

TIME:Social Long Income | Fund suspension update

Date: 27 October 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 all 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.

During the period of suspension, the Fund has been legally committed since last year to meeting its ongoing capital commitments for its properties in construction, increasing its exposure to highly attractive social infrastructure assets, which have seen valuation increases over the last six months. At 27 October 2020 the Fund holds cash of around 10% of Net Asset Value (£10.7 million). This liquidity has been primarily set aside to meet its capital commitments.

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.

The suspension will be formally reviewed each 28 days (next review by 24 November 2020), 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.