

## 5. ADVISER LETTER - HMPT



[Date]

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Dear Adviser

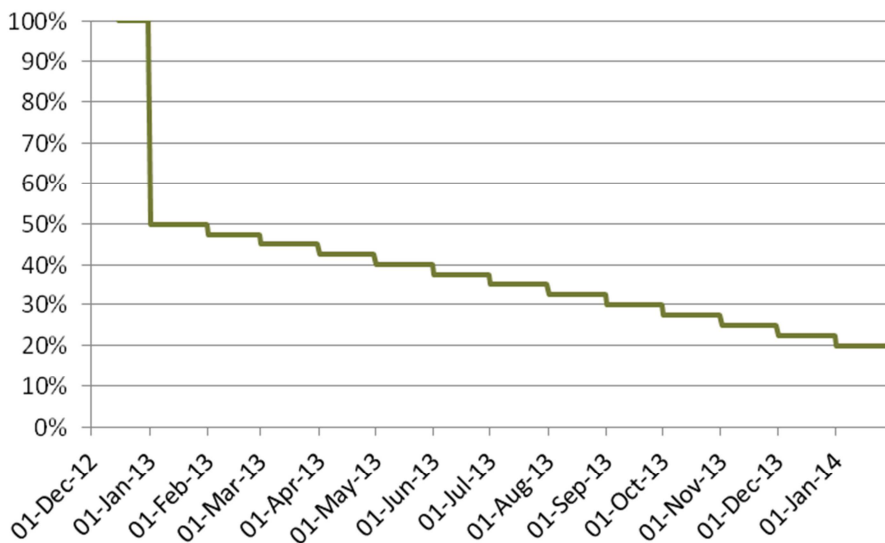
### Important update regarding the Howard Mortgage Plus Trust

This letter provides important information regarding your clients' investments in the Howard Mortgage Plus Trust (**Trust**). The Howard Mortgage Plus Trust (APIR NFS0051AU) and the Howard Professional Mortgage Plus Trust (APIR NFS0186AU) are both unit classes of the Trust.

The Howard Mortgage Fund (the fund in which the Trust invests) (**underlying fund**) and the Trust have been returning capital to all investors on a monthly basis since January 2013. During the period from 1 January 2013 to 15 January 2014, the Trust will have returned 77.5 % of investors' capital.

Fidante Partners Limited (ABN 94 002 835 592, AFSL 234668) (**Fidante Partners**), as responsible entity of the Trust, has continued to monitor the appropriateness of the monthly capital repayments and income distributions from the Trust.

The below chart shows the return of capital paid to investors in the Trust since 31 December 2012.



Projected liquidity in the underlying fund and the Trust is at levels where we consider that it is now prudent to commence returning capital to investors on a quarterly basis. Therefore the last monthly return of capital for the Trust for the month of December 2013 will be paid in January 2014. From this date the Trust will return capital to unitholders on a quarterly basis with the first quarterly return of capital expected to be paid in April 2014. The amount of the quarterly capital payment will be the same as the amount your clients have been receiving on a monthly basis. As a result of this decision, there are some changes required to the current operation of the Trust.

#### **Changes in the operation of the Trust on or around 1 January 2014**

While the overall operational aspects of the process will require some changes, payments will continue to be made within the first 10 business days of the relevant quarter to the bank account we have on file for your clients.

Any capital repayments will result in a fall in the unit price of the Trust in proportion to the level of capital distributed at that time. There will be no change to the number of units that your clients currently hold in the Trust. The repayments will be made through an automatic return of capital, so your clients will not need to lodge a withdrawal request.

#### **Early withdrawals under financial hardship**

Investors can continue to submit a request to make an early withdrawal from the Trust under financial hardship if they are able to satisfy Fidante Partners that they meet certain criteria and the Howard Mortgage Fund (the fund in which the Trust invests) has sufficient liquid assets to meet their request.

#### **Ongoing review of the Trust**

We will continue to monitor all aspects of the Trust's operation on an ongoing basis and we will consider whether any changes need to be made to reflect the circumstances of the Trust. The capital repayment rate will be monitored on an ongoing basis and may change in the future depending upon the realisation of the underlying fund's (the fund in which the Trust invests) assets. We will notify you of any such changes, should they occur.

#### **Obtaining independent advice**

To understand how the changes to the operation of the Trust affect your clients' personal situations, particularly in relation to any tax implications, we strongly recommend they consult with you or seek independent advice.

We understand the difficulties your clients' may have experienced with their investment in the Trust and we continue to manage the Trust in the best interests of all unitholders.

We have notified your clients in writing of the changes in the operation of the Trust.

#### **Further information**

If you require any further information regarding the Trust, please speak to your Business Development Manager or call our Adviser Services team on 1800 195 853.

Yours sincerely



Vito D'Introno  
General Manager – Retail Distribution  
Fidante Partners

