

The TEYS Income Builder

A.R.S.N. 110 052 429 ("TTIB")

Investor Update No. 14, 21 June 2016

Issuer of this Document

TPFL Limited (In Liquidation) ACN 105 164 047 ("TPFL") is the Responsible Entity of The TEYS Income Builder and the issuer of this report. The contact details for the Liquidator's office are can be found in this report. This report should be read in conjunction with previous reports.

Ongoing disclosure to investors

This report forms part of my ongoing disclosure to investors. This report will be placed on my website (www.farnsworthshepard.com.au) and paper copies will be sent to investors. Additional updates may also be placed on my website from time to time.

Purpose of this Document

I have prepared this information without taking into account your particular objectives, financial situation and needs. This information is purely an update on TTIB and is not investment advice. You should consider the appropriateness of this information before making any decisions based on it and consult your independent advisors.

Disclaimer

The comments and statements contained in this report and any annexures hereto have been prepared and conducted from the responsible entity and Scheme's books and records and/or from information provided by the company's director, other representatives and third parties.

My opinions and recommendations are based on the information provided to us. I have not completed an audit nor conducted a comprehensive investigation of the scheme's financial affairs. I cannot therefore warrant the accuracy, reliability or completeness of the underlying information and my comments and opinions should be considered subject to this limitation.

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1. Assets – Loan portfolio

Further to my previous report to investors, I summarise the status of TTIB's remaining assets:

1.1 Terranora

I advise that Terranora was sold at auction for \$3.2 million excluding GST and settled on 9 June 2016.

Investors may recall that the previous purchaser who defaulted on the previous sale provided a guarantee. I have issued a demand to the guarantor for the loss on sale. I will keep investors updated.

1.2 Braidwood

I am still in the process of realising same.

1.3 LadyBrand Retirement Village

I advise that I have realised the outstanding balance of \$2.72 million.

2. Liabilities

I advise that the liability to Bayjac Pty Ltd has been paid in full on 17 June 2016 with a principal repayment of \$250,000 and accrued interest of \$36,155.99.

Other liabilities are as per my previous report.

3. Audit Report

I advise TTIB has finalised its audited reports for years ending 2010, 2011, 2012 and 2013. Please contact Jonas Suh of this office to obtain copy of same.

The remaining outstanding audited reports (i.e. for year ended 2014 and 2015) are expected to be finalised by October 2016.

4. Estimated Further Return of Capital

I advise a further report will be issued in August with a further return of capital in August from the realisation of Terranora and Lady Brand. I expect the return of capital to be some 13 cents in the dollar.

Please do not hesitate to contact myself or Jonas Suh of this office, should you have any other questions with respect to the above.

Yours faithfully,
TPFL Limited
(In Liquidation)



Adam Shepard
Liquidator