

Ongoing Withdrawal Facility

Howard Mortgage Fund

Howard Wholesale Mortgage Fund

Investor Q&A

How will I know when the Ongoing Withdrawal Facility is available?

Four times per year, we intend to make available at least 10% of the Howard Mortgage Fund's net assets for investors seeking to withdraw under the Ongoing Withdrawal Facility.

Withdrawal request forms for the Facility are available on our website at www.fidante.com.au/HMF_OWF or by calling 13 51 53.

Investors will be able to lodge their valid withdrawal requests on any business day during the relevant quarter.

Relevant quarter open	Relevant quarter close	Transaction cut-off time	Expected processing date of withdrawal request
1 January	31 March	3.00pm (Sydney time)	Usually within one business day after 31 March
1 April	30 June	3.00pm (Sydney time)	Usually within one business day after 30 June
1 July	30 September	3.00pm (Sydney time)	Usually within one business day after 30 September
1 October	31 December	3.00pm (Sydney time)	Usually within one business day after 31 December

We will not be mailing investors a reminder that they can submit their withdrawal requests at any time during the relevant quarter.

Do I need to make a withdrawal request?

No, there is no obligation for you to lodge a withdrawal request. If you do not lodge a withdrawal request, no activity will occur on your account and your unit balance will remain the same. If you are unsure about whether or not to make a withdrawal request, we recommend you seek advice from your financial adviser.

How do I make a withdrawal request under the Ongoing Withdrawal Facility?

Valid withdrawal requests can be lodged by investors on any business day during the relevant quarter by telephone, fax or an original written request. All forms should be posted to Fidante Partners, Reply Paid 86049, Sydney NSW 2001 (no stamp required) or faxed to +61 2 9994 6666 by **3.00pm (Sydney time) on the last business day of the relevant quarter** under the Facility. Please refer to the current product disclosure statement for each fund for further information on how you can withdraw.

What happens if my Ongoing Withdrawal Facility request form is late for the relevant quarter?

If your withdrawal request is received after 3.00pm (Sydney time) on the last business day for a particular quarter, we will treat your withdrawal request as being received in the next quarter. For example, if your withdrawal request is received on 1 July, it will be valid for the 1 July to 30 September quarter. Relevant quarters are 1 January to 31 March, 1 April to 30 June, 1 July to 30 September and 1 October to 31 December.

How will I know if my form has been received?

If you decide to request a withdrawal and wish to confirm that your request has been received, please contact our Investor Services team on 13 51 53. Once the Facility for the relevant quarter has ended and your payment processed, we will send you a withdrawal confirmation.

When will I receive the proceeds from my withdrawal request?

All withdrawal requests received prior to 3.00pm (Sydney time) on the last business day of the relevant quarter will be processed effective the first business day of the following quarter. Proceeds will be paid to your nominated bank account or via cheque usually within 10 business days of that date. Please refer to the current product disclosure statement for each fund for further information.

Why was my withdrawal request under the Ongoing Withdrawal Facility not satisfied in full?

Under the Facility the proportion of the withdrawal amount requested that is actually received by the withdrawing investor is determined by the level of participation by other investors.

If total withdrawal requests made by investors in the Howard Mortgage Fund under the Facility do not exceed the amount available, then you will receive the full amount you requested.

If total withdrawal requests made by investors in the Howard Mortgage Fund under the Facility do exceed the amount available, then your request will be satisfied on a pro-rata basis. This means you will receive a lesser amount than you requested.

The examples below are illustrative and aim to show investors how the Ongoing Withdrawal Facility works. The figures quoted are rounded and assume the Howard Mortgage Fund has made available \$100 million (which is approximately 10% of its net assets at the time of publication) for investors seeking to withdraw.

Example 1

A unitholder requests \$50,000 in the Ongoing Withdrawal Facility, and if all Ongoing Withdrawal Facility requests received by the Howard Mortgage Fund in aggregate total:

- a. \$100 million, this unitholder receives the withdrawal amount requested of \$50,000.
- b. \$500 million, this unitholder receives 20% ($\$100 \text{ million} / \500 million) of the withdrawal amount requested which is \$10,000.
- c. \$80 million, this unitholder receives the withdrawal amount requested of \$50,000.

Example 2

A unitholder requests a 'Full withdrawal' and their balance is \$80,000, and if all Ongoing Withdrawal Facility requests received by the Howard Mortgage Fund in aggregate total:

- a. \$100 million, this unitholder receives the withdrawal amount requested of \$80,000.
- b. \$500 million, this unitholder receives 20% ($\$100 \text{ million} / \500 million) of the withdrawal amount requested which is \$16,000.
- c. \$80 million, this unitholder receives the withdrawal amount requested of \$80,000.

Those investors who wish to maximise the amount they will receive under the Facility should put in a request to withdraw their full balance.

If my withdrawal request was not satisfied in full, do I need to send another form in the next Ongoing Withdrawal Facility?

Yes. Any withdrawal request under the Facility not fully satisfied in one quarter will lapse and not be carried over to the following quarter. Investors will need to submit a new withdrawal request in the following quarter under the Facility.

When will the next Periodic Small Balance Withdrawal Facility be offered?

Every year we intend, but are not obliged, to provide unitholders of the Howard Mortgage Fund who hold an account balance of less than a specified amount with an opportunity to withdraw their account balance in full. The specified amount will be determined by us, based on the level of liquidity in the Howard Mortgage Fund and likely demand, but the specified amount will not be more than \$10,000.

On 3 November 2011 the Howard Mortgage Fund made available approximately \$30 million of its net assets to provide a withdrawal opportunity for direct and indirect investors who held (or notionally and indirectly held) an account balance of \$4,000 or less as at 5 October 2011, to redeem in full if requested. Eligible investors that requested a full withdrawal in the Periodic Small Balance Withdrawal Facility that ended 30 December 2011 received their full withdrawal amount.

We will communicate any future Periodic Small Balance Withdrawal Facility when it becomes available.

What are the tax consequences of withdrawing money from the funds?

We recommend you seek taxation advice regarding any taxation consequences of any withdrawal proceeds.

For more information

Before making a decision about whether or not to request a withdrawal for all or part of your investment, we recommend that you consult the PDS for each fund at www.fidante.com.au or call 13 51 53 for a copy free of charge and speak with your financial adviser. If you have any further questions regarding the Ongoing Withdrawal Facility, please contact our Investor Services team on 13 51 53 or visit www.fidante.com.au.

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