

19 September 2018

Our Ref: RCL\_8979r3.doc

## **CIRCULAR TO INVESTORS**

Dear Sir/Madam

**RE: LM Investment Management Limited (In Liquidation) ACN 077 208 461 (LMIM) (the Company) as the responsible entity of the LM Institutional Currency Protected Australian Income Fund (the Fund) (ICPAIF)**

I refer to my previous update dated 15 January 2016. I also refer to the appointment of Ginette Muller and I as Joint and Several Administrators of LM Investment Management Limited (In Liquidation) on 19 March 2013 and our subsequent appointment as Liquidators on 1 August 2013. Ginette Muller resigned as Liquidator of the Company on 17 May 2017.

I provide the following update in relation to the wind-up of the Fund.

### **Litigation**

The twenty-second update from the Court Appointed Receiver of the Assets of the LM First Mortgage Income Fund (FMIF) is now available on the [www.lmfimf.com](http://www.lmfimf.com) website. As previously advised, distributions cannot be made from the Fund until such time as a distribution is made from the FMIF. I make no comment as to the contents of the update on the FMIF.

As investors are likely aware, the Receiver has commenced action against ICPAIF, CPAIF (“the Feeder Funds”), which if successful, will result in no further distributions to the Feeder Funds from FMIF. This action is being defended by Feeder Fund Receiver Said Jahani of Grant Thornton, with consent of myself as Liquidator of LMIM.

Further information concerning the progress of the litigation is contained in the Receivers’ report.

### **Taxation matters and audited accounts**

ICPAIF is presently unable to meet the costs of completing any taxation returns, business activity statements or audits.

At the present time, no Business Activity Statements have been completed in the course of our appointment; taxation returns have been completed to 30 June 2010; and financial accounts have been completed to 30 June 2012.

When the outcome of the action by the FMIF Receiver is known i.e. whether there will be any future distributions to the Feeder Funds, it is my intention to apply to ASIC for audit relief for ICPAIF on the basis of insolvency.

Any lodgements where I am unable to obtain relief, will be completed and funded by LMIM.

### **Net Asset Value**

There are presently no assets of ICPAIF. Payables of the Fund have been met by LMIM on the Funds behalf.

### **Timing for Finalisation and Distributions**

The timing for finalisation of the wind-up of the Fund, including the final distribution, is currently unable to be determined. Timing is dependent on the resolution of the FMIF Receiver's legal action against the Feeder Funds.

### **Contact Details**

Investors are able to obtain further information by either:

1. Updates will be provided on the LMIM administration website ([www.lminvestmentadministration.com](http://www.lminvestmentadministration.com));
2. Sending an email outlining your queries to [enquiries@lminvestmentadministration.com](mailto:enquiries@lminvestmentadministration.com); and
3. Queries concerning holdings, transfer requests, and updated details should be directed to [enquiries@lminvestmentadministration.com](mailto:enquiries@lminvestmentadministration.com).

Yours faithfully  
**FTI Consulting**



**John Park**  
**Liquidator**