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26 August 2014

TO THE INVESTORS

Dear Sir/Madam

Fairfield Sentry Limited (In Liquidation), Fairfield Sigma Limited (In Liquidation) and Fairfield Lambda Limited (In Liquidation) ("the Funds")

The Liquidators have received a number of questions from investors in respect of the notice that was sent to all registered shareholders on 21 August 2014. The Liquidators therefore wish to clarify the following matters:

- 1) Investors will need to complete the R184 (which was provided with the notice) if they consider they are creditors of the relevant Fund, either as an "unpaid redeemer" in the Monarch Pointe sense or for some other reason;
- 2) The Liquidators have obtained legal advice (in respect of which privilege is not waived) to the effect that there are no "unpaid redeemers" in the Monarch Pointe sense, who are entitled to distributions from the assets of the Funds in priority to ordinary continuing members. This advice is notwithstanding the fact that there are a number of investors who have outstanding redemption requests, made before the suspension of NAV calculation. Any member who submitted a redemption request prior to suspension of calculation of NAV, and has not received a redemption payment in respect of that request, is invited to consider whether (contrary to the Liquidators' advice) it is an unpaid redeemer (and, where appropriate, to seek independent legal advice on that question).
- 3) Any investor who agrees with the Liquidators' view need do nothing: i.e. even though they have an outstanding redemption request, they need not provide an R184. Any investor who disagrees with the Liquidators' view that there are no unpaid redeemers of the Funds should take both of the following steps:
 - a. Submit to the Liquidators a form R184 with details of the redemption request upon which their claim to unpaid redeemer status is based; and
 - b. Give notice to the Liquidators of their intention to object to the proposed footing of a distribution, under which a distribution will be paid on the basis that there are no unpaid redeemers. However, the notice of objection does not need to be particularly formal, and can simply be a covering letter confirming that the investor is objecting, enclosing an R184 which sets out the details of the claim to be an unpaid redeemer;
- 4) Failure to take both steps outlined above may lead respectively to the investor's claim being omitted from the calculation of any distribution or interim distribution and/or the investor being excluded from any subsequent court hearing relevant to the determination of questions relating to whether there are unpaid redeemers of the Funds;
- 5) As stated above, any continuing member who does not believe they are an unpaid redeemer of the Funds or a creditor of the Funds for some other reason is not required to take any steps at this time; and

- 6) Investors who have further questions are invited to seek independent legal advice. The Liquidators can provide recommendations for appropriate BVI counsel where necessary.

Yours Faithfully

A handwritten signature in blue ink, appearing to be 'KK & CC', is written over a horizontal line.

Kenneth Kryz and Charlotte Caulfield
Joint Liquidators of each of the Funds