



# PSG ACTIVE FUND SERVICES LIMITED

3<sup>rd</sup> Floor, NatWest House, Le Truchot, St Peter Port, Guernsey GY11WD  
Telephone: +44(0) 1481 711378 Facsimile: +44(0) 1481-712144

22 January 2010

Dear Investor

Vinum Fine Wine Fund PCC Limited ("the Fund")  
The Bordeaux Cell; A, B, and E classes  
The Bordeaux First Growth Plus Cell; D class

In 2008, the Fund Scheme Particulars were amended, and as part of that amendment the formation fees were changed from being amortised over three years to being amortised over five years. This change was not picked up by our valuations team. This means that we are now recalculating all valuations back to and including the valuation of 31 October 2008 on the Bordeaux cell, and where the Net Asset Valuation per share has changed we will recalculate the share dealing as necessary.

Further to this, we have also been advised by the Specialist Wine Advisor that the values we had received on two of the wines on the Bordeaux First Growth Plus Cell had been misstated by the Independent Wine Valuer since April 2009. A number of fees are shared between both classes, split by the Net Asset Value of the cells, thus all valuations commencing with the 31 January 2009 valuation of the Bordeaux First Growth Plus cell will be recalculated. Where applicable, the share dealing on that cell will also be corrected.

In light of these incidents, the Board of The Vinum Fine Wine Fund PCC Limited, the Board of Vinum Fund Managers Limited and Butterfield Bank, the Custodian to the Fund, have all agreed that Fund should be suspended until such time as these valuations are recalculated, checked and the figures confirmed.

In correcting the share dealing processed, we will be 'making the situation as it should have been'. This means, for example, that where there have been redemptions and the share price was undervalued, then additional money will be paid to redeeming shareholders. Where people have subscribed, the amount of shares issued will be amended accordingly. Where required, amended contract notes will be sent to the investors, as will amended redemption proceeds.

Indications are that the errors in the valuation will impact the Net Asset Values of the Cells as follows, though the actual figures vary on each valuation:

- Bordeaux Cell – undervalued by up to around 0.50%
- Bordeaux First Growth Plus Cell – overvalued by around 7%

It is currently anticipated that the recalculation and verification process will be completed by the end of February.

We intend sending out an update to all investors by 28 February giving revised Net Asset Values per Share and how these have changed from the original published Net Asset Values per Share. At this point we would also hope to be able to confirm when the suspension will be lifted.

We would like to stress the fact that these issues all relate to the calculation of the Net Asset Value of the Fund, and not to the security of the assets themselves which are held in Custody by Butterfield and with the London City Bond warehouse.

We apologise for the inconvenience that this will cause you, and we assure you that we are using our best endeavours to have the suspension lifted at the earliest opportunity.

Investors and advisors should be assured that the necessary additional controls and checking procedures have been implemented to mitigate the risk of errors occurring in the future. These will be agreed with and monitored by the Custodian.

Should you require any further information please do not hesitate to me on [Richard.bray@psgactive.gg](mailto:Richard.bray@psgactive.gg) or by telephone on + 44 1481 706795.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Richard Bray', with a long horizontal flourish extending to the right.

Richard Bray  
Managing Director