

## Midlands Smarter PIE Fund

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### No Market or Peer Group Performance Indices

The Midlands Smarter PIE Fund (**Fund**) is a "relevant fund" which meets the conditions set out in part 7 of schedule 4 of the Financial Markets Conduct Regulations 2014.

The Fund's manager Midlands Funds Management Limited (**Manager**) is exempt from providing market index comparisons to returns for the Fund on the basis that an appropriate market index is not available and there is no peer group index or other suitable relevant index or benchmark for mortgage funds in New Zealand. Overseas indexes are not considered appropriate given the differences between New Zealand and overseas mortgage lending markets.

Prior to the exemption referred to above (and its predecessors) being available, the Manager used the weighted average 6-month bank term deposit rate as published by the Reserve Bank of New Zealand for comparison. This is not considered to be a suitable market index for comparison as the Fund issues managed investment products, not debt, and neither the Manager nor the Fund are a registered bank.

While the Manager relies on the exemption referred to above, the risk indicator contained in the Fund's Product Disclosure Statement has been calculated in the usual way by reference to the Fund's own five year historic performance, and not by an alternative measure.