



## IMPORTANT

Clarens, 24<sup>th</sup> August 2018

**Administrator:**  
North Star International Services Limited  
CIBC Financial Centre – Third Floor  
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British West Indies

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E-mail: investor@northstar.ky

### Dear North Star Shareholder,

We are writing to you on various subjects which were highlighted in an earlier North Star letter in 2016. Furthermore, we have some important information for you in this letter.

### Our Letter of 7<sup>th</sup> September 2016

This letter was mailed to all North Star shareholders as ordinary mail as well as a Registered Letter on 7<sup>th</sup> September 2016, the purpose being to inform you of various new banking rules and regulations as well as to obtain updated “KYC” documents from you. You can find a copy of the letter on the North Star web-page.

As you know the North Star web-page is for investors only, so please treat the following user name and password as confidential:

#### ***North Star International Investment Fund***

*User name: ns4%share1*

*Password: ns214\$acc1*

#### ***North Star Mixed International Investment Fund***

*User name: ns4%share7*

*Password: 2ns214\$acc*

### Increased focus on Off-shore Centres

As you have surely noticed recent years have seen a general increase in governmental and public media interest in the various so-called “Off-Shore centres” around the world, most specifically due to the disclosure of the so-called “Panama-Papers”, “Paradise Papers” and similar.

The “KYC” (“Know your Customer”) rules were introduced more than 20 years ago as an element in the overall fight against criminal activities, first and foremost to avoid as far as possible the white-washing of money for terrorist activities, but not limited to that. North Star, as also pointed out in the above letter, does not support criminal activities, and never has done of course.

The KYC rules require banks but also many other companies and institutions to “know their customers” which include documents like copies of passports, utility bills and similar. North Star has been keen to comply with these rules as well as possible for more than 20 years.

These rules also demand that the “customer” – in our case “shareholder” – automatically informs the company in question of any changes in home address, issuance of new passport, changes in banking details

and any other relevant changes as to the shareholding. It is also an obligation for shareholders to supply copies of such updated documents when requested to by the company. North Star did that in 2016 and is requesting that again now.

### **Request for updated “KYC”-documents**

Accordingly, the North Star Board has decided to ask shareholders again for updated documents (as set out below) and also that they inform North Star of the details of the bank account to which the shareholder would like to have any redemption proceeds paid.

Please note that the information should be returned to North Star as soon as possible and in any event not later than 30<sup>th</sup> September 2018.

### **Information to be returned**

Please return to North Star certified copies of

- **Valid Passport**
- **Utility bill (not older than 6 months)**
- **Current bank and account number for any future share redemption proceeds**

The copies of passport and utility bill must be certified by a notary, by a recognised bank, law-firm, audit firm or similar institution. We enclose a form for you to fill in.

The information should preferably be sent **both**:

**by e-mail to:** [Investor@northstar.ky](mailto:Investor@northstar.ky)

(you may use the form on the web-page [www.northstarfunds.info](http://www.northstarfunds.info) – see username and password above)

**And by ordinary mail to:** North Star Investment & Trust Services S.A.  
Rue du Collège 26  
1815 Clarens, Switzerland

### **The future of North Star**

You may have noticed from the 2016 letter that the Board wanted to have the opportunity of merging the two remaining companies, and the investment rules for North Star International Investment Fund were changed to allow for the two companies to invest in the same securities for simplicity's sake. However, for technical banking reasons such a “merger” was not possible in practice. Consequently, a merger or a “Fund-of-Funds” solution was not achieved.

However, the Board has not totally excluded the idea of a merger of the two companies.

At the same time, it seems clear that the size of the business and the fact that it is carried out via an off-shore structure makes it next to impossible to continue any meaningful business. So any future business would need to be based on an on-shore structure, and that within the EU, UK or Switzerland, if at all.

Due to the generally increased negative focus on off-shore based shareholdings the Board has decided to close the two North Star Cayman Islands based companies at the end of the current financial year 2018/19.

At the same time the Board has also decided to continue to seek an on-shore solution for those investors who wish to continue. Those investors who do not want to continue with their holding(s) after 31<sup>st</sup> March 2019 in any case are free to request their redemption, and for practical reasons such redemptions are intended to take place at the ends of September and December 2018, and again at the end of March 2019.

Please note that any redemption request is subject to the approval of the North Star Board and that **NO REDEMPTIONS CAN TAKE PLACE UNLESS THE SHAREHOLDER IN QUESTION IS FULLY COMPLIANT WITH THE KYC-RULES AND REGULATIONS.**

In connection with closing-down the Cayman Islands based companies any costs related to that process will be reflected in the current annual report and disclosed on the (password protected) North Star web-page.

The Board will continue to seek a solution which offers the smoothest way forward whether you wish to redeem your holding(s) or whether you may wish, in principle, to exchange your present North Star holdings to shares in an on-shore company, as mentioned above.

The Board plans to decide and make all the necessary preparations to achieve this by the end of December 2018.

Please therefore watch out for information on the North Star web-page.

### **Non-compliant investors**

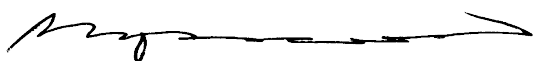
Any shareholder who is not in full compliance with the KYC rules by the end of March 2019 will not be able to redeem the relevant holding and the Board is presently investigating rules and regulations for such cases. Valid Information on this subject, when obtained, will be disclosed on the North Star web-page.

Please do not hesitate to contact North Star if you have any questions. You may contact North Star at the following addresses and telephone numbers:

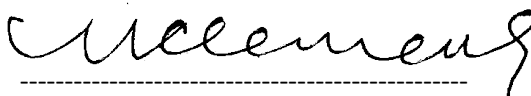
<b>North Star International Services Ltd.</b>	<b>North Star Investment &amp; Trust Services S.A.</b>	<b>North Star Support Office</b>
PO Box 694GT CIBC Bank and Trust Company (Cayman) 11 Dr. Roy's Drive George Town KY1-1107 Grand Cayman, British West Indies  Tel.: (+1)3459457310 Fax: (+1)3459457311	Rue du Collège 26 1815 Clarens Switzerland  Tél. (+41)219898270 Fax: (+41)219898279	c/o MKP Consultants Strandøre 11 2100 Copenhagen Ø Denmark  Tel: (+45)33321122 Fax: (+45)33326717

Yours faithfully,

**North Star Board of Directors:**



Mogens Kjoeller-Petersen



J. Stuart Clements (also Secretary)