

FAQs: Simple Steps of Funding

Which are your investment criteria?

Harbour backs meritorious claims without stipulating a minimum claim value. We consider merits, the budget, recoverability, economics and the legal team's expertise. For full details, see 'Our Criteria'.

How long does an application take?

It's worth calling us so we can briefly discuss your case; we could do so on a no-name basis. Typically, we talk about your case and how it might fit our criteria and give you an indication – virtually immediately - whether it is something Harbour can finance. We then set out the next step to receiving funding.

How long does it take to get approval?

That depends on whether there is:

- a) a legal opinion on the strengths and weaknesses of the claim and how detailed it is
- b) a budget of the costs you need funding
- c) the realistic claim value for your claim.

We agree a time line with you. Our investment committee meets twice a month so we can move quickly. If the case is approved, the funds are available as soon as the investment agreement is

signed by all parties and the conditions to funding in the investment agreement are satisfied.

Why do we need to sign a NDA?

This is to ensure that the information we both share is kept in confidence but also, to ensure that any legal advice shared remains legally privileged.

How do you perform your due diligence?

Typically, we will look at legal opinions, valuation reports, the defendant's financial position, litigation strategy and settlement possibilities. We discuss the key risks with the claimant's legal team. On some occasions, we may obtain an additional legal opinion.

What does your investment committee review?

The committee makes its recommendation after a thorough consideration of case analysis, budget and other relevant documents.

What does case management entail?

We pay bills in line with the agreed budget throughout the life of the claim. At the outset, we discuss the outcome that the client is looking for - including settlement expectations – and pinpoint key risks. Our

case managers, all experienced lawyers, review case progress and are kept up-to-date, including of a settlement approach. To be clear, Harbour does not control the legal team running a claim, nor does the team offer legal advice, but collaborates with that team by monitoring risk.

What about settlement negotiations?

If an offer is made, it is the claimant's legal team which provides their client with an opinion about whether the offer is reasonable and if the settlement should

go ahead. Naturally, they keep us informed.

Would a funder not push for a trial so that higher damages could be obtained, increasing their return?

We are often asked this question but a point to keep in mind is that for a funder a settlement is a certainty, whereas a trial or arbitration remains undefined in its outcome. As mentioned above, the legal team will advise the claimant.

Important information

Harbour Litigation Funding Limited ("HLF"), a company incorporated under the law of England and Wales, is authorised and regulated by the Financial Conduct Authority of the United Kingdom and acts as the exclusive investment sub-adviser to each of Harbour Litigation Investment Fund, L.P., Harbour Fund II, L.P., Harbour Fund III, L.P. and Harbour Funds IV, L.P. (the "Harbour Funds"). Each of the Harbour Funds is an exempted limited partnership organised under the laws of the Cayman Islands.

For the purpose of this material, a reference to "Harbour", "we", "us" or "our" shall mean (a) in the context of approving and providing litigation funding, any of the Harbour Funds (as the case may be) operating out of the Cayman Islands; and (b) in the context of investment advisory and/or marketing activities (including but not limited to general promotion of the Harbour Funds; market research on case opportunities; and identifying potential cases), HLF operating out of the United Kingdom.