

TIME:Social Long Income | Fund suspension update

Date: 22 December 2020

On 18 March 2020, with the prior agreement of the Depositary, dealing in the Fund was temporarily suspended.

In accordance with FCA rules the ACD and the Depositary must formally review the suspension at least every 28 days and inform the FCA of the results of this review.

The Fund had been suspended since 18 March 2020 as a result of material uncertainty in the Fund's independent valuer's opinion of property values, caused by the outbreak of the Novel Coronavirus (COVID-19). On 30 September 2020 the independent valuer removed material uncertainty from its valuation of the Fund's property portfolio. However, the ACD and Depositary have agreed that it is in the best interests of shareholders to continue the suspension in dealing in the Fund's shares (and the units of its feeder trust, ARC TIME Social Long Income Feeder Trust) on the basis of liquidity risk.

We have undertaken extensive communication with the Fund's largest investors and unfortunately, the FCA consultation released on 3 August 2020 looking into redemption periods for daily dealt open-ended property funds, has caused heightened levels of uncertainty. This regulatory uncertainty has materially affected shareholder investment intentions and we have considered this feedback in reaching our conclusion. Consequently, the ACD and Depositary of the Fund have agreed to continue the suspension of the Fund and to notify the FCA thereof.

As at 22 December 2020 the Fund holds cash of around 8% of Net Asset Value (£8.3 million). This liquidity has been primarily set aside to meet its capital commitments. The Fund is looking to raise additional liquidity through appropriate asset sales and depending on how these sales progress, we expect to be in a position to reopen the Fund in early 2021, once sufficient sales have been completed. As we go through this process, all decisions will continue to be taken in the best interests of shareholders.

The suspension will be formally reviewed each 28 days (next review by 19 January 2021), or earlier, if circumstances should change.

The letters and Q&A can be found in the [document library](#). Please monitor our [website](#) for more information.