5) withholding taxes payable and required to be withheld by issuers or their agents; (6) accounting, tax preparation and audit expenses and fees; and (7) legal fees.

Investment-related expenses, including commissions and other trading and custody expenses that are associated with a Fund or class or series thereof, as applicable, will be allocated to such Fund or class or series thereof, pro rata to the capital of each and allocated pro rata among participating investors.

Advance payment of fees

Fees are not payable in advance.

Compensation for the Sale of Securities

Individuals affiliated with ViaSource will not receive any direct compensation in connection with their sales of interests in a Fund. ViaSource also does not currently intend to enter into selling agreements with third parties to solicit investors for the Funds. To the extent ViaSource does in the future engage a third party to sell interests in a Fund, such third parties shall be appropriate licensed.

Item 6 Performance-Based Fees and Side-By-Side Management

As described in Item 5 above, ViaSource receives Performance Compensation. The possibility that ViaSource could receive Performance Compensation creates a potential conflict of interest in that it may create an incentive for ViaSource to effectuate larger and more risky transactions than would be the case in the absence of such form of compensation.

The Management Fees and the Performance Compensation both depend on the value of a Client's investments. ViaSource may value investments held by Clients, including the Funds, in certain circumstances. As a result, ViaSource may benefit by receiving a Management Fee or Performance Compensation that is increased by the impact, if any, of such valuation. Even where a Life Settlement is accurately valued, a Client may not ultimately realize the value upon which Performance Compensation was charged upon its ultimate sale due to subsequent market movements or because the maturity of a policy is delayed well beyond the anticipated life expectancy of the Insured. Absent bad faith or manifest error, ViaSource's valuation determinations are conclusive and binding on all Clients.

Additionally, where a Fund investor purchases or withdraws or redeems interests or shares in a Fund at a net asset value that is impacted by a discrepancy in valuation, such investor may receive a greater or lesser interest in (or increased or decreased withdrawal or redemption proceeds from) such Fund than would have been the case absent the discrepancy. Similarly, existing and continuing Fund investors may be subject to dilution or accretion. A substantial portion of the assets in which the Funds invest may, at any time or from time to time, be illiquid, thinly traded or otherwise difficult to value. As a result, ViaSource has established valuation policies and procedures to mitigate the conflicts and potential for material pricing discrepancies in respect of Fund assets and to assure that assets are valued in good faith. Under these procedures, assets held by or on behalf of a Fund are valued as described in the relevant Fund's PPM distributed to investors or, in the absence of specific and stated valuation procedures, at fair or market value.

ViaSource may charge Performance Compensation to some Clients, but not others. In these instances, ViaSource may have an incentive to favor Clients that pay Performance Compensation when allocating investment opportunities. ViaSource will act in a fair and reasonable manner in allocating suitable investment opportunities among the Funds. Whether a particular opportunity meets the overall investment objectives of a particular Fund will be determined by ViaSource under the circumstances (which may include considerations of legal and regulatory requirements, liquidity, the size/amount of the available opportunity, investment restrictions applicable to the Funds, risks involved or other factors relating to such investment) and does not require that ViaSource make all investment opportunities available to each Fund. The foregoing policy does not require that each opportunity be introduced to all Funds, leaving significant discretion to ViaSource to make good faith determinations with respect to the allocation of opportunities.

In allocating investment opportunities on behalf of its Clients, ViaSource owes its Clients the highest duty of loyalty. ViaSource will act primarily for the benefit of its Clients and will seek to treat all Clients fairly and equitably over time.

In general, allocations will be made among all participating Funds on a rotating basis. ViaSource may deviate from a rotational allocation approach where it is determined to be appropriate. Since policies are not subdivided, it is not possible for more than one Fund to participate in the purchase of any particular policy. The general criteria for deviating from a rotational allocation may include (but are not limited to):

- Whether a Fund already has sufficient exposure to the insurance company or disease in question;
- The different liquidity positions and requirements and available cash of the participating Funds;
- Tax considerations;
- Regulatory considerations;
- Differing investment strategies and objectives;
- Portfolio concentration considerations;
- Formal diversification requirements imposed by the respective Fund's constituent documents or investment management agreement, as applicable;
- The right and ability of a particular Client to borrow either with respect to the particular investment opportunity under consideration or its portfolio in general;
- Different historical and anticipated subscription, commitment, contribution and redemption patterns; cash on hand that is available for investment, pending redemption requests and anticipated subscriptions;
- Minimum investment criteria;
- Fund ramp up and ramp down periods; and/or
- Investment time horizons.

In addition, the principals and certain employees of ViaSource have personal investments in one or more of the Funds, and such investments may not be proportionate among the various Funds. In allocating investment opportunities, ViaSource may have an incentive to favor Funds in which its principals or employees have a greater interest. ViaSource's allocation policy expressly prohibits the allocation of investment opportunities based on anticipated compensation or profits to ViaSource, any affiliates or their professionals.

Item 7 Types of Clients

ViaSource currently acts as an adviser or sub-adviser to one or more unregistered investment companies.

ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

ViaSource specializes in purchasing and holding Life Settlements, and each Client's portfolio will exclusively invest in Policies. When choosing and pricing a Life Settlement, ViaSource will take into account the life expectancy, health and age of the Insured covered by the Life Settlement, the amount of premiums needed to keep the policy in force, the rating of the issuing insurance company, and the amount of the death benefit. ViaSource will also review and analyze the terms of a Life Settlement's life insurance contract, policy illustrations and verifications of coverage, and will generally conduct a due diligence review of the policy, Insured and owner.

Life Settlements require the payment of ongoing premiums, which must be maintained until such Life Settlement has matured or has been sold. In addition, investors in the Funds have periodic rights to withdraw, as set forth in each Fund's governing documents. Accordingly, when constructing and managing a portfolio, ViaSource will also consider the liquidity needs of a particular portfolio.

Methods of Analysis and Investment Strategies

Each Fund's investment objective, strategies and restrictions are set forth in that Fund's PPM, which is distributed to investors prior to investment. With respect to certain Funds, all potential transactions are submitted to such Fund's primary adviser for pre-approval. The primary adviser will then determine whether to purchase the Life Settlement on behalf of the Fund.

Material Risks

Investing in Life Settlements and other investments involves risk of loss that Clients should be prepared to bear.

ViaSource exclusively recommends Life Settlements to its Clients. Life Settlements are subject to certain risks not applicable to more traditional investment types such as equity and fixed income securities. The material risks of investing in each Fund are set forth in that Fund's PPM. These risks, as well as the risks of investing in Life Settlements, are summarized below.

Risks of Investing in Life Settlement Policies

Liquidity. There is no return on the purchase of a Life Settlement until the death benefit is paid and there is a limited market for Life Settlements. Such an investment is therefore illiquid.

Ongoing Premium Payments. A Client's Premium Reserve Account may be depleted and may not have sufficient funds to pay premiums on the Life Settlements it holds. The failure to pay premiums on a Life Settlement in a timely manner would result in the lapse of such Life Settlement. Were a Life Settlement to lapse, the net death benefit would not be paid at the

maturity of such Life Settlement, thereby resulting in a loss of an asset. This could result in losses to a Fund.

Life Expectancy Risk. The decision whether to purchase a Life Settlement is based on the likely remaining life expectancy of an Insured as a result of suffering a terminal illness. If ViaSource underestimates how long an Insured may live, it may under-reserve for premiums or pay more for a Life Settlement than the Life Settlement is worth either on a discounted or present value basis and be required to pay out more premiums than anticipated.

Life Settlement Market Generally. The market for the purchase of Life Settlements is highly competitive. There are few substantial barriers to entry to keep new competitors from entering this market. ViaSource expects to face additional competition from existing competitors and new market entrants in the future. Several competitors have greater financial and marketing resources, longer operating histories, greater name recognition and more established relationships in the industry than ViaSource. As a result, some of these competitors may be able to develop and expand their service offerings more rapidly, take advantage of institutional financing and other financing opportunities more readily, devote greater resources to the marketing and sales of their service, and adopt more aggressive pricing policies.

In addition, ViaSource is also competing with life insurance companies, which, as a result of Life Settlements, are rushing to meet the needs of the terminally ill by creating and offering accelerated benefits or living needs programs. A living needs program works in much the same manner as a Life Settlement transaction. Many insurance companies charge 2-8% of the death benefit as a processing fee for electing to receive an accelerated/living needs benefit. Consequently, Insured persons will consider such programs as an option or alternative to selling their policies to ViaSource's Clients.

Risk of Fraud by Insured. Although ViaSource will conduct certain diligence in advance of buying a Life Settlement, there is a risk that ViaSource will be defrauded. Among other types of fraud that may exist, an Insured may misrepresent the status of his illness, may fail to disclose all beneficiaries or may sell a Life Settlement to more than one purchaser. If ViaSource is subject to such fraud, its Client's returns may be adversely affected.

Insurable Interest Risk. All states require that the initial owner of a life insurance policy insuring the life of an individual must have an insurable interest in such individual's life at the time of the policy's original issuance. Depending on the relevant state law, a policy that was issued at inception without a valid insurable interest may be void or voidable by the issuing insurance company. A lack of an insurable interest with respect to a Life Settlement makes it possible that a Fund may not have a valid claim to the proceeds of such Life Settlement upon the death of the insured, or the issuing insurance company or other interested party may seek to rescind the Life Settlement or declare the Life Settlement void. In such cases, the costs of enforcing the Life Settlement and/or collecting the Insured's death benefits would increase the costs of doing business as a Life Settlement company. Additionally, the issuing insurance company may not be required to pay the Insured's death benefits or refund to a Fund the premiums paid on such a Life Settlement. This could result in the Fund losing part or all of its investment in the Life Settlement.

Disputes/Litigation. The ability of ViaSource to collect on a Life Settlement may be affected by disputes between a ViaSource Client on the one hand, and the former beneficiaries or owners of the Life Settlement. Such parties may dispute or challenge the right of a Client to collect the death benefit, alleging misrepresentation, incompetence or lack of notice. Such disputes may be costly to resolve and an adverse decision could adversely affect Clients.

Dependence on Solvency of Insurance Company. Many life insurance companies have suffered a ratings downgrade and the number of life insurance company insolvencies has been increasing in recent years, mainly due to poor investment results, inadequate underwriting or reinsurance, a lack of diversified investments and fraud. If the insurer that has issued a Life Settlement acquired by ViaSource becomes bankrupt, the Client holding such Life Settlement could suffer a loss. Although most states have guaranty funds that will pay claims to policyholders if their insurance company becomes insolvent, Clients could still face delays in receiving claims due to incomplete or disputed claims. In addition, the death benefit payable under a Life Settlement may be in excess of the applicable limits of a state guaranty fund. The investment policies of ViaSource's Clients generally contain limits on the percentage of Life Settlements that may be Insured by any one insurance company. Despite this apparent diversification, however, many insurance companies may reinsure their exposure through the same or a limited number of reinsurance companies. The failure of any such reinsurance company could adversely affect a Client's ability to collect on its Life Settlements.

Underwriting Risk. The proper "pricing" of Life Settlements depends to a great extent on an estimation of the proposed Insured's life expectancy, an inherently uncertain process. While some companies contract with one medical review service to establish life expectancies for prospective Insureds, ViaSource has contracted with two. ViaSource intends that two underwriting firms will be used for the evaluation of each prospective Insured before ViaSource offers to acquire the insurance policy on behalf of a Fund's account. This procedure is intended to reduce, but will not eliminate, the incidence of inaccurate underwriting resulting in an underestimation of the time of a prospective Insured's demise. Inaccurate underwriting may cause a Client to "overpay" for Life Settlements it purchases and may increase the Client's cost of maintaining purchased policies in effect until the demise of the Insureds because of the need to continue paying premiums on the policy for a longer period of time than was projected when the purchase price to purchase the Life Settlement was established. Either of these circumstances could have a significant adverse effect on a Client's returns.

Missing Insureds. After a Fund has purchased a Life Settlement, it must "track" the Insured until the Insured's death and obtain documents establishing the Insured's death in order to collect under the Life Settlement. ViaSource generally intends to track the Insureds utilizing the its internal staff and the same procedures that ViaSource has previously employed and will require each Insured to furnish information that should enable adequate tracking of Insureds. This will include an obligation of the Insured to inform a Fund periodically of changes in his/her health status, and immediately notify the applicable Fund of any change in the Insured's residence. Nevertheless, there is a risk that an Insured with whom a Fund has entered into a contract may become "missing," or that there may be a delay in ascertaining that an Insured has died or in obtaining required documentation needed to claim the Insured's death benefit. While the insurance company generally informs the Insured's beneficiaries based upon the Social Security Death Index ("SSDI"), not all deaths are reported in the SSDI files.

A Fund could incur substantial unplanned expenses in locating missing Insureds (for both the costs of locating such Insureds and the costs of maintaining insurance on such Insureds in effect until the Insured's demise or the Fund determines to abandon such Insured's insurance policy) and could experience substantial delays in collecting death benefits. Either could have a material adverse impact on the returns of a Fund. Where permitted by law, a Fund will (through ViaSource's internal staff and procedures) track each Insured on a monthly basis. However, some states may further limit the frequency with which ViaSource may contact an Insured or obtain his or her medical records.

Regulation of the Life Settlement Market. Over the past few years, a number of states have enacted Life Settlement regulation. Currently, 40 states have legislation requiring licensure to engage in Life Settlements, and three states have regulations which require licensure to engage in viatical settlements.¹ (These three states, Massachusetts, Delaware and New Mexico, require a license for "viatical settlements" only, and define "viatical settlements" as sales of a life insurance policy insuring a person who is terminally or critically ill, generally defined as having a life expectancy of less than twenty-four months). ViaSource is currently licensed in 14 states, and is seeking licensure in other states. In addition, 9 states and the District of Columbia do not require licensure for Life Settlements, thus allowing ViaSource to operate as a Life Settlement provider in 23 states and the District of Columbia. The Funds are not required to be licensed in any state, because each Fund will act as a "Financing Entity" purchasing Life Settlements through ViaSource, the "Life Settlement Provider." The ability for ViaSource to acquire Life Settlements on behalf of a Fund in states in which it is not licensed is dependent on ViaSource purchasing Life Settlements from or through Life Settlement Providers licensed in those respective states. Becoming licensed as a Life Settlement Provider will expand ViaSource's ability to purchase Life Settlements, however, such licensure will involve considerable expense. The expense of licensing is borne solely by ViaSource.

In states regulating life and viatical settlements, nearly all require disclosures to be made to the Life Settlement seller at the time of the transaction. Most states also require approval of sales and marketing materials, as well as the Life Settlement contract. Furthermore, in most states the annual renewal process for a Life Settlement Provider involves submitting an annual report along with financial materials, and an annual fee.

The regulations discussed above are all overseen by the respective state insurance department. In addition to this regulation, some states treat the sale of Life Settlements as securities, and may require registration with the state. The SEC does not currently treat Life Settlements as securities, and court cases have concluded that Life Settlements are not securities under federal law. Should the SEC or various states seek to regulate the sale of Life Settlements, such regulation would certainly increase the cost of doing business as a Life Settlement company.

There have been a number of court decisions pertaining to Life Settlements in the past few years. Almost all of these cases involve alleged stranger-originated life insurance ("STOLI") transactions, or disputes regarding insurable interest. Some recent court rulings have favored

¹ Michigan has regulations pertaining to viatical settlements, however does not require licensure.

the Life Settlement industry, representing positive development for the industry, and investors. Furthermore, most states now have clear regulations, or case law, pertaining to STOLI transactions and the insurable interest requirement, clarifying this previously unsettled area of law.

Valuation Risk. Life Settlements will be valued by ViaSource using an amortized cost approach. That is, the difference between the purchase price and the face value of the Life Settlement will be accreted monthly over a period equal to 120% of the life expectancy of the applicable Insured at the time of purchase. At any point in time, the value established for a Life Settlement may not reflect the amount that would be received if the Life Settlement were sold in the secondary market.

Risks of Investing in the Funds

Investment Risk. There can be no assurance that a Fund will achieve its investment objective. The past investment performance of a Fund and of ViaSource cannot be construed as an indication of the future results of an investment in a Fund.

Funding Liquidity Risk. If investors elect to withdraw their investments in a Fund in an aggregate amount which exceeds the amount of cash or other liquid assets readily available to fund such withdrawals, the Fund may need to liquidate additional assets to meet its withdrawal obligations. This may limit or otherwise affect the ability of a Fund to operate or manage investment positions and strategies within its portfolio.

Lack of Regulatory Oversight. The Funds are not and will not be registered under the Investment Company Act of 1940, as amended. From time to time, a Fund may be required to modify its practices in response to changing regulatory requirements and as a result investors and prospective investors may be obliged to provide additional information to a Fund. There is no assurance regarding the scope or nature of such requests.

Lack of Liquidity. Securities offered by the Funds are subject to significant restrictions on withdrawal/redemption, transferability and resale. There is no public market for a Fund's securities and no such market is expected to develop in the future.

Business Dependent Upon Key Individuals. The success of a Fund is significantly dependent upon the expertise of ViaSource's principals. If for any reason the services of these individuals were not to be available to a Fund in the future, this could adversely affect the Fund's performance.

Cross-Class Liability. Certain Funds offer more than one class of shares or interests. A Fund's governing documents generally provide that liabilities are to be attributed to the specific class in respect of which the liability was incurred. However, each Fund is a single legal entity and there is no limited recourse protection for any class. Accordingly, all of the assets of a Fund will be available to meet all of its liabilities regardless of the class to which such assets or liabilities are attributable. In practice, cross-class liability is only expected to arise where liabilities referable to one class are in excess of the assets referable to such class. In such a case, the assets of a Fund attributable to other classes may be applied to cover such excess liability and the value of the contributing classes will be reduced as a result.

Differential Liquidity. All classes of a Fund participate equally in the same portfolio of assets. However, because certain Funds offer different liquidity rights to some classes than to others, investors invested in one class of a Fund may be able to withdraw from such Fund at a time when investors in another class of the same Fund cannot.

Business, Legal, Tax and Other Regulatory Risks. Legal, tax, and regulatory changes, as well as judicial decisions, could adversely affect a Fund, ViaSource, and the investment strategies used to implement a Fund's trading program. The regulatory environment for private investment funds continues to evolve, and changes in the regulation of private investment funds may adversely affect the value of a Fund's investments and the ability of a Fund to implement its investment strategy. The financial services industry generally and the activities of private investment funds (such as hedge funds) and their investment advisers, in particular, have been the subject of increasing legislative and regulatory scrutiny. Such scrutiny may increase the legal, compliance, administrative, and other related burdens and costs of a Fund or ViaSource, as well as regulatory oversight of, or involvement with the business of, a Fund or ViaSource, or result in ambiguity or conflict among legal or regulatory schemes applicable to a Fund or ViaSource. In addition, securities and futures markets are subject to extensive statutory, regulatory and margin requirements. Various U.S. federal and state regulators, including the SEC, the Commodity Futures Trading Commission ("CFTC"), self-regulatory organizations, and exchanges, are authorized to take extraordinary actions in the event of market emergencies. The regulation of derivative transactions and entities which engage in such transactions is an evolving area of law and is subject to further development and modification by governmental and judicial action. Alternative U.S. or non-U.S. rules or legislation regulating a Fund or ViaSource may be adopted, and the possible scope of any rules or legislation is unknown. There can be no assurances that a Fund or ViaSource will not in the future be subject to regulatory review or discipline. The effects of any regulatory changes or developments on a Fund or ViaSource may affect the manner in which a Fund is managed and may be substantial and adverse.

ITEM 9 DISCIPLINARY INFORMATION

ViaSource is required to disclose any legal or disciplinary events that are material to a Client or prospective Client's evaluation of ViaSource's advisory business or the integrity of ViaSource's management.

ViaSource and its management have no such reportable disciplinary events to disclose.

ITEM 10 **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

ViaSource is currently licensed as a Life Settlement Provider in fourteen states.²

² In addition, nine states and the District of Columbia do not require licensure to act as a Life Settlement Provider, thus allowing ViaSource to operate as a Life Settlement Provider in twenty-three states and the District of Columbia.

**ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND
PERSONAL TRADING**

Code of Ethics

ViaSource has adopted a Code of Ethics (the "ViaSource Code") which sets forth the high ethical standards of business we require of our employees, including compliance with applicable federal securities laws. You may obtain a copy of the ViaSource Code upon request. Our contact information appears on the cover page of this Brochure.

The ViaSource Code is designed to comply with Advisers Act Rule 204A-1. Additionally, the ViaSource Code contains provisions that assist ViaSource with its recordkeeping obligations under the Advisers Act.

Through implementation of the ViaSource Code, ViaSource seeks to ensure that personal trading activities of Access Persons do not conflict with the interests of ViaSource Clients. Consequently, ViaSource has adopted policies and procedures designed to ensure that such trading (i) complies with ViaSource's legal and fiduciary obligations; (ii) is properly recorded in ViaSource's books and records and (iii) is subject to the review and oversight of ViaSource's Chief Compliance Officer (the "CCO"). The ViaSource Code contains various provisions with respect to the reporting of personal holdings, transactions and/or brokerage statements and confirmations of all "Access Persons" (as defined in the Investment Advisers Act of 1940, as amended).

In addition to these personal securities transaction reporting obligations, the following is a general synopsis of the provisions that are included in the ViaSource Code:

- Pre-clearance of Certain Transactions. Access Persons must obtain pre-clearance from ViaSource's CCO prior to investing in an Initial Public Offering ("IPO"), investing in a limited offering or purchasing a Life Settlement for their own account.
- Gifts. The ViaSource Code prohibits the giving or receipt of gifts in violation of ViaSource's Gift Policy, which generally prohibits giving or receiving gifts of other than a strictly nominal value or in certain other circumstances.
- Conflicts of Interest. Access Persons must provide disinterested advice and disclose relevant conflicts of interest, whether actual or potential. Access Persons represent ViaSource and should avoid any activity which might reflect poorly on them or ViaSource.
- Fair Treatment. Access Persons must avoid taking any action which would favor one Fund or investor or group of Funds or investors over another in violation of ViaSource's fiduciary duties and applicable law.

- Outside Activities. Access Persons are subject to limitations on their outside activities, including directorships.
- Disclosure of Brokerage Accounts. Access Persons must disclose to the CCO any brokerage accounts and may instruct the broker to provide duplicate confirmations to satisfy relevant reporting requirements.
- Reporting Violations. ViaSource personnel are required to inform the CCO promptly if they believe that a violation of the ViaSource Code has taken place.
- Waivers: ViaSource's CCO may waive or modify certain requirements, to the extent permitted by applicable law, in appropriate circumstances (*e.g.*, personal hardship) and will retain records necessary to support any such waiver.
- Prohibition on Self-Clearance or Review. The ViaSource Code prohibits any individual from pre-clearing his or her own trades, reviewing his or her own reports or approving his or her own exemptions.
- Notifications and Certifications. The CCO provides notice to all Access Persons of their status under the ViaSource Code and, on an annual basis, distributes the ViaSource Code to all covered personnel. Additionally, the CCO will deliver copies of the ViaSource Code upon its amendment. Persons subject to the ViaSource Code must return to the CCO a certification of receipt. The CCO may determine to hold training sessions with respect to the ViaSource Code.
- Violations and Sanctions. Persons who violate the ViaSource Code may be subject to disgorgement of gains, or other penalties up to and including termination of employment. Sanctions may also include: verbal or written warnings and censures and monetary penalties. Funds received as a result of disgorgement or penalties will be disbursed to an appropriate charity at the discretion of Managing Directors, unless a particular account is identified as having been harmed by the related violation, in which case payment will be made to that account. In appropriate circumstances, such violations may be reported to relevant authorities.
- Review of Code Reports and Potential Violations. Reports required to be submitted pursuant to the ViaSource Code are reviewed by the CCO on a periodic basis. Reports of potential violations are directed to the CCO and an appropriate investigation may result. Where a major violation is found by the CCO, a report of the violation will be provided to Managing Directors. Such reports will include the CCO's recommendation as to actions to be taken (including potential sanctions). Other violations will be handled by the CCO in an appropriate manner.
- Recordkeeping. The CCO is responsible for maintaining related records, as described above, with respect to the ViaSource Code.

Personal Trading

From time to time, family members, partnerships and other entities controlled by one or more principals of ViaSource may invest in a Fund. Occasionally, a Fund may purchase a security from or sell a security to ViaSource or another Fund. Any such transaction will only be effected at an independent price provided to ViaSource equal to the fair market value of the security.

ITEM 12 **BROKERAGE PRACTICES**

Selecting and Recommending Broker-Dealers for Client Transactions

ViaSource's selection of brokers to effect securities transactions for Clients must be guided by the principal objective of seeking to obtain best execution for Clients. In negotiating commission rates, ViaSource considers such factors as reliability, financial responsibility, commitment of capital, strength of the broker and the ability of the broker to efficiently execute transactions, and the broker's provision or payment of the cost of brokerage, research and other investment management-related products, services or property which are of benefit to ViaSource and accounts managed by ViaSource or its affiliates. In acquiring Life Settlements, ViaSource seeks to do business with brokers that have a reputation for integrity, are appropriately licensed, understand ViaSource's requirements and criteria and have access to a steady flow of policies.

The compensation paid to each broker is determined based upon, among other factors, the purchase price of a policy, the face value of the policy, and the industry standards regarding compensation.

Soft Dollars

Among the factors ViaSource may consider in seeking best execution is the value of a broker-dealer's brokerage and research services, including third party research provided by the broker-dealer (*i.e.*, "soft dollar" services), provided these services fall within the safe harbor of Section 28(e) of the 1934 Act (the "Safe Harbor"). ViaSource does not currently execute any trades that would generate soft dollars and does not believe they are relevant to the purchase or sale of Life Settlements. However, to the extent ViaSource in the future seeks to rely on the Safe Harbor, it will comply with the requirements of relevant SEC interpretive guidance.

Directed Brokerage

ViaSource does not direct transactions to a particular broker in exchange for Client referrals. ViaSource does not have and does not expect to have any Client-directed brokerage accounts and does not select brokers based upon the request or requirements of Clients.

ITEM 13 REVIEW OF ACCOUNTS

Periodic Reviews

ViaSource conducts continuous and ongoing monitoring of each Client's Life Settlements portfolio. Monthly reports are prepared regarding the analysis of the portfolio. In addition, maturity reports are prepared for a Client upon the maturity of a policy. Quarterly reports are also prepared to provide more thorough analysis of a Client's account than that which is provided in the monthly reports.

Review Triggers

ViaSource may conduct a review of a Client's portfolio when specifically triggered by, among other things, updates or changes to life settlement laws, new investment information, and/or changes in a Client's financial condition or prospects.

ITEM 14 **CLIENT REFERRALS AND OTHER COMPENSATION**

Individuals affiliated with ViaSource will not receive any direct compensation in connection with their sales of interests in a Fund. ViaSource also does not currently intend to enter into selling agreements with third parties to solicit investors for the Funds. To the extent ViaSource does in the future engage a third party to sell interests in a Fund, such third parties shall be appropriate licensed.

ITEM 15 CUSTODY

Because ViaSource or an affiliate serves as the manager of those Funds organized as limited liability companies, ViaSource is deemed to have “custody” over such Funds within the meaning of Rule 206(4)-2 under the Advisers Act. To comply with this rule, ViaSource provides each investor in such Funds audited financial statements prepared in accordance with U.S. generally accepted accounting principles as soon as practicable following such Fund’s fiscal year end, but in all events, within 120 days of the end of such year, unless factors outside our control preclude us from providing each investor with an audited financial statement within 120 days. If you have invested in a Fund structured as a limited liability company and have not received audited financial statements timely, please contact us immediately.

All Client funds, including the Funds described above, are held at RBS Citizens, N.A. or another bank or custodian qualified under applicable law to custody the assets of the Client. ViaSource does not and will not take physical custody of any Client assets, and Client funds delivered to ViaSource will be promptly returned.

ITEM 16 **INVESTMENT DISCRETION**

Each Fund has entered into an advisory contract with ViaSource pursuant to which certain management services are performed by ViaSource on behalf of the Fund. Investors in the Funds will have no authority to make decisions or to participate in the management of or exercise business discretion with respect to a Fund. Accordingly, no person should invest in a Fund unless he or she is willing to entrust all aspects of the management of the Fund to ViaSource.

ViaSource does not have investment discretion with regard to Funds for which it serves as sub-adviser. For these Funds, ViaSource selects policies for purchase, however each policy must be reviewed and approved by the Fund's primary adviser prior to purchase.

With respect to all other Funds, the authority to make all business decisions (including, most importantly, the purchase of Life Settlements) for a Fund is entrusted to the complete discretion of ViaSource.

ITEM 17 VOTING CLIENT SECURITIES

The type of securities which ViaSource recommends and purchases on behalf of Clients, life settlements, do not confer voting rights to holders. ViaSource therefore does not and will not accept the authority to vote Client securities. If this were to change, ViaSource would develop appropriate policies and procedures to indentify and mitigate any conflict associated with voting Client securities.

ITEM 18 FINANCIAL INFORMATION

ViaSource does not require or solicit prepayment of fees from Clients.

There are no financial conditions which would likely impair ViaSource's ability to meet contractual commitments to its Clients.

ViaSource has not been the subject of a bankruptcy petition at any time during the past ten years.

ITEM 19 **REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

ViaSource is not registered and will not be registering with one or more state securities authorities.