

## MEDIA RELEASE

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### Liquidator Failings Exposed in Dye & Co's Latest Report to Creditors

Mayfair 101's has published a scathing response to the actions of Dye & Co and Vasco Trustees Limited in relation to the IPO Wealth Holdings group liquidation.

The 76-page document provides a line-by-line response to liquidator Dye & Co's latest circular to creditors dated 16 December 2020. The response is complete with accounting records and bank statements to disprove allegations previously made by the liquidator and trustee in relation to the Group's largest technology investment, Accloud PLC.

Mayfair 101 highlights the tactics deployed by Vasco and Dye & Co to mislead ASIC and the Court which has consequently destroyed the investments and lives of IPO Wealth's 181 investors while placing in serious jeopardy the return of capital to the Group's remaining 390 investors.

The response is a key step forward in exposing what occurred when Mayfair 101 Group and Mr Mawhinney came under attack in early 2020.

Last year the Group was brought into disrepute with allegations made by Vasco and Dye & Co that Mr Mawhinney had made off to the British Virgin Islands with Accloud shares to the detriment of IPO Wealth's investors, however bank statements enclosed in the response show a sobering reality for the liquidator and trustee.

The response explains how in mid-2019 the Fund's trustee requested that assets of the IPO Wealth Holdings group be re-balanced in favour of more liquid assets. Mr Mawhinney followed the trustee's direction and arranged for the Group's shareholding in pre-IPO company Accloud to be sold to 101 Investments Ltd in exchange for cash payment to boost the liquidity of the IPO Wealth Holdings group.

Mr Mawhinney contributed over 8.4 million Accloud shares owned by his companies outside of the IPO Wealth Holdings group, representing 40% of the total shareholding. The purchase was settled for \$19,460,672.96 and the proceeds used by the IPO Wealth Holdings group to facilitate redemptions and invest in a business credit opportunity to boost the income of the portfolio.

The investment management & business initiatives undertaken by Mayfair 101 and led by Mr Mawhinney generated a net gain of over \$9 million to the IPO Wealth Holdings group in FY2020 from these two investments.

Speaking about the Accloud transaction Mr Mawhinney stated "The Accloud shares were paid for by investors in our note products and therefore they have an equitable interest in them. This is irrefutable. The liquidators and their lawyers are wasting unitholder money to chase shares that aren't rightfully theirs. I am gravely concerned for our noteholders if history is allowed to repeat itself."

He continued, "Vasco and Dye & Co made scandalous, false and misleading statements to the Court in order to vilify me so they could have the IPO Wealth Holdings group wound up on a just and equitable basis. ASIC have accepted and supported this without thorough investigation. It shows no consideration or respect whatsoever for those whose money is at stake. All three parties including the Court have publicly damned me and have brought our business and over 570 innocent Australian investors to their knees."

The response details major errors and omissions suggesting the Court's findings were incorrect and demonstrates that the IPO Wealth Holdings group was in fact appropriately managed.

The Report also fails to reference the fact that the liquidators are now directly in control of the Group's Venice-based real estate project, after Mr Mawhinney voluntarily transferred its holding company to the liquidators.

"It is staggering that a statutory report to creditors omits the fact that a \$20 million dollar real estate asset is now in their direct control, though not surprising given Dye & Co's track record. This represents around 25% of unitholders money that we have voluntarily foregone to ensure unitholders can start getting some money back." said Mr Mawhinney.

The Report places the Court's decision to appoint a liquidator firmly under the spotlight given the return directly attributable to Dye & Co to date is zero. The liquidators and their lawyers have incurred over \$850,000 in fees yet their endeavours have failed to generate a cent for IPO Wealth's investors.

"It is little wonder why the general community and investors have little faith in the system. The fact is that we and our investors have been failed by both the justice system and the regulator. The stark reality of this has now come home to roost."

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[Download the Mayfair 101 Response to 'Circular to Creditors' issued by Dye & Co](#)

**MEDIA ENQUIRIES**

Email: [media@mayfair101.com](mailto:media@mayfair101.com)