



# POOLED MORTGAGE MANAGED INVESTMENT SCHEME

ARSN 095 540 597

January 2020

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## Pooled Mortgage Managed Investment Scheme – Illiquidity Determination

The Pooled Mortgage Managed Investment Scheme (“PMMIS” or “Fund”) is currently experiencing an unusually large number of redemption requests in terms of volume and value. Historically, redemptions from the Fund have been dealt with on an ‘as received’ basis. More recently the Fund has been utilising its discretion to apply a 90-day redemption window. However, modelling of current and forecast redemption requests shows that the Fund will likely not be able to meet the increased number of redemption requests within this timeframe.

Tidswell currently considers the Fund to be an illiquid investment. The current freeze on redemptions is designed to safeguard liquidity levels and to preserve value for, and protect the interests, of all investors (both withdrawing and continuing). We have taken this action in the best interest of all investors. Nothing has changed in terms of the way the fund is run and the same people remain in place managing the fund.

### When was the Fund first declared as being illiquid?

The Fund was declared illiquid on 2nd March 2020, and notification to this effect was immediately sent to investors.

### What does it mean to declare the Fund 'illiquid'?

A mortgage fund is an investment vehicle that pools investor money to lend to borrowers in exchange for registered first ranked mortgages over property as the primary security. In return for the investment, investors receive a right to receive regular income derived from the interest paid by borrowers. As disclosed in the Product Disclosure Statement (PDS) at page 6, a mortgage fund is generally an illiquid investment. An illiquid investment means that it will take time to realise the value of an investment. In the case of PMMIS, it means that cash only becomes available to meet redemption and repurchase requests when and as the underlying loans become due and are repaid.

### When will the suspension lift? Is it short or long term?

Tidswell are working to lift the suspension as quickly as possible. We are unable to presently provide an exact timeframe, however we currently believe that the freeze will be of a short term nature.

## Investment Overview

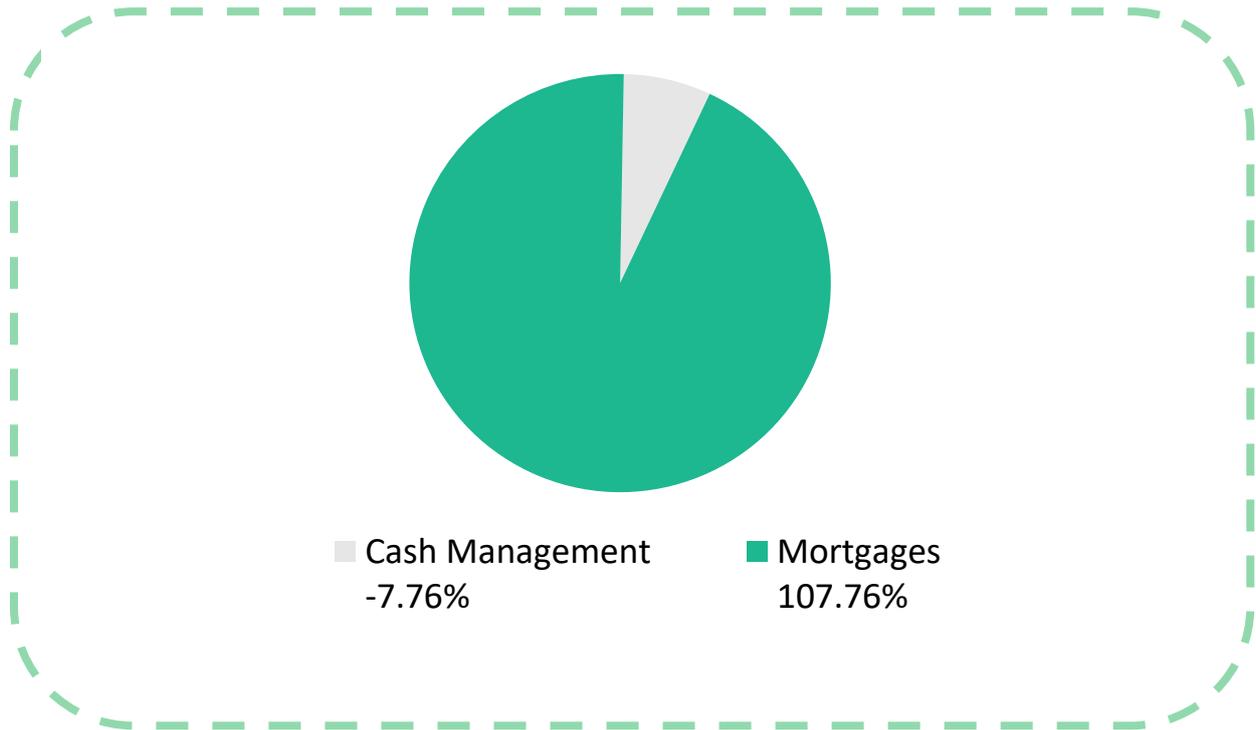
Portfolio value	\$40,031,296
Inception date	18 December 2000
Investment objective	To provide regular income and capital stability from a diversified range of first mortgage loans.
Unit price	Fixed at \$1.00
Minimum investment	\$10,000
Minimum additional investment	\$1,000
Minimum holding period	12 months
Withdrawal notice period	A 90-day notice period is generally required for withdrawals. Currently, however, the Pooled Mortgage Managed Investment Scheme is considered an illiquid investment, with the consequence that all redemptions from the Scheme have been frozen. This freeze of redemptions has been designed to safeguard liquidity levels and to protect the interests of investors.
Management fees	0.95%
Manager and Responsible Entity	Tidswell Financial Services Ltd ACN 010 810 697
Custodian	Sargon CT ACN 106 424 088
Distributions	Distributions are paid in arrears at a variable rate.
Automatic reinvestment	Yes – investors may choose whether their distribution income is paid into their nominated bank account or automatically reinvested.

## Performance

Date	1 Month %	3 Months %	6 Months %	1 Year % pa	3 Years % pa	5 years % pa
31/01/2020	0.34%	1.27%	2.12%	4.92%	5.94%	6.20%

In considering these returns, investors should bear in mind that past performance is not a reliable indicator of future performance. Returns shown are net of management fees and assume no reinvestment of distributions. The rate of your return or the return of your capital is not guaranteed. As all investments carry risk, a detailed explanation of the risk involved when investing in the Pooled Mortgage Managed Investment Scheme is contained in the relevant PDS.

## Asset Allocation



For more detailed information about the Pooled Mortgage Managed Investment Scheme, please refer to the PDS and/or the most recent Continuous Disclosure Notice, both available at <https://www.sargon.com/documents/>.

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