

20 November 2018

## CIRCULAR TO ALL REGISTERED SHAREHOLDERS

**RE: The International Mutual Fund PCC Limited**  
**Registration Number 40354**  
**Mansion Student Accommodation Fund (GBP) (In Cellular Liquidation)**  
**Mansion Student Accommodation Sterling Fund (In Cellular Liquidation)**  
**Mansion Student Accommodation US Dollar Fund (In Cellular Liquidation)**  
**Mansion Student Accommodation Euro Fund (In Cellular Liquidation)**  
**Mansion Student Accommodation Singapore Dollar Fund (In Cellular Liquidation)**  
**Mansion Student Accommodation Swiss Franc Fund (In Cellular Liquidation)**  
**(each a “Cell”, together “the Fund”)**

We write in our role as “**the Cell Liquidator**” of the Fund to provide an update on the progress of the wind down of the Fund, further to our letter dated 31 July 2018.

### **Post-Termination Reconciliation of accounts with Mansion Property Management Limited (“MPM”) and Mansion Capital Partners Epsilon Limited (“MCPEL”) (“the Dispute”)**

The Fund and its advisors have been progressing the dispute with MPM and MCPEL with a view to achieving the best outcome for investors. Whilst we continue to be restricted by legal professional privilege in disclosing details of the dispute, we are hopeful that recent developments might result in a successful resolution in the short term. We will provide a further update in the New Year.

### **Transfer of Shares by Registered Shareholders**

Investors will recall that on 23 June 2017, the Cell Liquidator wrote to all registered investors to advise that share transfers would no longer be accepted after 10 July 2017 (“**the Share Transfer Moratorium**”).

At the time of the implementation of the Share Transfer Moratorium, there was a high volume of ultimate beneficiaries seeking to transfer their shares. It was resolved by the Fund that it was in the best interests of **all** stakeholders that the Share Transfer Moratorium be implemented given the overall significant costs involved in processing share transfers to ensure compliance with regulatory requirements.

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It was the view of the Cell Liquidator and the Fund's advisors that the administrative costs of processing the high volume of share transfers would reduce the assets of the Fund and, in turn, reduce the amount of the final distribution. Incurring such costs were not considered in the best interests of those registered investors who did not require a transfer of their shares, but would share in bearing the costs associated with those seeking to transfer their shares. Furthermore, at that time we had reason to believe the Dispute was nearing conclusion, and that the final distribution would be made within a shortly after imposing the Share Transfer Moratorium. It was for these reasons that the Share Transfer Moratorium was implemented.

We have received correspondence from a number of ultimate beneficiaries whose pension fund (or other custodian) has not distributed the proceeds of the initial distribution paid to all registered investors in April 2016 (which was equivalent to 90% of the NAV of the Fund at January 2016). We make no comment in respect of the contractual obligations between pension funds or other custodians and the ultimate beneficiaries. However, if it becomes evident that the Dispute cannot be resolved within a reasonably short period of time, we will review the Share Transfer Moratorium and **consider** lifting it, given the disadvantage faced by those affected.

If the Share Transfer Moratorium was lifted, any offer to permit share transfers would be made to all registered investors on equal terms. There are a number of issues that must be taken into account, including the cost impact. It is likely that each party requesting a transfer would need to meet the costs of that transfer, which will be confirmed in due course. In addition, the sub-administrator who is responsible for processing share transfers have advised they will not have the available resources for this task until February 2019.

For the avoidance of doubt, there can be no guarantee that the Share Transfer Moratorium will be lifted, and this correspondence must not be interpreted as such. Further, transfers will only be permitted from pension funds or other custodians to the existing ultimate beneficiary, and not to any other third party.

### **Finalisation of the Fund's Affairs**

In the meantime, other important issues have progressed to complete the wind down of the Fund's affairs. We are pleased to report that the voluntary liquidation of 20 of the 24 Special Purpose Vehicle subsidiaries ("SPVs") of the Fund (which previously held the real estate assets of the Fund) was completed on 10 October 2018. This work has been undertaken concurrently with resolving the Dispute and included liaising with HMRC to ensure any outstanding tax matters were resolved. There are several (relatively) minor issues to conclude in respect of the 4 remaining SPVs before those liquidations can be closed.

As previously advised, once all residual matters have been successfully concluded, it will take approximately three months to conclude the liquidation of the Fund structure and allow a final distribution to be made.

The amount of the final distribution can only be determined as at the date of the closure of the Fund when the final valuation of the NAV has been calculated, which will take into account all costs that have been incurred to complete the liquidation of the Fund. For the avoidance of doubt, the remaining 10% of the Indicative NAV as provided on 28 January 2016 will be reduced by the costs incurred to complete the liquidation of the Fund as previously advised.

Please note this letter does not require any action on behalf of registered investors or ultimate beneficiaries; the purpose of the correspondence is to keep stakeholders informed of the latest available information. We will release another update when further material information is available, particularly if the Share Transfer Moratorium is lifted. All further correspondence will be sent to all registered investors of the Fund, and will also be published on the website of The International Stock Exchange at [www.tisegroup.com](http://www.tisegroup.com).

If you have any queries directly in relation to the Cell Liquidation, please contact Oliver Beaton at [Oliver.Beaton@KRyS-Global.com](mailto:Oliver.Beaton@KRyS-Global.com) or by telephone on +44 1481 711 211.

If you have any questions or concerns in relation to your shareholding, please contact Apex Fund Services (IOM) Limited at [active@apex.im](mailto:active@apex.im).

Yours faithfully

For and on behalf of

**Mansion Student Accommodation Fund (GBP) (In Cellular Liquidation)**

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**KRyS Global (Guernsey) Limited**

Cell Liquidator