THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION

If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser who specialises in advising on the acquisition of shares and other securities.

If you sell or have sold or otherwise transferred all of your Ordinary Shares, please forward this document, together with the Form of Proxy as soon as possible to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you sell or have sold or otherwise have transferred only part of your holding of Ordinary Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer will be, or was effected. If you receive this document from another shareholder, please contact Computershare Investor Services (Guernsey) Limited for a Form of Proxy.

This document is not a prospectus but a shareholder circular and it is being sent to you solely for your information in connection with the Resolutions to be proposed at an extraordinary general meeting of the Company. It does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire or subscribe for, any security, including any Ordinary Shares to be issued in connection with the Open Offer, Ordinary Share Placing or Offer for Subscription or any Ordinary Shares to be issued in connection with the Placing Programme.

The Prospectus containing details of the Issue will not be posted to Shareholders and will be published on the Company's website at www.seqifund.com. Shareholders will be able to access the Prospectus by clicking on the link in the Downloads section of the website. Investors should not subscribe for any Ordinary Shares except on the basis of the information and the terms and conditions of the Issue and/or Placing Programme contained in the Prospectus, and, if applicable, the accompanying Application Form.

SEQUOIA ECONOMIC INFRASTRUCTURE INCOME FUND LIMITED

(a company incorporated in Guernsey under the Companies (Guernsey) Law, 2008 (as amended) with registered no. 59596)

Recommended proposals for the issue of up to approximately 151.7 million new Ordinary Shares by means of Open Offer, Ordinary Share Placing and Offer for Subscription at an issue price of 105.5 pence per Ordinary Share, a Placing Programme in respect of up to 200 million Ordinary Shares, and proposed changes to the Company's investment policy and articles of incorporation

and

Notice of EGM

This document should be read as a whole. Nevertheless your attention is drawn to the "Letter from the Chairman" set out in Part I of this document which contains a recommendation from the Board of the Company that you vote in favour of the Resolutions to be proposed at the EGM referred to below.

This document contains a notice of an extraordinary general meeting of the Company to be held at 9.30 a.m. on 19 May 2017 which is set out at the end of this document. A Form of Proxy for use at the EGM is enclosed with this document. Whether or not you intend to attend the EGM in person, please complete, sign and return the accompanying Form of Proxy in accordance with the instructions printed on it as soon as possible but, in any event, so as to be received by the Company's Registrar at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY to arrive by no later than 9.30 a.m. on 17 May 2017. Alternatively, you may register your proxy appointment and voting instruction electronically at

https://www.investorcentre.co.uk/eproxy in accordance with the procedures set out in the notes accompanying the notice of the EGM. If you hold your Ordinary Shares in uncertificated form (i.e. in CREST) you may appoint a proxy by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual so that it is received by Computershare Investor Services PLC (under CREST participant 3RA50) by no later than 9.30 a.m. on 17 May 2017. CREST members may choose to use the CREST electronic proxy appointment service in accordance with the procedures set out in the notes accompanying the notice of the EGM. A summary of the action to be taken by Shareholders is set out in paragraph 4 of Part I of this document. The electronic registration of your proxy appointment, or the return of a completed Form of Proxy or CREST Proxy Instruction will not prevent you from attending the EGM and voting in person (in substitution for your proxy vote) if you wish to do so and are so entitled.

EXCEPT AS OTHERWISE PROVIDED FOR HEREIN, NEITHER THIS DOCUMENT NOR THE FORM OF PROXY CONSTITUTE AN OFFER OF ORDINARY SHARES TO ANY PERSON.

Neither the United States Securities and Exchange Commission nor any other federal or state securities commission has approved or disapproved of the Ordinary Shares or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offence.

Stifel Nicolaus Europe Limited ("**Stifel**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("**FCA**"), is acting solely for the Company and for no one else in connection with the proposed Issue and Placing Programme and will not be responsible to any person other than the Company for providing the protections afforded to clients of Stifel or for providing advice in relation to the matters described in this document. This does not exclude or limit any responsibility which Stifel may have under FSMA or the regulatory regime established thereunder.

The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "**Investment Company Act**"). In addition, neither the Ordinary Shares nor the Placing Programme Shares have been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under any laws of, or with any securities regulatory authority of, any state or other jurisdiction in the United States. Consequently, none of the Ordinary Shares or the Placing Programme Shares may be offered or sold or otherwise transferred in the United States or to, or for the account or benefit of, U.S. Persons except in accordance with the Securities Act or an exemption therefrom and under circumstances which will not require the Company to register under the Investment Company Act. The Ordinary Shares and the Placing Programme Shares may only be resold or transferred in accordance with the restrictions which will be set forth in the Prospectus. Subject to certain exceptions, this document should not be distributed, forwarded, transferred or be otherwise transmitted to any persons within the United States or to any U.S. Persons.

The proposals in this document are conditional on, amongst other things, the approval of the Resolutions by Shareholders at the EGM.

Capitalised and certain technical terms contained in this document have the meanings set out in Part IV of this document.

DATE

This document is dated 3 May 2017.

CONTENTS

FORWARD-LOOKING STATEMENTS

This document contains "forward-looking statements" that are based on estimates and assumptions and are subject to risks and uncertainties. Forward-looking statements are all statements other than statements of historical fact or statements in the present tense, and can be identified by words such as "targets", "aims", "aspires", "assumes", "believes", "estimates", "anticipates", "expects", "intends", "hopes", "may", "outlook", "would", "should", "could", "will", "plans", "potential", "predicts" and "projects" as well as the negatives of these terms and other words of similar meaning. These may include, among other things, statements relating to the intentions, beliefs or current expectations of the Group and/or the Directors concerning the Group's plans or objectives for future operations, products, financial condition and results of operations.

These statements involve estimates, assumptions and uncertainties which could cause actual results to differ materially from those otherwise expressed. The forward-looking statements in this document are made based upon the Company's expectations and beliefs concerning future events affecting the Group and therefore involve a number of known and unknown risks and uncertainties. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which it will operate, which may prove not to be accurate. The Company cautions that these forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in these forward-looking statements. Undue reliance should, therefore, not be placed on such forward-looking statements.

Any forward-looking statements contained in this document apply only as at the date of this document and are not intended to give any assurance as to future results. The Company will update this document as required by applicable law, including the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Rules, the London Stock Exchange and any other applicable law or regulations, but otherwise expressly disclaims any obligation or undertaking to update or revise any forward-looking statements after the date on which the forward-looking statement was made, whether as a result of new information, future developments or otherwise. In light of these risks, uncertainties and assumptions, the events outlined in this document might not occur and actual results may differ materially from those described in the forward-looking statements.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates in the table below is indicative only and may be subject to change.[1]

Publication of the Prospectus and Circular	3 May 2017
Latest time and date for receipt of Forms of Proxy	9.30 a.m. on 17 May 2017
EGM	9.30 a.m. on 19 May 2017

Notes:

(1) The times set out in the expected timetable of principal events above and mentioned throughout this document are times in London unless otherwise stated, and may be adjusted by the Company in consultation with or, if required, with the agreement of Stifel, in which event details of the new times and dates will be notified through the publication of a notice through a Regulatory Information Service and, where appropriate, either by post or electronic mail to Shareholders.

PART I

LETTER FROM THE CHAIRMAN

SEQUOIA ECONOMIC INFRASTRUCTURE INCOME FUND LIMITED

(*a company incorporated in Guernsey under the Companies (Guernsey) Law, 2008, (as amended) with registered no. 59596*)

Directors:

Robert Jennings (Chairman)
Jan Pethick
Jonathan Bridel
Sandra Platts

Registered Office:

Praxis Fund Services Limited
Sarnia House
Le Truchot
St Peter Port
Guernsey
GY1 1GR

Tel: +44 (0)1481 737600

3 May 2017

To Shareholders

Dear Sir or Madam

Recommended proposals to: (i) approve the potential Issue Related Party Transaction; (ii) approve the potential Placing Programme Related Party Transaction/s; (iii) approve the disapplication of pre-emption rights in respect of, up to a maximum of approximately 151.7 million Ordinary Shares pursuant to the Issue and up to 200 million Ordinary Shares pursuant to the Placing Programme; (iv) approve certain amendments to the Articles; and (v) approve the adoption of an amended investment policy for the Company.

1. INTRODUCTION

Sequoia Economic Infrastructure Income Fund Limited is a Guernsey-incorporated closed-ended investment company whose Ordinary Shares are traded on the Main Market of the London Stock Exchange. The Company's investment strategy is to provide shareholders with long-term distributions by owning debt exposures to economic infrastructure projects across a diversified range of jurisdictions, sectors and sub-sectors. The Company targets an ongoing quarterly dividend equivalent to six per cent. per annum on its Ordinary Shares. The total gross cash yield target of the Company is seven to eight per cent. per annum.[1]

The Company's Ordinary Shares were admitted to trading on the Main Market of the London Stock Exchange on 3 March 2015, following a successful oversubscribed IPO. Following the IPO, on 2 November 2015 the Company carried out the 2015 C Share Issue through which the Company raised gross proceeds of approximately £147 million. By way of the 2016 C Share Issue on 10 June 2016, the Company raised further gross proceeds of approximately £175 million. On 7 December 2016, the Company raised further gross proceeds of approximately £126 million through the 2016 Placing Programme. The Board has been pleased with the Company's continued performance and level of deployment of funds to date. Since the Company's launch, the Investment Adviser has successfully deployed a substantial portion of the net proceeds raised at IPO and the subsequent 2015 C Share Issue, 2016 C Share Issue and 2016 Placing Programme into a diverse portfolio of economic infrastructure debt investments.

As at 2 May 2017, the Company is invested in a portfolio which is spread over 45 investments across the UK, Western Europe, Australia and the U.S. These investments are spread across eight sectors and 25 sub-sectors (as at 11 April 2017). The Company has been able to deploy proceeds ahead of their deployment targets in relation to the IPO and the subsequent 2015 C Share Issue and 2016 C Share Issue and,

1 Note: all dividend and return targets by reference to the IPO price of £1 per Ordinary Share.

encouragingly, the Investment Adviser reports that it continues to see a growing and attractive pipeline of investment opportunities.

Since incorporation the Company has paid an aggregate of 9.5 pence per Ordinary Share in dividends, a summary of which can be found in the table below. The Company intends to continue to pay dividends in relation to the Ordinary Shares on a quarterly basis.

Dividend (pence per Ordinary Share)	*Declaration Date*	*Payment Date*
1.0	15 July 2015	14 August 2015
1.0	4 November 2015	30 November 2015
1.5	21 January 2016	29 February 2016
1.5	20 April 2016	25 May 2016
1.5	19 July 2016	26 August 2016
1.5	18 October 2016	25 November 2016
1.5	18 January 2017	24 February 2017

On 20 April 2017, the Company declared a quarterly dividend of 1.5 pence per Ordinary Share which will be paid on 24 May 2017 to shareholders on the Company's register of members as at 28 April 2017. The adjusted unaudited NAV of the Company was 101.36 pence per Ordinary Share as at 11 April 2017[2].

On 24 April 2017, the Board announced that it was considering raising new capital in order to take advantage of the growing set of attractive investment opportunities accessible to the Company for the benefit of existing investors. The Board values the support provided to it from its existing Shareholders and as such it intends to have a material element of pre-emption in the equity issue. The Company has today announced that it intends to proceed with the Open Offer, Ordinary Share Placing and Offer for Subscription for a target issue of approximately £125 million of new Ordinary Shares at an issue price of 105.5 pence per Ordinary Share. Under the terms of the Open Offer, up to 119,172,138 Ordinary Shares will be made available to existing Qualifying Shareholders on the basis of 1 new Ordinary Share for every 5 Ordinary Shares held. The Directors may, at their discretion, issue up to a maximum number of 151,658,768 Ordinary Shares pursuant to the Issue if the Directors, in consultation with the Investment Adviser and Stifel, believe that appropriate opportunities exist for the deployment of additional Issue proceeds in accordance with the Company's investment objectives and policy, although there is no certainty that the maximum number of Ordinary Shares will be issued, even if sufficient demand exists. The Company will seek admission of the new Ordinary Shares to be issued under the Issue to the premium segment of the Official List and to trading on the Main Market. The minimum size of net proceeds of the Issue for the Issue to proceed is £60 million. The costs of the Issue borne by the Company are expected to be in the range of 1.6 per cent. to two per cent. but will not exceed two per cent. of the Gross Issue Proceeds. Further details of the Issue are included in the Prospectus. The Investment Adviser is confident that the net proceeds of the Issue will be deployed within six months of Admission.

The Company intends to put in place a placing programme with the flexibility to issue up to 200 million Placing Programme Shares at an issue price calculated by reference to the prevailing Net Asset Value per Ordinary Share at the time together with a premium. It is the intention of the Directors, however, that no Placing Programme Shares will be issued prior to 85 per cent. of the proceeds of the Issue being invested or committed.

The maximum aggregate number of Placing Programme Shares that may be made available under the Placing Programme is 200 million. The net proceeds of the Placing Programme are dependent on the number of Placing Programme Shares issued pursuant to the Placing Programme. On the assumption that the Company issues the maximum number of Placing Programme Shares available for issue under the Placing Programme at an average Placing Programme price, for illustrative purposes only, of 105.5 pence per Ordinary Share, the gross proceeds from the Placing Programme will be approximately £211 million and the expenses payable by the Company in relation to the Placing Programme including the costs of establishment

2 The adjusted NAV is calculated as the NAV as at 11 April 2017 less the dividend of 1.5 pence per Ordinary Share in respect of the period to 31 March 2017.

and publication of the documentation of the Placing Programme, fees for commissions and registration and Placing Programme Admission fees are estimated at approximately £2.8 million, resulting in net proceeds of approximately £208.2 million.

To the extent that an existing Shareholder holds or, in the previous 12 months has held, Ordinary Shares representing 10 per cent. or more of the current issued share capital of the Company, such a Shareholder is considered a related party of the Company for the purposes of the Listing Rules. As a substantial shareholder of the Company, SEB Pensionsforsikring A/S (which holds 11.12 per cent. of the voting rights as at 2 May 2017) (being the latest practicable date prior to the date of this document) and/or any of its Associates is considered a Related Party. Whilst the Related Party has not yet agreed to participate in the Issue or the Placing Programme, in the event that the Related Party participates in the Ordinary Share Placing, Offer for Subscription and/or the Placing Programme its participation would be expected to be treated as a related party transaction for the purposes of the Listing Rules. Consequently, should the Related Party wish to participate in the Ordinary Share Placing, Offer for Subscription and/or the Placing Programme above certain amounts, its participation will be dependent upon the prior approval of the independent Shareholders of the Company.

Accordingly and in compliance with the Companies Law and the Listing Rules, the Board is seeking Shareholder approval in connection with certain matters relating to the proposed Issue and Placing Programme. An EGM of the Company is being convened at which Shareholders will be asked to:

(A) approve the potential Issue Related Party Transaction, that may arise with respect to the Related Party if it wishes to participate in the Ordinary Share Placing and/or Offer for Subscription ("**Resolution 1**");

(B) approve the potential Placing Programme Related Party Transaction/s which may arise with respect to the Related Party if it wishes to participate in the Placing Programme ("**Resolution 2**");

(C) approve the disapplication of pre-emption rights in respect of up to 151,658,768 Ordinary Shares for the purposes of the Issue and up to 200 million Ordinary Shares for the purposes of the Placing Programme ("**Resolution 3**");

(D) approve certain amendments to the existing Articles in order to provide the Board with the requisite authority to implement a scrip dividend programme should it choose to do so and if authorised by an ordinary resolution of the Company ("**Resolution 4**"); and

(E) approve the adoption of an amended investment policy for the Company ("**Resolution 5**").

The proposed Issue and Placing Programme are only conditional upon, amongst other things, the Company obtaining Shareholders' approval of Resolution 3.

The new Ordinary Shares to be issued pursuant to the Issue will have the rights attaching to the Ordinary Shares and will rank *pari passu* with the outstanding Ordinary Shares in issue. For the avoidance of doubt, the new Ordinary Shares to be issued pursuant to the Issue will not carry rights to the dividend in respect of 31 March 2017 declared on 20 April 2017 but will be eligible for dividends for the period ending 30 June 2017.

The purpose of this document is to provide Shareholders with details of, and to seek Shareholder approval for, the Resolutions. This document includes a notice of the EGM to be held at 9.30 a.m. on 19 May 2017 at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR.

The Board believes that the Resolutions are in the best interests of the Company and its Shareholders as a whole and recommends that you vote in favour of the Resolutions at the EGM. You are therefore urged to complete and return your Form of Proxy without delay, whether or not you intend to attend the EGM.

2. BACKGROUND TO AND RATIONALE FOR THE ISSUE AND PLACING PROGRAMME

2.1 ***Benefits of the Issue***

The Investment Adviser continues to see significant opportunities in the economic infrastructure debt market. The Board believes that it would be in the interests of the Company to raise further funds to take advantage of these opportunities. Specifically, the Board believes that the Issue will have the following benefits:

(A) provide the Company with additional capital to take advantage of the currently available pipeline of opportunities which should enable the Company to further diversify its existing portfolio;

(B) create the potential to enhance the NAV per Ordinary Share of existing Ordinary Shares through new share issuance at a premium to NAV per Ordinary Share, after the related costs have been deducted;

(C) grow the Company, thereby spreading the Company's fixed running costs across a wider base of shareholders, and benefiting from the reducing scale of charges for the Investment Adviser, thereby reducing the total expense ratio;

(D) a greater number of Shares in issue and a wider base of shareholders is likely to improve liquidity in the market;

(E) increase the size of the Company which should help make the Company more attractive to a wider base of investors; and

(F) the availability of Ordinary Shares to new investors under the Ordinary Share Placing and Offer for Subscription, offers the prospect of a wider and more diversified shareholder base, and an increased opportunity to grow the Company with the benefits of scale and liquidity for existing Shareholders.

The Directors believe that the Investment Adviser has developed a strong presence in the economic infrastructure debt market through its activity since the inception of the Company as well as its prior experience in the sector. The economic infrastructure market is a large market and is estimated to be approximately 15 times larger than the social infrastructure market.

By investing in debt as opposed to equity of economic infrastructure projects, the Investment Adviser is able to focus on projects which have an equity cushion of typically at least 20 per cent.. The Directors believe that this provides the Group with a lower risk profile than equity infrastructure investments. However the Group is still able to access investments with "equity-like" infrastructure return profiles. The yield to maturity (or Yield to Worst) on the existing portfolio is approximately 8.1 per cent. as at 11 April 2017. With more limited sources of bank funding available for demand dependent projects, the Investment Adviser has compiled a target portfolio based on an investment pipeline of opportunities in excess of £440 million.

2.2 ***Benefits of the Placing Programme***

The Placing Programme is being created to enable the Company to raise further capital on an ongoing basis as new investment opportunities arise. The Directors believe that instituting the Placing Programme will:

(A) create the potential to enhance the NAV per Ordinary Share of existing Ordinary Shares through new share issuance at a premium to NAV per Ordinary Share, after the related costs have been deducted;

(B) grow the Company, thereby spreading operating costs over a larger capital base, and benefiting from the reducing scale of charges for the Investment Adviser, which should reduce the total expense ratio;

(C) partially satisfy market demand from time to time for Ordinary Shares and improve liquidity in the market for Ordinary Shares; and

(D) enable the Company to raise additional capital quickly, in order to take advantage of investment opportunities that have been identified and which may be identified in the future.

2.3 ***Risks of the Issue and Placing Programme***

There are risks associated with the Issue and the Placing Programme. The Directors believe that the key risks relating to the Issue and the Placing Programme include the following:

(A) the percentage holding of an existing Shareholder will be diluted to the extent that they do not participate in the Issue and/or the Placing Programme. Where a Shareholder does not participate in the Ordinary Share Placing or in the Offer for Subscription and the Issue is fully subscribed but the Shareholder (i) takes up his full entitlement under the Open Offer assuming the maximum Issue size, the dilution of the percentage holding for an existing Shareholder would be approximately 4.3 per cent.; or (ii) does not participate in the Open Offer, such an existing Shareholder's percentage holding will be diluted by approximately 20.3 per cent assuming the maximum Issue size. Where 151,658,768 shares are issued under the Issue and 200 million Placing Programme Shares (being the maximum number of Placing Programme Shares available under the Placing Programme) are issued pursuant to the Placing Programme, and a Shareholder does not participate in the initial Issue or the Placing Programme, there would be a dilution of approximately 37.1 per cent. in such Shareholder's voting control of the Company;

(B) in the event that the Related Party subscribes for a significant number of Ordinary Shares under the Issue or a significant number of Placing Programme Shares under the Placing Programme, they may individually be able to exercise a material amount of influence over the Company by virtue of their voting rights;

(C) should market conditions change, if there is a deterioration in the Investment Adviser's pipeline or if the Investment Adviser is unable to deploy proceeds into suitable opportunities, Ordinary Shareholders may experience "cash drag" which may impact the Company's ongoing dividend target;

(D) an active and liquid trading market for the Ordinary Shares may not be maintained. The Company cannot predict the effect on the price of the Shares if a liquid and active trading market for the Shares does not develop;

(E) the market price of the Ordinary Shares may fluctuate significantly and investors may not be able to sell their Ordinary Shares at or above the price at which they purchased them, meaning that they could lose all or part of their investment; and

(F) the Ordinary Shares could trade at a discount to the Net Asset Value per share. There is no guarantee that any attempts by the Company to mitigate such a discount will be successful, nor that the use of discount control mechanisms will be possible or advisable.

2.4 ***Proposed amendment to the Investment Policy***

The Company is seeking approval from Shareholders to adopt an amended investment policy for the Company in order to (amongst other clarificatory changes) increase the jurisdictional diversification limit with respect to the United States from 50 per cent. to 60 per cent. of the Company's total assets. The Board is of the opinion that this is the only material change to the Investment Policy.

The Investment Adviser is seeing a growing number of attractive opportunities in the United States due to a combination of macroeconomic and political factors. The immediate asset pipeline contains £100 million equivalent worth of North American investments. These projects are spread across Telecommunication, Media and Technology Infrastructure, Power and other infrastructure sectors of the Investment Policy. Currently, the Investment Adviser has limited the number of projects in the

United States in the Company's pipeline due to the current 50 per cent. maximum constraint contained in the Investment Policy, and the Directors believe an increase to 60 per cent. would benefit the portfolio by allowing the Company to access a wider range of transactions, with attractive risk/return profiles.

The U.S. economy has continued to benefit from low and falling unemployment and recently three-month U.S. Dollar Libor has risen above one per cent. for the first time since 2009. Additionally, any stimulus program centred around tax cuts has the potential to lead to an increase in private-sector lending to infrastructure projects in the U.S. Finally, the U.S. President has announced a possible $1 trillion infrastructure spending target (over several years) which is expected to require a sizeable private-sector contribution.

The flexibility to increase the concentration of U.S. assets in the portfolio is expected to allow the Company to consider a broader set of opportunities when deploying future proceeds.

This proposed change is considered to constitute a material change to the Company's published Investment Policy. Therefore, in accordance with Listing Rule 15.4.8R, this change is subject to the prior approval by Shareholders of Resolution 5 at the EGM. The full text of the Company's current and new proposed Investment Policy is set out in Part II of this document. The proposed changes to the Company's Investment Policy have been approved by the FCA and are only conditional upon Resolution 5 being passed. They are not conditional on the other Resolutions being passed.

3. RESOLUTIONS

The Resolutions require the approval of Shareholders at the EGM. In order to be passed, the Resolutions to be proposed at the EGM will require:

- in the case of Resolutions 1, 2 and 5 which are to be proposed as ordinary resolutions, the approval of Shareholders representing more than 50 per cent. of the votes cast at the EGM; and
- in the case of Resolutions 3 and 4 which are to be proposed as special resolutions, the approval of Shareholders representing at least 75 per cent. of the votes cast at the EGM.

3.1 *Issue Related Party Transaction*

Principal terms of the Issue Related Party Transaction

The approval of the Issue Related Party Transaction by Shareholders is required pursuant to Chapter 11 of the UK Listing Authority's Listing Rules. As a substantial shareholder of the Company, the Related Party is a related party for the purposes of the Listing Rules and the Board anticipates that it may potentially wish to subscribe for Ordinary Shares.

Therefore, any participation by the Related Party in the Ordinary Share Placing and/or Offer for Subscription would be treated as an Issue Related Party Transaction and would require the approval of independent Shareholders, to the extent that such participation breaches, in terms of size, certain specified thresholds under the Listing Rules.

Although the Related Party has not yet agreed to participate in the Issue, it is proposed that the Related Party will be able to subscribe for Ordinary Shares issued pursuant to the Ordinary Share Placing and/or Offer for Subscription, provided that their shareholding in the Company, in aggregate with any shareholding in the Company of any relevant concert parties (as defined in the City Code) following their individual participation in the Issue, represents no more than 29.99 per cent. of the issued share capital of the Company following Admission. Should the Related Party choose to participate in the Ordinary Share Placing and Offer for Subscription, its participation will be on the same terms as other subscribers (i.e. it shall pay 105.5 pence per Ordinary Share for which it subscribes). In the event that applications under the Ordinary Share Placing and/or Offer for Subscription cannot be satisfied in full, applications from the Related Party will be scaled back under the same methodology as is applicable to other investors in each of the Ordinary Share Placing and the Offer for Subscription. The participation by the Related Party in the Ordinary Share Placing and/or Offer for Subscription may

dilute the percentage holding of an existing Shareholder to the extent that the existing Shareholder does not participate in the Issue.

The Directors believe that the approval of the Issue Related Party Transaction is beneficial to the overall Issue.

Approval of the Issue Related Party Transaction

Shareholders will be asked to approve the Issue Related Party Transaction through Resolution 1, which is to be proposed as an ordinary resolution at the EGM.

The Company will ensure that the Related Party does not vote on Resolution 1, and will take all reasonable steps to ensure that the Related Party's Associates do not vote on Resolution 1.

The Issue is not conditional on the passing of Resolution 1.

If Resolution 1 is not passed, the Related Party may still participate in the Issue via the Open Offer. The Related Party will have the same pro rata entitlements as the other Shareholders to subscribe for Ordinary Shares under the terms of the Open Offer.

3.2 ***Placing Programme Related Party Transaction/s***

The approval of the Placing Programme Related Party Transaction/s by Shareholders is required pursuant to Chapter 11 of the UK Listing Authority's Listing Rules. As a substantial shareholder of the Company, the Related Party is a related party for the purposes of the Listing Rules and the Board anticipates that it may potentially wish to subscribe for Placing Programme Shares.

Therefore, any participation by the Related Party in the Placing Programme would be treated as a Placing Programme Related Party Transaction/s and would require the approval of independent Shareholders, to the extent that such participation breaches, in terms of size, certain specified thresholds under the Listing Rules.

Although the Related Party has not yet agreed to participate in the Placing Programme, it is proposed that the Related Party will be able to subscribe for Ordinary Shares pursuant to the Placing Programme, provided that their shareholding in the Company, in aggregate with any shareholding in the Company of any relevant concert parties (as defined in the City Code) following their individual participation in the Issue and Placing Programme, represents no more than 29.99 per cent. of the issued share capital of the Company following the applicable Placing Programme Admission. Should the Related Party choose to participate in the Placing Programme, its participation will be on the same terms as other subscribers. The participation by the Related Party in the Placing Programme may dilute the percentage holding of an existing Shareholder to the extent that the existing Shareholder does not participate in the Placing Programme. Participation in the Placing Programme may be through one or multiple issues of Ordinary Shares.

The Directors believe that the approval of the Placing Programme Related Party Transaction/s is beneficial to the overall Placing Programme.

Approval of the Placing Programme Related Party Transaction/s

Shareholders will be asked to approve the Placing Programme Related Party Transaction/s through Resolution 2, which is to be proposed as an ordinary resolution at the EGM.

The Company will ensure that the Related Party does not vote on Resolution 2, and will take all reasonable steps to ensure that the Related Party's Associates do not vote on Resolution 2.

The Placing Programme is not conditional on the passing of Resolution 2.

3.3 ***Pre-emption rights***

The Articles contain pre-emption rights in respect of the allotment or sale for cash of "equity securities" (which include Ordinary Shares or rights to subscribe for or to convert securities into

Ordinary Shares), which can be disapplied by way of a special resolution. The pre-emption rights have been disapplied up to an aggregate amount not exceeding 10 per cent. of the Ordinary Shares from time to time in issue until the conclusion of the next annual general meeting of the Company in 2017 (the "**General Disapplication**"). The Directors intend to request that the authority to allot a specified amount of Ordinary Shares from time to time is renewed at the next annual general meeting of the Company and, thereafter, at each general meeting of the Company. Resolution 3 proposes that the pre-emption rights are disapplied in accordance with the Articles in respect of up to 151,658,768 Ordinary Shares to be issued pursuant to the Issue. Resolution 3 will not affect the General Disapplication.

Notwithstanding the disapplication of pre-emption rights, the Directors recognise the importance of existing Shareholders' protections and consequently the Issue is being structured to include a material element of pre-emption via the Open Offer on the basis of 1 new Ordinary Share for every 5 Ordinary Shares.

Resolution 3 also proposes that the pre-emption rights are disapplied in accordance with the Articles in respect of up to 200 million Ordinary Shares for the purposes of the Placing Programme. To the extent that a Shareholder does not participate in any such issue of Ordinary Shares under the Placing Programme, their existing shareholding may be diluted. For example, if 151,658,768 Ordinary Shares are issued under the Issue and 200 million Placing Programme Shares (being the maximum number of Placing Programme Shares available under the Placing Programme) are issued pursuant to the Placing Programme and a Shareholder does not participate in the initial Issue or the Placing Programme, there would be a dilution of approximately 37.11 per cent. in such Shareholder's voting control of the Company.

The allotment of Placing Programme Shares is at the discretion of the Directors and may take place at any time prior to the final closing date of 2 May 2018. An announcement of each issue of Placing Programme Shares pursuant to the Placing Programme will be released through a Regulatory Information Service, including details of the number of Placing Programme Shares issued and the applicable Placing Programme price. Both the Issue and any issues under the Placing Programme will be NAV accretive.

3.4 ***Amendments to Existing Articles***

Resolution 4 will be proposed as a special resolution to make amendments to the existing Articles in order to provide the Board with the requisite authority to implement a scrip dividend programme should it choose to do so and if authorised by an ordinary resolution of the Company. To the extent that the Board decides to implement a scrip dividend programme, implementation will be notified to Shareholders in the future through the publication of an RIS and a separate scrip dividend circular. The proposed amendments to the Articles include provisions to determine the basis on which the entitlement to new shares pursuant to the scrip dividend is calculated, to make arrangements for the new shares to be paid up and to deal with fractional entitlements. The full text of the proposed amendments is set out in Resolution 4 in the notice of EGM.

3.5 ***Amendment to Investment Policy***

Resolution 5 will be proposed as an ordinary resolution to approve the adoption of an amended investment policy for the Company.

4. ACTION TO BE TAKEN

The only action that you need to take is to complete the accompanying Form of Proxy.

Whether or not you intend to attend the EGM, you should ensure that your Form of Proxy (enclosed with this document) is returned to the Registrar, by one of the following means:

- in hard copy form by post, by courier or by hand to, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY; or

- in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the notice of the EGM.

In each case, the Form of Proxy must be received by the Company not less than 48 hours before the time for holding of the EGM. In calculating such 48 hour period, no account shall be taken of any part of a day that is not a Business Day. To be valid, the relevant Form of Proxy should be completed in accordance with the instructions accompanying it and lodged with the Registrar by the relevant time.

Completion and return of the Form of Proxy will not affect a Shareholder's right to attend, speak and vote at the EGM.

A quorum consisting of two Shareholders holding five per cent. of the total voting rights of the Company present in person or by proxy is required for the EGM.

The notice convening the EGM is set out on pages 39 to 42 of this document.

5. DOCUMENTS ON DISPLAY

Copies of the Articles (including the existing Articles and a form of the Articles as amended pursuant to Resolution 4) and the monthly NAV announcements are available for inspection at: (i) the registered office of the Company at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR; and (ii) the offices of Jones Day at 21 Tudor Street, London, EC4Y 0DJ during normal business hours on any Business Day from the date of this document until the conclusion of the EGM, and at the place of the EGM for at least 15 minutes prior to, and during, the EGM.

6. TIMETABLE

Application will be made for the Ordinary Shares to be issued pursuant to the Issue to be admitted to the premium segment of the Official List and to trading on the Main Market for listed securities of the London Stock Exchange. The Prospectus containing further details of the Issue has been published on the Company's website on www.seqifund.com. It is currently expected that Admission will become effective, and dealings in the new Ordinary Shares will commence, on 31 May 2017.

Application will be made for the Placing Programme Shares to be admitted to the premium segment of the Official List and to trading on the Main Market of the London Stock Exchange. It is expected that Placing Programme Admissions will occur, and that dealings in the Placing Programme Shares will commence, not later than 2 May 2018.

7. RECOMMENDATION TO THE SHAREHOLDERS

The Board, which in respect of the Issue Related Party Transaction and Placing Programme Related Party Transaction/s has been so advised by Stifel, considers the Issue Related Party Transaction and the Placing Programme Related Party Transaction/s to be fair and reasonable so far as the Shareholders are concerned. In providing its advice to the Board, Stifel has taken into account the commercial assessment of the Board.

The Board considers that the Proposals and the Resolutions are in the best interests of the Company and its Shareholders as a whole. The Board accordingly recommends all Shareholders vote in favour of the Resolutions to be proposed at the EGM.

Yours faithfully,

Robert Jennings
Chairman

PART II

INVESTMENT POLICY

As part of the Proposals, the Board is seeking to approve the adoption of an amended investment policy for the Company in order to (amongst other clarificatory changes) increase the jurisdictional diversification limit with respect to the United States from 50 per cent. to 60 per cent. of the Company's total assets. The Board is of the opinion that this is the only material change to the Investment Policy.

The Investment Adviser is seeing a growing number of attractive opportunities in the U.S. due to a combination of macroeconomic and political factors. The immediate asset pipeline contains approximately £100 million equivalent worth of North American investments. These projects are spread across the Telecommunication, Media and Technology Infrastructure, Power and other infrastructure sectors of the Investment Policy. Currently, the Investment Adviser has limited the number of projects in the United States in the Company's pipeline due to the current 50 per cent. maximum constraint contained in its Investment Policy, and the Directors believe an increase to 60 per cent. would benefit the portfolio by accessing a wider range of transactions, with attractive risk/return profiles.

The U.S. economy has continued to benefit from low and falling unemployment and recently three-month U.S. Dollar Libor has risen above one per cent. for the first time since 2009. Additionally, any stimulus program centred around tax cuts has the potential to lead to an increase in private-sector lending to infrastructure projects in the U.S. Finally, the U.S. President has announced a $1 trillion infrastructure spending target (over several years) which is expected to require a sizeable private-sector contribution.

The flexibility to increase the concentration of U.S. assets in the portfolio should allow the Company to consider a broader set of opportunities when deploying future proceeds.

The Board has therefore convened the EGM at which Shareholders will be asked to approve, inter alia, the proposed change that the jurisdictional diversification limit contained within the Investment Policy in relation to the U.S., be increased from 50 per cent. to 60 per cent. The Board is of the opinion that this change is the only material amendment to the Investment Policy.

For completeness, the full text of the proposed Company's current Investment Policy and the proposed investment policy are set out below. The only changes to the Investment Policy are underlined on pages 16 to 18.

Any future material changes to the Investment Policy will require the prior approval of Shareholders.

Current investment objective

The Company's investment objective is to provide investors with regular, sustained, long term distributions and capital appreciation from a diversified portfolio of senior and subordinated economic infrastructure debt investments. This objective is subject to the Group having a sufficient level of investment capital from time to time and the ability of the Group to invest its cash in suitable investments and is subject to the Investment Criteria.

Current asset allocation

The Company's objective is to maintain its portfolio so that not more than 10 per cent. by value of the Group's Net Asset Value (at the time of the investment) consists of securities or loans relating to any one individual infrastructure asset. In addition, the Company intends to invest directly or indirectly only in debt exposures that satisfy the following criteria, such investments to make up a minimum of 80 per cent. by value of the Group's investments at the time of investment ("**Investment Criteria**"):

- where all or substantially all of the associated underlying revenues are from Australia, Austria, Belgium, Canada, the Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, New Zealand, Norway, Poland, Portugal, Spain, Sweden, Switzerland, the Netherlands, the UK or the U.S., provided that any such jurisdiction is rated (in respect of its local currency sovereign ceiling) at the time of investment at least BBB by S&P or Baa3 by Moody's (each, an "**Eligible Jurisdiction**");

- where all or substantially all of the associated underlying revenues are from business activities in the sectors below. In addition to the sub sectors mentioned below, the Group may invest in other sub-sectors within the sectors listed where considered appropriate:

Sector	*Example of typical sub-sectors*
Transport	(i) roads*; (ii) rail*; (iii) airports*; and (iv) ports*
Transportation equipment	(i) aircraft; (ii) rolling stock; and (iii) shipping
Utilities	(i) water and waste*; (ii) electricity distribution and transmission*; (iii) electricity supply; (iv) gas distribution and transmission*; and (v) pipelines*

Proposed investment objective

The Company's investment objective is to provide investors with regular, sustained, long term distributions and capital appreciation from a diversified portfolio of senior and subordinated economic infrastructure debt investments. This objective is subject to the Group having a sufficient level of investment capital from time to time and the ability of the Group to invest its cash in suitable investments and is subject to the Investment Criteria.

Proposed asset allocation

The Company's objective is to maintain its portfolio so that not more than 10 per cent. by value of the Group's *investments* (at the time of the investment) consists of securities or loans relating to any one individual infrastructure asset. In addition, the Company intends to invest directly or indirectly only in debt exposures that satisfy the following criteria, such investments to make up a minimum of 80 per cent. by value of the Group's investments at the time of investment ("**Investment Criteria**"):

- where all or substantially all of the associated underlying revenues are from Australia, Austria, Belgium, Canada, the Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, New Zealand, Norway, Poland, Portugal, Spain, Sweden, Switzerland, the Netherlands, the UK or the U.S., provided that any such jurisdiction is rated (in respect of its local currency sovereign ceiling) at the time of investment at least BBB by S&P or Baa3 by Moody's (each, an "**Eligible Jurisdiction**");

- where all or substantially all of the associated underlying revenues are from business activities in the sectors below. In addition to the sub sectors mentioned below, the Group may invest in other sub-sectors within the sectors listed where considered appropriate:

Sector	*Example of typical sub-sectors*
Transport	(i) roads*; (ii) rail*; (iii) airports*; and (iv) ports*
Transportation equipment	(i) aircraft; (ii) rolling stock; and (iii) shipping
Utilities	(i) water and waste*; (ii) electricity distribution and transmission*; (iii) electricity supply; (iv) gas distribution and transmission*; (v) pipelines* *and* (vi) *waste-to-energy*

Sector	*Example of typical sub-sectors*
Power	(i) power purchase contracts; and (ii) electricity generation
Renewable energy	(i) solar; (ii) wind; (iii) biomass; *and* (iv) waste-to-energy
Telecommunication, Media and Technology infrastructure	(i) mobile phone towers; (ii) fixed line networks; (iii) data centres; and (iv) satellites
Infrastructure accommodation	(i) student accommodation; and (ii) elderly care facilities

Note: Each sub-sector marked with a "*" is a "*Major-Sub Sector*".

- predominantly, but not exclusively, operational projects, since the Investment Adviser believes that once an infrastructure asset has been constructed and the contracted cashflows relating to the project have commenced, many of the risks associated with investments in such assets are significantly reduced;
- in excess of half of its portfolio once fully invested to be floating rate (including fixed rate instruments converted to floating rate cashflows through asset swaps) or inflation linked debt although investments will be a combination of floating rate, fixed rate and inflation linked instruments; and
- structured as loans, notes and bonds.

Current risk diversification

The following concentration limits on investments have been set by the Directors (the "**Investment Concentration Limits**"):

Maximum individual exposure	*Diversification by sector (e.g., transport, utility, renewable etc.)*	*Diversification by sub-sector (e.g., road, airport etc.)*	*Jurisdictional diversification*	*Construction Risk*
No more than 10% by value of NAV consists of exposure in any one individual asset	No single sector will represent more than 40% of total assets	No single sub-sector will represent more than 15% of total assets, other than for the Major Sub-Sectors which may represent up to 25% of total assets	No more than: 50% in the United States; 50% in Western Europe (ex-UK); 40% in the UK; and 20% in Australia and New Zealand combined	Pre-operational projects (which are typically projects in construction) will not represent more than 20% of the total assets

Note: All concentration limits are applicable at the time of investment.

Sector	*Example of typical sub-sectors*
Power	(i) power purchase contracts; and (ii) electricity generation
Renewable energy	(i) solar; (ii) wind; and (iii) biomass
Telecommunication, Media and Technology infrastructure	(i) mobile phone towers; (ii) fixed line networks; (iii) data centres; and (iv) satellites
Infrastructure accommodation	(i) student accommodation; and (ii) elderly care facilities

Note: Each sub-sector marked with a "*" is a "*Major-Sub Sector*".

- predominantly, but not exclusively, operational projects, since the Investment Adviser believes that once an infrastructure asset has been constructed and the contracted cashflows relating to the project have commenced, many of the risks associated with investments in such assets are significantly reduced;
- in excess of half of its *invested* portfolio once fully invested to be floating rate (including fixed rate instruments converted to floating rate cashflows through asset swaps) or inflation linked debt although investments will be a combination of floating rate, fixed rate and inflation linked instruments; and
- structured as loans, notes and bonds.

Proposed risk diversification

The following concentration limits on investments have been set by the Directors (the "**Investment Concentration Limits**"):

Maximum individual exposure	*Diversification by sector (e.g., transport, utility, renewable etc.)*	*Diversification by sub-sector (e.g., road, airport etc.)*	*Jurisdictional diversification*	*Construction Risk*
No more than 10% *of total assets in any one exposure*	No single sector will represent more than 40% of total assets	No single sub-sector will represent more than 15% of total assets, other than for the Major Sub-Sectors which may represent up to 25% of total assets	*No more than: 60% in the United States;* 50% in Western Europe (ex-UK); 40% in the UK; and 20% in Australia and New Zealand combined, *in each case, of total assets*	Pre-operational projects (which are *projects in construction and not yet generating revenue)* will not represent more than 20% of the total assets

Note: All concentration limits are applicable at the time of investment.

Current gearing and maximum exposures

The Company may, from time to time, utilise borrowings for share buybacks and short term liquidity or short term investment purposes (including, securities lending or repurchase agreements), but such borrowings will not exceed 20 per cent. of the Company's Net Asset Value.

Proposed gearing and maximum exposures

The Company may, from time to time, utilise borrowings for share buybacks and short term liquidity or short term investment purposes (including, securities lending or repurchase agreements), but such borrowings will not exceed 20 per cent. of the Company's Net Asset Value.

PART III

ADDITIONAL INFORMATION

1. MATERIAL CONTRACTS

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Group or which are expected to be entered into prior to Admission and which are, or may be, material to the Group:

1.1 ***Issue Agreement***

The Company, the Investment Adviser and Stifel have entered into an Issue Agreement dated 3 May 2017 pursuant to which, subject to certain conditions, Stifel has agreed to use reasonable endeavours to procure subscribers for the Ordinary Shares to be issued pursuant to the Ordinary Share Placing and to use reasonable endeavours to procure subscribers for the Placing Programme Shares to be issued pursuant to the Placing Programme. Neither the Ordinary Share Placing nor the Placing Programme is being underwritten by Stifel.

The Issue Agreement is conditional upon, amongst other things, Admission occurring by 8.30 a.m. on 31 May 2017 (or such later date, not being later than 8.30 a.m. on 31 July 2017, as the Company and Stifel may agree) and the Issue raising the Minimum Net Proceeds.

In consideration for its services under the Issue Agreement, Stifel will receive fees and commissions of: (a) £100,000 plus 0.70 per cent. of the Gross Issue Proceeds where the Gross Issue Proceeds from the Issue are equal to or greater than £50,000,000 but less than £65,000,000; or (b) £100,000 plus one per cent. of the Gross Issue Proceeds where the Gross Issue Proceeds are equal to or greater than £65,000,000 but less than £75,000,000; or (c) 1.20 per cent. of the Gross Issue Proceeds where the Gross Issue Proceeds are equal to or greater than £75,000,000 but less than £100,000,000; or (d) 1.30 per cent. of the Gross Proceeds equal to or greater then £100,000,000. In respect of the Placing Programme, Stifel will receive fees and commission of 1.2 per cent. of the gross proceeds raised (before any deductions or payment of fees or commissions) under any Placing pursuant to the Placing Programme. The fee payable pursuant to the Issue or the Placing Programme is not a blended average but will be based on a single commission rate dependent upon the total amount of gross proceeds raised in each case.

Stifel is entitled under the Issue Agreement to retain agents and may pay commission in respect of the Ordinary Share Placing and/or the Placing Programme to any or all of these agents out of its own resources.

The Company and the Investment Adviser have, in the Issue Agreement, given customary warranties and undertakings to Stifel and the Company has agreed to provide customary indemnities to Stifel.

Under certain circumstances, including for material breach of a warranty, Stifel may terminate the Issue Agreement (and any related arrangements) prior to Admission or any subsequent Placing Programme Admission (but in the latter case, only in respect of any further issue of Placing Programme Shares or any subsequent Placing Programme Admission).

1.2 ***2015 Placing and Offer Agreement***

The Company, the Investment Adviser and Stifel entered into a placing and offer agreement ("**2015 Placing and Offer Agreement**") dated 6 October 2015 pursuant to which, subject to certain conditions, Stifel agreed to use reasonable endeavours to procure subscribers for C Shares to be issued pursuant to a C Share placing as part of the 2015 C Share Issue ("**2015 Placing**"). The 2015 Placing was not underwritten by Stifel.

The 2015 Placing and Offer Agreement was conditional upon, amongst other things, admission of the C Shares to the Main Market ("**2015 Admission**") occurring by 8.30 a.m. on 2 November 2015 (or

such later date, not being later than 8.30 a.m. on 30 November 2015, as the Company and Stifel may agree) and the 2015 C Share Issue raising minimum net proceeds of £75 million.

In consideration for its services under the 2015 Placing and Offer Agreement, Stifel received fees and commissions of (i) two per cent. of the gross proceeds of approximately £147 million; less (ii) certain agreed expenses paid or payable by the Company in connection with the 2015 C Share Issue and 2015 Admission.

The Company, the Directors and the Investment Adviser gave customary warranties and undertakings to Stifel and the Company agreed to provide customary indemnities to Stifel.

1.3 ***2016 Placing and Offer Agreement***

The Company, the Investment Adviser and Stifel entered into a placing and offer agreement ("**2016 Placing and Offer Agreement**") dated 6 May 2016 pursuant to which, subject to certain conditions, Stifel agreed to use reasonable endeavours to procure subscribers for the C Shares to be issued pursuant to the placing of the C Shares at a price of 100 pence per C Share ("**2016 Placing**"). Neither the 2016 Placing nor the 2016 Placing Programme was underwritten by Stifel.

The May Placing and Offer Agreement was conditional upon, amongst other things, admission of the C Shares to the Main Market ("**2016 Admission**") occurring by 8.30 a.m. on 10 June 2016 (or such later date, not being later than 8.30 a.m. on 31 July 2016, as the Company and Stifel may agree) and the 2016 C Share Issue raising minimum net proceeds of £60 million.

In consideration for its services under the 2016 Placing and Offer Agreement, Stifel received fees and commissions of 1.40 per cent. of the gross proceeds of approximately £175 million. In respect of the 2016 Placing Programme, Stifel received fees and commission of 1.25 per cent. of the gross proceeds of approximately £126 million.

The Company and the Investment Adviser gave customary warranties and undertakings to Stifel and the Company agreed to provide customary indemnities to Stifel.

1.4 ***The Investment Management Agreement***

The Company and the Investment Manager have entered into the Investment Management Agreement, under which the Investment Manager has been given overall responsibility for the discretionary management of the Company's assets (including uninvested cash) in accordance with the Investment Policy.

(i) *Powers and duties*

The Investment Manager is responsible for portfolio management of the Company, including the following services: (i) identifying potential Group investments and facilitating the acquisition and sale of investments by the Group; (ii) carrying out due diligence in the selection of the Investments and selecting counterparties, in accordance with the Investment Manager's due diligence policies and procedures; (iii) ensuring investment decisions are carried out in connection with the Company's objectives, investment strategy, Investment Criteria, Investment Concentration Limits and other applicable risk limits; (iv) carrying out ongoing monitoring of the Group's assets under management; (v) carrying out prompt and expeditious execution of orders in accordance with the Investment Manager's policy for best execution; (vi) exercising all rights and remedies of the Company or the Subsidiary in its capacity as holder of, or the person beneficially entitled to any Investments in the Portfolio, including attending or voting at any meeting of the holders of Investments in the Portfolio and giving consents or waivers in relation to Investments on behalf of the Company or the Subsidiary; (vii) assisting the Board with a hedging strategy to mitigate currency risk in respect of the Portfolio and implementing appropriate hedging transactions in accordance with the hedging strategy; (viii) arranging for any borrowings by the Company (subject to the Company's Borrowing Limit) and calculating the Company's exposures and leverage; (ix) submitting

marketing notifications to relevant competent regulatory authorities in accordance with Article 42 of the AIFMD; and (x) arranging for uninvested cash balances to be invested in appropriate short-term investments.

The Investment Manager has delegated all of its powers and obligations in relation to the provision of portfolio management services to the Investment Adviser pursuant to the Investment Advisory Agreement.

Under the terms of the Investment Management Agreement, the Investment Manager is required to provide risk management services to the Company, including (i) assisting the Board with the establishment of a risk reporting framework; (ii) monitoring the Company's compliance with Investment Criteria, Investment Concentration and other risk limits in accordance with the Investment Manager's risk management policies and procedures and providing regular updates to the Board; (iii) carrying out a risk analysis of the Company's exposures, leverage, counterparty and concentration risk; and (iv) analysing market risk and liquidity risk in relation to the Portfolio.

The Investment Manager will be required to record details of executed Portfolio transactions, carry out reporting obligations to the FCA and other applicable UK AIFMD reporting obligations and prepare investor reports.

In addition, the Investment Manager is required to assist the Board in establishing, maintaining and reviewing valuation policies for calculating NAV.

(ii) *Fees*

The Investment Manager is entitled to receive an annual management fee which shall be calculated and accrue monthly at a rate equivalent to: (a) where the Net Asset Value is less than or equal to £200 million, 0.075 per cent. of the Net Asset Value per annum thereafter; plus (b) where the Net Asset Value is more than £200 million but less than or equal to £400 million, 0.05 per cent. of the Net Asset Value per annum over £200 million; plus (c) where the Net Asset Value is more than £400 million but less than or equal to £500 million, 0.04 per cent. of the Net Asset Value per annum over £400 million; and (d) where the Net Asset Value is more than £500 million, 0.015 per cent. of the Net Asset Value per annum over £500 million. The management fee is capped at £320,000 and may be varied by agreement between the parties, and will be subject to a minimum annual fee of £80,000 applied on a monthly basis. If there is any VAT payable on the fees then this shall be added to the fee amount. The minimum investment management fee will be subject to an annual review on 1 May of each year, the first review having occurred in 2016. The investment management fees are payable monthly in arrears.

(iii) *Term and Termination*

The Investment Management Agreement was for an initial term of 18 months from 28 January 2015 and is terminable by either party on not less than six months' notice in writing.

The Investment Management Agreement may be terminated earlier by the Company with immediate effect if (i) an order has been made or an effective resolution passed for the liquidation of the Investment Manager; (ii) the Investment Manager ceases or threatens to cease to carry on its business; (iii) the Investment Manager commits a material breach of the Investment Management Agreement and fails to remedy such breach within 30 days of receiving notice requiring it to do so; (iv) the Investment Manager has committed a breach of its obligation to ensure that its obligations under the Investment Management Agreement are carried out by a team of appropriately qualified, trained and experienced professionals reasonably acceptable to the Board who have experience of managing a portfolio of comparable size, nature and complexity to the Portfolio (which obligation may be satisfied by delegating to a third party such as the Investment Adviser) and such breach is not remedied within 90 days of receipt of notice requiring it to do so; (v) the Investment Manager ceases to

hold any required authorisation to carry out its services under the Investment Management Agreement; (vi) the Investment Manager breaches any provision of the Investment Management Agreement and such breach results in listing or trading of the Ordinary Shares in the Official List and on the Main Market being suspended or terminated; (vii) a representation or warranty given by the Investment Manager fails to be correct in any material respect where such failure (a) has a material adverse effect of the Company; and (b) is not corrected within 30 days (viii) an act occurs constituting fraud or criminal activity by the Investment Manager or its affiliates in the performance of its obligations under the Investment Management Agreement or any of its senior officers being indicted for a criminal offence in the performance of his or her investment management duties; (ix) the Investment Manager breaches any provision of the Investment Management Agreement and such breach results in listing or trading of the Ordinary Shares on the Official List and on the Main Market of the London Stock Exchange being suspended or terminated; or (x) the Company is required to do so by a competent regulatory authority or the Investment Manager ceases to be a person permitted by applicable laws to act as such.

The Investment Management Agreement may be terminated by the Investment Manager with immediate effect if (a) an order has been made or an effective resolution passed for the winding-up of the Company; or (b) a resolution is proposed by the Board or passed by shareholders which would make changes to the Investment Policy such that the Investment Manager in its reasonable opinion can no longer meet the service standard requirements.

In addition, upon the Investment Adviser's appointment under the Investment Advisory Agreement being terminated, the Investment Manager may terminate the Investment Management Agreement, subject to a 60 day "handover period", during which no investments shall be acquired or disposed of by the Investment Manager on behalf of the Company and no other portfolio management shall be undertaken by the Investment Manager save to the extent required by applicable law or regulation.

(iv) *Standard of Care*

In managing the Portfolio, the Investment Manager has agreed to act in good faith in the best interests of the Company and its investors, and in a manner consistent with practices and procedures generally followed by prudent institutional asset managers of international standing managing assets of the nature and character of the Portfolio.

(v) *Indemnities*

The Investment Manager has the benefit of an indemnity from the Company in relation to liabilities incurred by the Investment Manager in the discharge of its duties other than those arising by reason of gross negligence, wilful misconduct or fraud of or by the Investment Manager.

(vi) *Delegation*

The Investment Manager has delegated its portfolio management responsibilities under the Investment Management Agreement to the Investment Adviser pursuant to the Investment Advisory Agreement. Delegation of these responsibilities does not relieve the Investment Manager of any of its duties or liabilities under the Investment Management Agreement.

(vii) *Conflicts of interest*

Whenever conflicts of interest arise in relation to the activities of the Investment Manager, including with regard to the allocation of investment opportunities to different clients, the Investment Manager will endeavour to ensure that such conflicts are identified, managed, resolved and any relevant investment opportunities allocated, fairly, in accordance with the Investment Manager's conflict of interest policy.

(viii) *Governing Law*

The Investment Management Agreement is governed by English law.

1.5 ***The Investment Advisory Agreement***

The Investment Manager, the Company, the Subsidiary and the Investment Adviser have entered into the Investment Advisory Agreement, under which the Investment Manager delegated its portfolio management duties under the Investment Management Agreement to the Investment Adviser, subject to the terms and conditions set out in the Investment Advisory Agreement.

(i) *Delegation of portfolio management to the Investment Adviser*

The Investment Adviser is also required to provide the Investment Manager with monthly reports in respect of the Portfolio and its management, including reports on (i) executed Portfolio transactions; (ii) the current composition of the Portfolio and compliance with risk limits; (iii) hedging transactions and counterparties; (iv) drawings and redemptions under the note issuance facility between the Company and the Subsidiary; (v) borrowings by the Company; and (vi) investment of cash balances.

In addition, the Investment Adviser shall advise the Investment Manager in relation to valuation policies for calculating NAV and on the appropriateness of any hedging strategy proposed by advisers to the Company or the Investment Manager and shall assist where required in providing input for investor reports.

The Investment Manager shall have the right to instruct the Investment Adviser how to implement the Investment Policy and to monitor how the Investment Adviser complies with it on an ongoing basis as described above.

(ii) *Fees*

Under the Investment Advisory Agreement, the Investment Adviser is entitled to receive from the Company a base fee of (a) 0.5 per cent. per annum of the value of listed bonds owned by the Group; plus (b) other than cash holdings, in relation to which no fees are payable to the Investment Adviser, and bonds, where Group NAV (excluding cash) is (i) less than £250 million, 0.9 per cent. per annum of the value of the Group's other investments; (ii) between £250 million and £500 million, as in (b)(i) plus 0.8 per cent. on the total value of assets not included in (b)(i); (iii) between £500 million and £750 million, as in (b)(ii) plus 0.7 per cent. on the total value of assets not included in (b)(ii); and (iv) in excess of £750 million, as in (b)(iii) plus 0.6 per cent. on the total value of assets not included in (b)(iii), in each case, payable quarterly.

One quarter of the Investment Adviser's fee will be applied in subscribing for Ordinary Shares. Effective from Admission, one quarter of the Investment Adviser's fee relating to the Ordinary Shares will be applied in subscribing for further Ordinary Shares, with the cost of issuing such Ordinary Shares to be borne by the Ordinary Shareholders. All such Ordinary Shares subscribed by the Investment Adviser will be subject to a three-year rolling lock-up (such that those Ordinary Shares may not be sold or otherwise disposed of by the Investment Adviser without the prior consent of the Company before the third anniversary of the date of issue of the relevant Ordinary Shares). If the Company raises further capital or otherwise grows its Net Asset Value, the Investment Adviser will be entitled to a reduced percentage fee.

(iii) *Term and termination*

The Investment Adviser's appointment is for an initial term equal to the initial term of the Investment Manager's appointment. Thereafter the Investment Adviser's appointment will be automatically terminated upon the termination of the Investment Manager's appointment under the Investment Management Agreement, such termination to take effect at the end of the Investment Manager's appointment under the Investment Management Agreement.

The Investment Advisory Agreement may only be terminated earlier by the Investment Manager with immediate effect, if (i) an order has been made or an effective resolution passed for the liquidation of the Investment Adviser; (ii) the Investment Adviser ceases or threatens to cease to carry on its business; (iii) the Investment Adviser commits a material breach of the Investment Advisory Agreement and fails to remedy such breach within 21 days of receiving written notice requiring it to do so; (iv) the Investment Adviser has committed a breach of its obligation to ensure that its obligations under the Investment Advisory Agreement are carried out by a team of appropriately qualified, trained and experienced professionals reasonably acceptable to the Investment Manager who have experience of managing a portfolio of comparable size, nature and complexity to the Portfolio and such breach is not remedied within 21 days of receipt of notice requiring it to do so; (v) the Investment Adviser breaches any provision of the Investment Advisory Agreement and such breach results in listing or trading of the Ordinary Shares on the Official List and on the Main Market of the London Stock Exchange being suspended or terminated and such suspension or termination is not remedied within 21 days; (vi) the Investment Adviser ceases to hold any required authorisation to carry out its services under the Investment Advisory Agreement; (vii) the Investment Manager is required to do so by a competent regulatory authority; or (viii) the Investment Manager reasonably determines that such termination is in the best interests of investors in the Company.

The Investment Advisory Agreement may be terminated by the Investment Adviser (i) at any time by not less than 90 days prior written notice to the Investment Manager; or (ii) with immediate effect if (a) an order has been made or an effective resolution passed for the winding-up of the Investment Manager; or (b) a resolution is proposed by the Board or passed by shareholders which would make changes to the Investment Policy such that the Investment Adviser in its reasonable opinion can no longer meet the service standard requirements.

(iv) *Fees and expenses on termination*

If notice to terminate the Investment Advisory Agreement is served by the Investment Manager on the Investment Adviser at any time during the 18 month period from 3 March 2015, the Investment Adviser shall be entitled to be paid by the Company an amount equal to any costs and expenses incurred by the Investment Manager in connection with the issue that are borne by the Investment Adviser.

In addition, if the appointment of the Investment Adviser is terminated without cause (including where the Investment Manager's appointment is terminated by the Investment Manager as described under paragraph (viii) above under "Term and Termination" or if the Investment Manager's appointment is terminated under the Investment Management Agreement and the Investment Adviser is not retained by the Company to provide portfolio management services on equivalent terms to those set out in the Investment Advisory Agreement), the Company will be required to pay to the Investment Adviser a termination fee in an amount equal to (a) 0.5 per cent. per annum of the value of listed bonds owned by the Group; plus (b) 0.9 per cent. of the value of the Group's other investments (other than cash holdings), as such percentage fee may be reduced.

(v) *Standard of Care*

In managing the Portfolio, the Investment Adviser has agreed to act in the best interests of the Company and its investors, and in a manner consistent with practices and procedures generally followed by institutional asset managers of international standing managing assets of the nature and character of the Portfolio.

(vi) *Indemnities*

The Investment Adviser has the benefit of an indemnity from the Company in relation to liabilities incurred by the Investment Adviser in the discharge of its duties other than those arising by reason of gross negligence, wilful misconduct, fraud or breach of agreement of or

by the Investment Adviser or any party to whom it has delegated any of its functions under the Investment Advisory Agreement.

(vii) *Sub-delegation*

Sub-delegation may only take place with the prior written consent of the Investment Manager. Sub-delegation will not relieve the Investment Adviser of any of its duties or liabilities under the Investment Advisory Agreement.

(viii) *Conflicts of Interest*

The Investment Adviser is required to implement a conflicts of interest policy to address potential conflicts of interest.

(ix) *Governing Law*

The Investment Advisory Agreement is governed by English law.

1.6 ***Broking Agreement***

Stifel has been appointed as retained broker to the Company pursuant to the terms of an engagement letter dated 2 March 2015, as amended by a side letter dated 15 April 2015.

The services under the engagement include (i) providing share price, market information and analysis on the Company and its market peer group; and (ii) assisting the Company in marketing of the Company's Shares. Under the terms of the engagement, Stifel will receive an annual fee ranging from £30,000 to £75,000. The Company and Stifel have agreed that, where Stifel acts as sole bookrunner to the Company, the annual fee will be reimbursed on a pound for pound basis by any commission paid by the Company in connection with an equity capital raise above £20 million (save that any reimbursement will be capped at the total annual fee amount).

Pursuant to the agreement, the Company provided customary indemnities to Stifel.

1.7 ***The Administration Agreement***

The Administrator has been appointed, pursuant to the Administration Agreement between the Company and the Administrator, to provide ongoing accounting, company secretarial, compliance and administration services to the Group.

Under the terms of the Administration Agreement, the Administrator will receive a sliding annual fee which is charged: (a) where the Net Asset Value is less than or equal to £300 million, 0.07 per cent. of the Net Asset Value per annum thereafter; plus (b) where the Net Asset Value is more than £300 million but less than or equal to £400 million, 0.05 per cent. of the Net Asset Value per annum over £300 million; and (c) where the Net Asset Value is more than £400 million, 0.04 per cent. of the Net Asset Value per annum over £400 million. The administration fee is capped at £300,000 per annum, may be varied by agreement between the parties and will be subject to a minimum annual fee of £65,000 and a fee for company secretarial services based on time costs.

The Administration Agreement contains provisions whereby the Company indemnifies and holds harmless the Administrator from and against any and all "Claims" (as defined in the Administration Agreement) against the Administrator resulting or arising from the Company's breach of the Administration Agreement and, in addition, any third party Claims relating to or arising from or in connection with the Administration Agreement or the services contemplated therein except to the extent that any such Claims have resulted from the negligence, fraud or wilful default of the Administrator. Further, the liability of the Administrator to the Company under the Administration Agreement is limited (in the absence of fraud) to an amount equal to one times the annual fee paid to the Administrator thereunder.

The Administration Agreement is terminable, *inter alia*, (a) upon 90 days' written notice; or (b) immediately upon the occurrence of certain events including the insolvency of the Company or the

Administrator, the Administrator becoming resident in the UK for tax purposes or a party committing a material breach of the Administration Agreement (where such breach has not been remedied within 30 days of written notice being given).

1.8 ***The Share Registration Services Agreement***

The Registrar (a company incorporated in Guernsey with registered number 50855) has been appointed pursuant to the Share Registration Services Agreement to provide certain share registration and online services to the Company. The Share Registration Services Agreement provides for the payment by the Company of the fees and charges of the Registrar.

Under the Share Registration Services Agreement, the Registrar is entitled to receive a minimum agreed fee of £6,000 per annum in respect of basic registration, together with any additional registrar activity not included in such basic registration services.

The Share Registration Services Agreement contains provisions whereby the Company indemnifies the Registrar, its affiliates and their directors, officers, employees and agents from and against any and all losses, damages, liabilities, professional fees (including but not limited to legal fees), court costs and expenses resulting or arising from the Company's breach of the Share Registration Services Agreement. In addition, any third-party claims, actions, proceedings, investigations or litigation relating to or arising from or in connection with the Share Registration Services Agreement or the services contemplated therein are included, except to the extent such losses as set out in this paragraph are determined to have resulted solely from the negligence, fraud or wilful default of the indemnified party seeking the indemnity.

The Share Registration Services Agreement is terminable, *inter alia*, (a) upon three months' written notice in the event of a disagreement over fees; (b) upon service of written notice if the other party commits a material breach of its obligations under the Share Registration Services Agreement which that party has failed to remedy within 21 days of receipt of a written notice to do so from the first party; or (c) upon service of written notice if a resolution is passed or an order made for the winding up, dissolution or administration of the other party.

1.9 ***The Receiving Agent Agreement***

The Receiving Agent (a company incorporated under the laws of England and Wales with registered number 03498808) has been appointed pursuant to the Receiving Agent Agreement to provide certain share registration and online services to the Company.

The Receiving Agent Agreement provides for the payment by the Company of the fees and charges of the Receiving Agent.

Under the terms of the Receiving Agent Agreement, the Receiving Agent is entitled to fees including, in connection for the Offer for Subscription: (a) a set up management fee of £6,000; (b) processing fees per item processed per application form; and (c) various other fees in relation to certain matters. The fees for the Issue will be capped at £20,000.

The Receiving Agent Agreement contains provisions whereby the Company indemnifies the Receiving Agent, its affiliates and their directors, officers, employees and agents from and against any and all losses, damages, liabilities, professional fees (including but not limited to legal fees), court costs and expenses resulting or arising from the Company's breach of the Receiving Agent Agreement. In addition, the Company indemnifies the Receiving Agent against any third-party claims, actions, proceedings, investigations or litigation relating to or arising from or in connection with the Receiving Agent Agreement or the services contemplated therein are included, except to the extent such losses as set out in this paragraph are determined to have resulted solely from the negligence, fraud or wilful default of the indemnified party seeking the indemnity.

1.10 ***The Mazars Valuation Engagement Letter***

The Mazars Valuation Agent was appointed by the Subsidiary pursuant to the Mazars Valuation Engagement Letter. The Mazars Valuation Agent is responsible for the following:

(a) providing a monthly valuation report to the Subsidiary updating the monthly valuation of each class fund's portfolio of Investments; and

(b) valuing assets acquired as at acquisition.

The Mazars Valuation Agent is paid a fee of approximately £165,000 where there are £400 million of assets under management.

The Mazars' Valuation Engagement Letter is terminable by 21 days notice in writing given by either party. The Mazars Valuation Agent has been the Company's valuation agent since the IPO. The Company is in the process of changing the valuation agent and the Valuation Agent will replace the Mazars Valuation Agent effective 1 May 2017.

1.11 ***The PwC Valuation Engagement Letter***

The PwC Valuation Agent has been appointed by the Subsidiary pursuant to the PwC Valuation Engagement Letter. The PwC Valuation Agent is responsible for the following:

(A) providing a monthly valuation report to the Company updating the monthly valuation of each class fund's portfolio of Investments; and

(B) valuing assets acquired as at acquisition.

The Valuation Agent will be paid fees as follows (i) an initial one-time set up cost of £75,000 in relation to the private in-scope instruments and associated valuation analysis; (ii) monthly fees as follows: (a) a one-off fee of £10,000 per valuation analysis of each new private in-scope instrument as and when purchased; and (b) for each private in-scope instrument a monthly fee of £1,100 will be charged. The annual fee, based on 17 in-scope assets is expected to be £224,400 for independent valuation services.

The PwC Valuation Engagement Letter is terminable by 30 days' notice in writing given by either party.

1.12 ***Subsidiary Portfolio Administration and Agency Agreement***

The Subsidiary has appointed the Portfolio Administrator as portfolio administrator, the Custodian as custodian and the Account Bank as account bank, pursuant to a portfolio administration and agency agreement to provide certain portfolio administration and custodian services to the Group in relation to all assets forming part of the Portfolio and acceptable to the Custodian, and in each case any sums received in respect thereof which are held from time to time by the Custodian.

The duties of the Portfolio Administrator include (i) preparing and compiling daily reports on all assets comprising the Portfolio and delivering such reports to the Subsidiary and the Investment Adviser; (ii) preparing and compiling investment reports on a monthly basis as of the last Business Day of each calendar month, and delivering such reports to the Subsidiary and the Investment Adviser; (iii) maintaining records of the Portfolio and the obligors thereof based on information received from agent banks and the Investment Adviser; (iv) performing a comparison of the records of the Portfolio held by it with information received from agent banks; and (v) manage the receipt of periodic payments on the Portfolio into certain account(s).

The Custodian, Account Bank and Portfolio Administrator will receive *ad valorem* fees of (i) 2.50 bps per sub fund per annum where there are portfolio assets of £0 to £300 million; (ii) 2.00 bps per sub fund per annum where there are portfolio assets of £300 million to £600 million; (iii) 1.75 bps per sub fund per annum where there are portfolio assets of £600 million to £900 million; and (iv) 1.50 bps per sub fund per annum where there are portfolio assets over £900 million. The annual fee, based on a

£800 million aggregated par value of assets is expected to be approximately £170,000 for services provided relating to portfolio administration and cash management. This fee will be calculated and billed quarterly in arrears on the aggregated par value of assets under administration and is subject to a minimum of GBP 30,000 per annum.

The duties of the Custodian include (i) administration of the custody account including settlement of purchases and sales of custodial assets and process other transactions; and (ii) taking actions necessary to settle transactions in connection with futures or options contracts, short-selling programs, foreign exchange or foreign exchange contracts, swaps and other derivative investments.

The duties of the Account Bank include (i) holding such moneys as may be deposited from time to time with the account bank in certain accounts; (ii) applying such moneys as it may from time to time be directed in writing by the Subsidiary or by the Investment Adviser on behalf of the Subsidiary; and (iii) accepting receipt of all income and other payments made to it with respect to the Portfolio.

The Portfolio Administration and Agency Agreement is terminable on (i) 60 days notice by either party; or (ii) immediately upon the occurrence of certain events including the insolvency of any party. Any of the Custodian, the Account Bank and the Portfolio Administrator is also able to, without giving any reason, resign its appointment at any time by giving the Subsidiary at least 45 days' written notice to that effect, and would incur no responsibility for loss or liability by reason of such resignation.

The Portfolio Administration and Agency Agreement includes a provision whereby the company agrees to indemnify and hold harmless the Custodian, the Account Bank and the Portfolio Administrator against all liabilities, losses, actions, proceedings, claims, costs, demands and expenses (including legal and professional expenses).

1.13 ***Depositary Agreement***

The Company, the Investment Manager and the Depositary have entered into a Depositary Agreement, pursuant to which the Depositary has agreed to provide certain depositary services including oversight, dealings with securities and cashflow monitoring in accordance with the Articles.

Powers and duties

Upon receipt of proper instructions from the Company or Investment Manager and in accordance with AIFMD requirements, the Depositary is responsible for

- monitoring of the cash flow of the Company;
- safe/record keeping of the Company's assets;
- ownership verification for other assets of the Company; and
- oversight duties regarding fulfilment of regulatory and contractual requirements, control of valuation of shares/units of the Company, control of subscriptions and redemptions.

Fees

In consideration for the provision of certain depositary services (being services which are subject to the lighter depositary requirements under Article 36 of the AIFMD), the Depositary will receive as follows: (i) *ad valorem* fees of : (a) 3.00 bps per sub fund per annum where there are portfolio assets of €0 up to €300 million; (b) 2.00 bps per sub fund per annum where there are portfolio assets of €300 million to €600 million; (c) 1.75 bps per sub fund per annum where there are portfolio assets of €600 million to €900 million; and (d) 1.50 bps per sub fund per annum where there are portfolio assets over €900 million (in each case subject to a minimum fee of €52,000 to be calculated and invoiced quarterly); (ii) legal fees of €13,000; and (iii) a set up fee of €13,000. The annual fee, based on portfolio assets of £800 million is expected to be approximately £174,000 for services relating to depositary services.

Term and Termination

The agreement has effect from the date of the agreement and continues unless terminated on at least 90 days' notice in writing or on the occurrence of certain other terminable events.

Delegation

The Depositary has the full power and authority to delegate whole of part of its functions. The liability of the Depositary is not affected by such delegation.

Governing Law

The Depositary Agreement is governed by German law.

1.14 ***Loan Agreement***

On 17 October 2016, the Company (as borrower) and JP Morgan Chase Bank, N.A., London Branch ("**JP Morgan**") (as lender) entered into a loan facility agreement (the "**Loan Agreement**"), pursuant to which JP Morgan agreed to make available to the Company a £40,000,000 term loan facility for a term of 18 months.

All proceeds remain drawn down and these proceeds are to be used in or towards the making of Investments in accordance with the Company's investment policy.

Interest on the loan is charged at a rate of Libor plus 2.5 per cent. per annum. There are no upfront fees or commitment fees payable on the loan, however a fee is payable upon early prepayment.

The loan imposes an asset coverage test on the Company and is secured by, inter alia, a charge over the bank accounts of the Company, a charge over the shares in the Subsidiary held by the Company and a charge on the assets of the Subsidiary.

The Loan Agreement is governed by English law.

2. INTERESTS IN SHARES

2.1 ***Major Shareholders***

As at the date hereof, insofar as is known to the Company, the following persons are directly or indirectly interested in five per cent., or more of the Company's total voting rights:

Name	*Number of Ordinary Shares*	*Percentage of voting rights*
SEB Pensionsforsikring A/S	66,236,639	11.12%
Old Mutual Global Investors	51,478,363	8.63%
Investec Wealth & Investment	42,633,610	7.05%
Smith & Williamson Investment Mgt	39,523,124	6.63%
Rathbone Investment Mgt	36,925,190	6.20%
Sarasin & Partners	34,847,381	5.85%
Quilter Cheviot Investment Mgt	33,079,756	5.55%

2.2 ***Interests in Shares***

As at the date hereof, insofar as is known to the Company, the interests of each Director (including any connected person, the existence of which is known to, or could with reasonable diligence be

ascertained by, that Director whether or not held through another party) in the share capital of the Company are as follows:

Director	*Number of Ordinary Shares*	*% of issued Ordinary Share capital as at the date of this document*
Robert Jennings	181,000*	0.030%
Jan Pethick	219,504*	0.037%
Jonathan Bridel	10,452*	0.002%
Sandra Platts	10,452*	0.002%

* These holdings include Ordinary Shares held by family members of the relevant Directors.

3. DISAPPLYING PRE-EMPTION RIGHTS

There are no provisions of Guernsey law which confer rights of pre-emption in respect of the allotment of Shares but the Articles contain pre-emption rights in relation to allotment of Shares for cash similar (with certain exceptions) to those contained in the UK Companies Act 2006. In order for the Issue and Placing Programme to proceed, resolutions to approve the disapplication of pre-emption rights in respect of up to 151,658,768 Ordinary Shares for the purposes of the Issue and up to 200 million Ordinary Shares for the purposes of the Placing Programme will be proposed at the EGM.

4. DIVIDENDS

(pence per Ordinary Share)	*Declaration Date*	*Payment Date*
1.0	15 July 2015	14 August 2015
1.0	04 November 2015	30 November 2015
1.5	21 January 2016	29 February 2016
1.5	20 April 2016	29 May 2016
1.5	19 July 2016	26 August 2016
1.5	18 October 2016	25 November 2016
1.5	18 January 2017	24 February 2017
1.5	20 April 2017	24 May 2017

5. DIRECTORS' REMUNERATION AND SERVICE CONTRACTS

All of the Directors are non-executive directors.

Each of the Directors has entered into a letter of appointment with the Company dated 6 January 2015, which is, in respect of (i) Jan Pethick, Jonathan Bridel and Sandra Platts, terminable on two months' notice served by either party; and (ii) Robert Jennings, terminable on four months' notice by either party. The annual base remuneration payable to each Director is as follows:

Name	*Remuneration (£) (as at 1 April 2017)*
Robert Jennings	£56,000 £6,000 as a listing fee payable subject to Admission
Jan Pethick	£36,500 £7,000 for role as Management and Engagement Committee Chairman £6,000 as a listing fee payable subject to Admission
Jonathan Bridel	£36,500 £7,000 for role as Risk Committee Chairman £6,000 as a listing fee payable subject to Admission
Sandra Platts	£36,500 £7,000 for role as Audit and Remuneration Committee Chairman £6,000 as a listing fee payable subject to Admission

Each Director received a listing fee of £7,500 in respect of the IPO, and a listing fee of £5,000 in respect of the 2015 C Share Issue and a listing fee of £5,000 in respect of the 2016 C Share Issue.

In addition to the Directors' base annual fees set out above, the Company has agreed to pay the following special remuneration:

(A) If the Company issues a new prospectus (not being a supplementary prospectus) in connection with the issue of further new shares in the Company, each Director shall be entitled to a further fee of £6,000 gross or an alternative fee as approved by the Remuneration and Nomination Committees that reflects market rates.

(B) If exceptional or unusual situations require (i) any of Jan Pethick, Jonathan Bridel or Sandra Platts to devote more than 18 Business Days per year; or (ii) Robert Jennings to devote more than 20 Business Days per year (in each case calculated on the basis of an eight hour day) to their role, the Company will in good faith negotiate an additional fee or per diem allowance reflecting the additional commitment of time.

None of the Directors is entitled to any pension, retirement or similar benefits.

6. SIGNIFICANT CHANGE STATEMENT

Save in respect of:

(A) the issue of Ordinary Shares upon the conversion of the C Shares issued under the 2016 C Share Issues;

(B) the issue of Ordinary Shares under the 2016 Placing Programme;

(C) the resulting increase in trading activity following the 2016 C Share Issue and 2016 Placing Programme; and

(D) dividends declared by the Board subsequent to 30 September 2016, as described in paragraph 4 of Part 3 of this document.

there has been no significant change in the financial or trading position of the Group since 30 September 2016, being the end of the period covered by the Historical Financial Information.

7. RELATED PARTY TRANSACTIONS

Save for the agreements described in paragraph 1 of this Part 3, there are no related party transactions that the Group has entered into from its incorporation to the date of this document.

8. CONSENT

Stifel has given and not withdrawn its written consent to the inclusion of the reference to its name in the form and context in which it appears.

PART IV

DEFINITIONS

"**£**" and "**p**"	respectively means pounds and pence Sterling;
"**2015 Admission**"	has the meaning given in paragraph 1.2 of Part III of this Circular;
"**2015 C Share Issue**"	means the admission of 146,853,627 C Shares to the standard segment of the Official List and admission to trading on the Main Market which took place on 2 November 2015;
"**2015 Placing and Offer Agreement**"	means the placing and offer agreement dated 5 October 2015 between the Company, the Investment Adviser and Stifel, a summary of which is set out in paragraph 1.2 of Part III of this Circular;
"**2015 Placing**"	has the meaning given in paragraph 1.2 of Part III of this Circular;
"**2016 Admission**"	has the meaning given in paragraph 1.3 of Part III of this Circular;
"**2016 C Share Issue**"	means the admission of 175,171,834 C Shares to the standard segment of the Official List and admission to trading on the Main Market which took place on 10 June 2016;
"**2016 Placing**"	has the meaning given in paragraph 1.3 of Part III of this Circular;
"**2016 Placing and Offer Agreement**"	means the placing and offer agreement dated 5 May 2016 between the Company, the Investment Adviser and Stifel, a summary of which is set out in paragraph 1.3 of Part III of this Circular;
"**2016 Placing Programme**"	means the admission of 120 million Ordinary Shares to the premium segment of the Official List and admission to trading on the Main Market which took place on 7 December 2016;
"**Account Bank**"	means The Bank Of New York Mellon, London Branch, a banking corporation organised pursuant to the laws of the State of New York and, acting through its London branch at One Canada Square, London E14 5AL, United Kingdom, acting as account bank for the Subsidiary;
"**Administration Agreement**"	means the administration agreement dated 28 January 2015, as amended on 2 September 2015, 5 May 2016 and 6 December 2016 between the Company and the Administrator;
"**Administrator**"	means Praxis Fund Services Limited or such administrator as may be appointed from time to time by the Company;
"**Admission**"	means admission of the Ordinary Shares to be issued pursuant to the Issue to the Premium Listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities;
"**AIFMD**"	means the Alternative Investment Fund Managers Directive 2011/61/EU;
"**Application Form**"	means the application form for use by Qualifying Shareholders in connection with the Open Offer, which will form part of the Prospectus;

"**Articles**"	means the articles of incorporation of the Company as amended from time to time (including where the context so requires, the amendments to be proposed at the EGM as more particularly described in this document);
"**Associates**"	has the meaning given in the Listing Rules;
"**Board**" or "**Directors**"	means the board of directors of the Company;
"**Borrowing Limit**"	means a maximum of 20 per cent. of the Company's Net Asset Value immediately after any draw down of debt;
"**Business Day**"	means any day (other than a Saturday or Sunday) on which commercial banks are open for business in London and Guernsey;
"**C Share**"	means a share of no par value in the capital of the Company issued as a C Share carrying the rights and being subject to the restrictions set out in the Articles;
"**Circular**"	means this document, which constitutes a circular in accordance with the Listing Rules;
"**City Code**"	means the City Code on Takeovers and Mergers;
"**Companies Law**"	means the Companies (Guernsey) Law, 2008 (as amended);
"**Company**"	means Sequoia Economic Infrastructure Income Fund Limited, a company incorporated in Guernsey under the Companies Law with registered no. 59596;
"**CREST**"	means the computerised settlement system operated by Euroclear UK and Ireland Limited which facilitates the transfer of title to shares in uncertificated form;
"**CREST Proxy Instruction**"	means a proxy appointment or instruction made using CREST;
"**Custodian**"	means The Bank of New York Mellon, London Branch, a banking corporation organised pursuant to the laws of the State of New York and, acting through its London branch at One Canada Square, London E14 5AL, United Kingdom, acting as Custodian for the Subsidiary;
"**Depositary**"	means The Bank of New York Mellon SA/NV, a public limited company (société anonyme/naamloze vennootschap), with company number 0806.743.159, whose registered office is at 46 Rue Montoyerstraat, B-1000 Brussels, Belgium, acting through its Frankfurt branch, having its registered address at Friedrich-Ebert-Anlage 49, 60327 Frankfurt am Main, Germany;
"**Depositary Agreement**"	means the agreement between the Investment Manager, the Company and the Depositary dated 21 December 2015, as amended;
"**Disclosure Guidance and Transparency Rules**"	means the Disclosure Guidance and Transparency Rules (as amended from time to time) made by the UK Listing Authority under Part VI of the FSMA;
"**EGM**"	means the extraordinary general meeting of the Company to be held at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR at

	9.30 a.m. on 19 May 2017 (or any adjournment thereof), notice of which is set out at the end of this document;
"**Excluded Territory**"	means Canada, Japan, Australia, New Zealand, the Republic of South Africa and the U.S. and any jurisdiction where the extension or availability of the Issue (and any other transaction contemplated thereby) would breach any applicable laws or regulations, and Excluded Territories shall mean any of them;
"**Excluded Shareholders**"	means, subject to certain exceptions, Shareholders who have a registered address in, who are incorporated in, registered in or otherwise resident or located in any Excluded Territory;
"**Financial Conduct Authority**" or "**FCA**"	means the Financial Conduct Authority of the United Kingdom in its capacity as the competent authority for the purposes of FSMA;
"**Form of Proxy**"	means the form of proxy enclosed with this document for use by Shareholders at the EGM;
"**FSMA**"	means the United Kingdom Financial Services and Markets Act 2000, as amended;
"**Gross Issue Proceeds**"	means the aggregate value of the Ordinary Shares issued under the Issue at the Issue Price;
"**Group**"	means the Company and the Subsidiary;
"**Historical Financial Information**"	means the published audited financial information of the Group for the period from being 30 December 2014 to 31 March 2016 and the published unaudited financial information of the Group for six month period ended 30 September 2016;
"**Investment Adviser**"	means Sequoia Investment Management Company Limited, a limited liability company incorporated in England and Wales (registered number: 05902847) with registered address 11-13 Market Place, London, W1W 8AH;
"**Investment Advisory Agreement**"	means the investment advisory agreement dated 28 January 2015, as amended pursuant to amendment agreements dated 6 October 2015 and 5 May 2016 between the Investment Manager, the Company, the subsidiary and the Investment Adviser;
"**Investment Concentration Limits**"	has the meaning given in paragraph 3 of Part 1 of the Prospectus;
"**Investment Criteria**"	has the meaning given in paragraph 2 of the Part 1 of the Prospectus;
"**Investment Management Agreement**"	means the management agreement dated 28 January 2015, as amended pursuant to amendment agreements dated 6 October 2015, 6 December 2016 and 3 May 2017 between the Company and the Investment Manager;
"**Investment Manager**"	means International Fund Management Limited, a limited liability company incorporated in Guernsey (registered number 17484) with registered address Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 4NA;
"**Investments**"	means investments made by the Group in accordance with the Investment Policy;

"**Investment Policy**"	means the Group's investment policy;
"**IPO**"	means the admission of 150 million Ordinary Shares to the premium segment of the Official List and admission to trading on the Main Market which took place on 3 March 2015;
"**Issue**"	means the Open Offer, Ordinary Share Placing and Offer for Subscription;
"**Issue Agreement**"	means the Issue Agreement dated 3 May 2017 between the Company, the Investment Adviser and Stifel;
"**Issue Price**"	means 105.5 pence per Ordinary Share;
"**Issue Related Party Transaction**"	means any transaction in connection with the Issue between the Company and the Related Party which would be considered a related party transaction under Chapter 11 of the Listing Rules;
"**Listing Rules**"	means the Listing Rules made by the UKLA under section 73A of FSMA;
"**London Stock Exchange**" or "**LSE**"	means London Stock Exchange PLC;
"**Main Market**"	means the London Stock Exchange's Main Market for listed securities;
"**Mazars Valuation Agent**"	means Mazars LLP;
"**Mazars Valuation Engagement Letter**"	means the valuation engagement letter dated 15 April 2016 between the Subsidiary and the Mazars Valuation Agent;
"**Minimum Net Proceeds**"	means £60 million (or such other amount as the Company and Stifel may determine and notify to investors via publication of an RIS);
"**NAV**" or "**Net Asset Value**"	means the unaudited value of the assets of the Company less its liabilities as determined in accordance with the procedure determined by the Directors or such other procedure as may be determined by the Directors from time to time and, where the context requires, the part of that amount attributable to a particular class of shares;
"**Net Issue Proceeds**"	means the net cash proceeds of the Issue (after deduction of all expenses and commissions relating to such Issue and payable by the Company);
"**Offer for Subscription**"	means the proposed offer for subscription to the public in the UK of Ordinary Shares at 105.5 pence per Ordinary Share;
"**Official List**"	means the official list of the UK Listing Authority;
"**Open Offer**"	means the proposed conditional offer to Qualifying Shareholders, constituting an invitation to apply for Ordinary Shares at 105.5 pence per Share and otherwise on the terms and subject to the conditions set out in the Prospectus and, in the case of those Qualifying Shareholders who hold their Shares in certificated form only, the Application Form;
"**Ordinary Share**"	means an ordinary share of no par value in the capital of the Company carrying the rights and obligations set out in the Articles;

"**Ordinary Share Placing**"	means the proposed placing of Ordinary Shares at 105.5 pence per Ordinary Share;
"**Placing Programme**"	means the placing programme of up to 200 million Placing Programme Shares;
"**Placing Programme Admission**"	means the admission of any Ordinary Shares to be issued pursuant to the Placing Programme to the Premium Listing segment of the Official List and to trading on the Main Market;
"**Placing Programme Related Party Transaction/s**"	means any transaction (including possibly multiple transactions) in connection with the Placing Programme between the Company and the Related Party which would be considered a related party transaction under Chapter 11 of the Listing Rules;
"**Placing Programme Shares**"	means the new Ordinary Shares proposed to be issued pursuant to the Placing Programme;
"**Portfolio**"	means, at any time, the portfolio of Investments in which the assets of the Group are directly and/or indirectly invested;
"**Portfolio Administrator**"	means The Bank of New York Mellon SA/NV, a banking corporation organised pursuant to the laws of Belgium, with company number 0806.743.159, whose registered office is at 46 Rue Montoyerstraat, B-1000 Brussels, Belgium, acting through its Dublin Branch, (registered in Ireland with branch number 907126) and having its registered branch office at Hanover Building, Windmill Lane, Dublin 2, Ireland, in its respective capacities as portfolio administrator for the Subsidiary;
"**Portfolio Administration and Agency Agreement**"	means the portfolio administration and agency agreement dated 27 February 2015 as amended pursuant to amendment agreements dated 6 October 2015 and 25 April 2017 between the Subsidiary, the Investment Adviser, the Portfolio Administrator, the Account Bank and the Custodian;
"**Premium Listing**"	means a listing on the Official List which complies with the requirements of the Listing Rules for a premium listing;
"**Proposals**"	means the recommended proposals by the Board to (i) approve the potential related party transaction in connection with the Issue; (ii) approve the potential related party transaction in connection with the Placing Programme; (iii) approve the disapplication of pre-emption rights in respect of, up to 151,658,768 Ordinary Shares pursuant to the Issue and up to 200 million Ordinary Shares pursuant to the Placing Programme; (iv) approve amendments to the Articles; and (v) approve the amendments of the investment policy of the Company;
"**Prospectus**"	means the prospectus of the Company published in connection with the Issue and Placing Programme on 3 May 2017;
"**Prospectus Rules**"	means the prospectus rules made by the Financial Services Authority for the purposes of Part VI of the FSMA;
"**PwC Valuation Agent**"	means PricewaterhouseCoopers LLP;
"**PwC Valuation Engagement Letter**"	means the valuation engagement letter dated 18 April 2017 between the Company and the PwC Valuation Agent;

"**Qualifying Shareholders**"	means holders of Ordinary Shares in the Company as at a date shortly before publication of, and to be set out in, the Prospectus, with the exclusion of Excluded Shareholders;
"**Receiving Agent**"	means Computershare Investor Services PLC;
"**Receiving Agent Agreement**"	means the receiving agent agreement dated 3 May 2017 between the Company and the Receiving Agent of the Company;
"**Registrar**"	means Computershare Investor Services (Guernsey) Limited or such other person or persons from time to time appointed by the Company;
"**Regulatory Information Service**" or "**RIS**"	means a regulated information service approved by the FCA and on the list of Regulatory Information Services maintained by the FCA;
"**Related Party**"	means SEB Pensionsforsikring A/S and/or any of its Associates, which is a related party (as such term is defined in LR11.1.4 of the Listing Rules) to the Company for the purposes of the Issue and/or Placing Programme;
"**Resolution 1**"	has the meaning given in paragraph 1 of Part I of this Circular;
"**Resolution 2**"	has the meaning give in paragraph 1 of Part I of this Circular;
"**Resolution 3**"	has the meaning given in paragraph 1 of Part I of this Circular;
"**Resolution 4**"	has the meaning given in paragraph 1 of Part I of this Circular;
"**Resolution 5**"	has the meaning given in paragraph 1 of Part I of this Circular;
"**Resolutions**"	means Resolution 1, Resolution 2, Resolution 3, Resolution 4 and Resolution 5;
"**Shareholders**"	means any holders of Shares in the Company from time to time;
"**Shares**"	means any shares issued by the Company from time to time;
"**Share Registration Services Agreement**"	means the company share registration services agreement dated 28 January 2015 between the Company and the Registrar;
"**Standard Listing**"	means a listing on the Official List which complies with the requirements of the Listing Rules for a standard listing;
"**Sterling**" or "**£**"	means the current lawful currency of the United Kingdom;
"**Stifel**"	means Stifel Nicolaus Europe Limited;
"**Subsidiary**"	means Sequoia IDF Asset Holdings S.A., a société anonyme incorporated under the laws of the Grand Duchy of Luxembourg and subject to, as an unregulated securitisation entity, the Securitisation Act 2004, having its registered office at 46A Avenue J.F. Kennedy, L-1855, Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Register of Commerce and Companies;
"**UK**" or "**United Kingdom**"	means the United Kingdom of Great Britain and Northern Ireland;
"**UKLA**" or "**UK Listing Authority**"	means the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA;

"**U.S.**" or "**United States**"	means the United States of America, its states, territories and possessions, including the District of Columbia;
"**U.S. Person**"	has the meaning given in Regulation S;
"**VAT**"	means value added taxation or a similar or replacement tax; and
"**Yield to Worst**"	means, for bonds with call dates, the lowest of the yield-to-call rates for each call date and the yield to maturity.

SEQUOIA ECONOMIC INFRASTRUCTURE INCOME FUND LIMITED

(a company incorporated in Guernsey under the Companies (Guernsey) Law, 2008 (as amended) with registered no. 59596)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the Sequoia Economic Infrastructure Income Fund Limited (the "**Company**") will be held at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR at 9.30 a.m. on 19 May 2017 to consider and, if thought fit, pass the following resolutions, of which Resolutions 1, 2 and 5 will be proposed as ordinary resolutions and Resolutions 3 and 4 will be proposed as special resolutions. Defined terms in this notice will have the meaning given to them in the circular to shareholders published by the Company on 3 May 2017 ("**Circular**"), a copy of which has been produced to this meeting and initialled by the Chairman for the purposes of identification.

Ordinary Resolutions

1. **THAT** the issue of any new Ordinary Shares to SEB Pensionsforsikring A/S and/or any of its Associates (the "**Related Party**") pursuant to the Ordinary Share Placing and/or Offer for Subscription of Ordinary Shares on the basis described in the Circular be and is hereby approved, provided that its shareholding in the Company following its participation in the Issue in aggregate with any shareholding in the Company of any of its concert parties (as defined in the City Code) represents no more than 29.99 per cent. of the issued share capital of the Company following admission of the Ordinary Shares.

2. **THAT** the issue of any Placing Programme Shares to SEB Pensionsforsikring A/S and/or any of its Associates (the "**Related Party**") pursuant to the Placing Programme be and is hereby approved, provided that its shareholding in the Company following its participation in the Placing Programme in aggregate with any shareholding in the Company of any of its concert parties (as defined in the City Code) represents no more than 29.99 per cent. of the issued share capital of the Company following admission of the Placing Programme Shares.

Special Resolutions

3. **THAT** the Directors be and are hereby authorised to allot and issue (or sell from treasury) equity securities (within the meaning of the Articles) for cash, as if Article 5.1 of the Articles did not apply to any such allotment and issue, each of the following:

   (A) up to 151,658,768 Ordinary Shares for the purposes of the Issue; and

   (B) up to 200 million Ordinary Shares for the purposes of the Placing Programme;

   provided that the authority for the Ordinary Shares for the purposes of the Issue shall expire on 30 September 2017 and the authority for the Ordinary Shares for the purposes of the Placing Programme shall expire on the later of: (a) 12 months following Admission; and (b) the conclusion of the 2018 annual general meeting, unless, in each case, such authority is renewed, varied or revoked by the Company, save that the Company may prior to the expiry of such period make any offer or agreement which would or might require such Ordinary Shares to be issued (or sold from treasury) or rights to be granted after such expiry and the Directors may issue (or sell from treasury) such Ordinary Shares (or to grant rights to subscribe for or to convert any securities into Ordinary Shares) in pursuance of any such offer or agreement as if the authority conferred hereby had not expired and provided further that this authority is without prejudice to the existing authority to disapply pre-emption rights up to an aggregate amount not exceeding 10 per cent. of the Ordinary Shares from time to time in issue pursuant to a special resolution of the Company dated 29 June 2016.

4. **THAT: (A)** the following be inserted as a new article 31A into the Articles immediately following article 31:

"31A.1 The directors may if authorised by an ordinary resolution of the Company, offer to any holders of ordinary shares (excluding treasury shares) the right to elect to receive further ordinary shares, credited as fully paid, instead of cash in respect of the whole or some part, to be determined by the directors, of any dividend (**Scrip Dividend**) in accordance with the following provisions of this article 31A.

31A.2 The ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period or periods.

31A.3 The basis of allotment of relevant holders of shares to new ordinary shares shall be decided by the directors so that, as nearly as may be considered convenient, the value of the further ordinary shares is equal to the amount of cash dividend which would otherwise have been paid. For this purpose the value of the further ordinary shares shall be calculated by reference to the average of the middle market quotations for a fully paid ordinary share on the London Stock Exchange as derived from the Daily Official List (or any other publication of a recognised investment exchange showing quotations for the ordinary shares) for the day on which such shares are first quoted "ex" the relevant dividend and the four subsequent dealing days or in such other manner as the directors may decide.

31A.4 The directors shall give notice to holders of their rights of election in respect of the Scrip Dividend and specify the procedure to be followed in order to make an election. No notice need to be given to holders who have previously given election mandates in accordance with this article 31A and whose mandates have not been revoked. The accidental omission to give notice of any right of election to, or the non-receipt (even if the Company becomes aware of such non-receipt of any such notice) by, any holder of ordinary shares entitled to the same shall neither invalidate any offer of an election nor give rise to any claim, suit or action.

31A.5 The directors may exclude from any offer or make other arrangements in relation to any holders of ordinary shares where the directors consider that the making of the offer to them or in respect of such shares would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them or in respect of such shares.

31A.6 The dividend (or that part of the dividend in respect of which an election for the Scrip Dividend is made) shall not be paid and instead additional ordinary shares shall be issued to the holders of elected ordinary shares on the basis of allotment as stated above. For such purpose the directors may capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including any share capital account) or of other amounts which could otherwise have been applied in paying dividends in cash as the directors may determine, a sum equal to the aggregate amount of the additional ordinary shares to be allotted on such basis and applying it in paying up in full the appropriate number of unissued ordinary shares for issue to the holders of the elected ordinary shares on such basis. The directors may do all acts and things necessary or expedient to give effect to any such capitalisation.

31A.7 The directors may decide how any costs relating to the new shares available in place of a cash dividend will be met, including, to deduct an amount from the entitlement of a holder of ordinary shares under this article 31A.

31A.8 The further ordinary shares so issued shall rank pari passu in all respects with each other and with the fully paid ordinary shares in issue on the record date for the dividend in respect of which the right of election has been offered, except that they will not rank for any dividend or other distribution or other entitlement which has been declared, paid or made by reference to such record date.

31A.9 The directors shall not proceed to make any Scrip Dividend available unless the directors have sufficient authority to issue shares to give effect to elections which could be made to receive that Scrip Dividend.

31A.10 The directors may terminate, suspend or amend any offer of the right to elect to receive ordinary shares in lieu of any cash dividend at any time and generally may implement any scrip dividend scheme on such terms and conditions as the directors may determine and take such other action as the directors may deem necessary or desirable in respect of any such scheme.

31A.11 The directors may do all acts and things considered necessary or expedient to give effect to the provisions of this article 31A, the Scrip Dividend election and the issue of any shares thereunder and may make such provisions as they think fit for any fractional entitlements including provisions where, in whole or in part, the benefit accrues to the Company.

31.12 For the avoidance of doubt, shares issued pursuant to this article 31A in respect of all or part of any dividend shall not be treated as issued for cash for the purposes of article 5."

(B) article 33.1 be amended by deleting the words "with authority of an ordinary resolution of the Company".

Ordinary Resolution

5. **THAT** the proposed investment policy set out in the Circular, be and is hereby adopted as the investment policy of the Company to the exclusion of all previous investment policies of the Company.

By order of the Board

Sequoia Economic Infrastructure Income Fund Limited

Registered Office:

Praxis Fund Services Limited
Sarnia House
Le Truchot
St Peter Port
Guernsey
GY1 1GR

Date: 3 May 2017

NOTES:

Proxies

1. A shareholder is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the EGM. A shareholder may appoint more than one proxy in relation to the EGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not also be a shareholder of the Company.

2. Shareholders will find enclosed a form of proxy for use in connection with the EGM (and any adjournment). The form of proxy should be completed in accordance with the instructions. To be valid, the form of proxy (together with the power of attorney or other authority, if any, under which it is executed or a notarially certified copy of such power or authority) must be deposited at the offices of the Company's Registrars, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY or at the email address: info@computershare.co.gg or by fax to +44(0)370 873 5851 by 9.30 a.m. on 17 May 2017. Where a form of proxy is given by email or fax the power of attorney or other authority, if any, under which it is executed or a notarially certified copy of such power or authority must be deposited at the offices of the Company's Registrars at the above address by the appointed time. A space has been included in the form of proxy to allow shareholders to specify the number of shares in respect of which that proxy is appointed. Shareholders who return the form of proxy duly executed but leave this space blank will be deemed to have appointed the proxy in respect of all of their shares. Shareholders who wish to appoint more than one proxy in respect of their shareholding should contact the Company's Registrar, Computershare Investor Services PLC on their helpline number: 0370 707 4040 from within the UK or on +44 370 707 4040 if calling from outside the UK for additional forms of proxy, or you may photocopy the form of proxy provided with this document indicating on each copy the name of the proxy you wish to appoint and the number of ordinary shares in the Company in respect of which the proxy is appointed. All forms of proxy should be returned together in the same envelope.

   In the case of joint holders, any one holder may vote. If more than one holder is present at the meeting, only the vote of the senior will be accepted, seniority being determined in the order in which the names appear on the register of shareholders of the Company.

3. To allow effective constitution of the meeting, if it is apparent to the Chairman that no shareholders will be present in person or by proxy, other than by proxy in the Chairman's favour, then the Chairman may appoint a substitute to act as proxy in his stead for any shareholder, provided that such substitute proxy shall vote on the same basis as the Chairman.

Corporate representatives

4. Corporate shareholders may by resolution of its board or other governing body, authorise such person or persons as it thinks fit to act as its representative at the EGM. Where a person is authorised to represent a corporate shareholder, he may be required to produce a certified copy of the resolution from which he derives his authority.

Right to attend and vote

5. To be entitled to attend and vote at the EGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of members of the Company at 6:00 p.m. on 17 May 2017 or, in the event of any adjournment, 6:00 p.m. on the date which is two days before the time of the adjourned meeting. Changes to entries on the register of shareholders after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the extraordinary general meeting.

CREST members

6. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the EGM (and any adjournments thereof) by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service providers, who will be able to take the appropriate action on their behalf.

7. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Registrar, by the latest time for receipt of proxy appointments specified in this notice of EGM. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

8. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST members is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of the Uncertificated Securities (Guernsey) Regulations 2009.