

THIS REGISTRATION DOCUMENT, THE SECURITIES NOTE AND THE SUMMARY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, you should immediately consult a person authorised for the purposes of the Financial Services and Markets Act 2000, as amended ("FSMA") who specialises in advising on the acquisition of shares and other securities.

This Registration Document, the Securities Note and the Summary together comprise a prospectus relating to Sequoia Economic Infrastructure Income Fund Limited (the "Company") (the "Prospectus") prepared in accordance with the Prospectus Regulation and the Prospectus Regulation Rules of the Financial Conduct Authority ("FCA") made pursuant to section 73A of FSMA, has been delivered to and approved by the FCA in accordance with Article 20 of the Prospectus Regulation and has been made available to the public in accordance with Article 21 of the Prospectus Regulation and Rule 3.2 of the Prospectus Regulation Rules.

This document has been approved by FCA of 12 Endeavour Square, London, E20 1JN (telephone: 0800 111 6768 (freephone) or 0300 500 8082 from the UK or +44 207 066 1000 from outside the UK) as the competent authority under the Prospectus Regulation. The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval shall not be considered as an endorsement of the Company or the quality of the securities that are the subject of this document. This document has been drawn up as a simplified prospectus in accordance with Article 14 of the Prospectus Regulation. Investors should make their own assessment as to the suitability of investing in the securities.

This Registration Document is valid for a period of up to 12 months following its publication and will not be updated. A future prospectus for any issuance of additional Ordinary Shares with a public offer element may, for a period of up to 12 months from the date of publication of this Registration Document, consist of this Registration Document, a Future Summary and Future Securities Note applicable to each issue and subject to a separate approval by the FCA on each issue. Persons receiving this Registration Document should read the Prospectus together as a whole and should be aware that any update in respect of a Future Summary and Future Securities Note may constitute a material change for the purposes of the Prospectus Regulation Rules.

NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES OR ANY EXCLUDED TERRITORY (AS DEFINED HEREIN) OR ANY OTHER JURISDICTION IN WHICH SUCH PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

Sequoia Economic Infrastructure Income Fund Limited

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

REGISTRATION DOCUMENT

Jefferies International Limited

Financial Adviser, Sponsor and Sole Bookrunner

The Directors, whose names and functions appear in the "Directors, Agents and Advisers" section of this Registration Document, and the Company itself, accept responsibility for the information contained in this Registration Document. To the best of the knowledge of the Directors and of the Company the information contained in this Registration Document is in accordance with the facts and this document contains no omission likely to affect its import.

International Fund Management Limited (the "**Investment Manager**") accepts responsibility for the information contained in this Registration Document attributed or pertaining to it. To the best of the knowledge of the Investment Manager the information contained in this Registration Document attributed or pertaining to it is in accordance with the facts and those parts of this document make no omission likely to affect their import.

Sequoia Investment Management Company Limited (the "**Investment Adviser**") accepts responsibility for the information contained in this Registration Document attributed or pertaining to it. To the best of the knowledge of the Investment Adviser, the information contained in this Registration Document attributed or pertaining to it is in accordance with the facts and those parts of this document make no omission likely to affect their import.

Jefferies International Limited ("**Jefferies**") is authorised and regulated in the United Kingdom by the FCA and is acting for the Company and no one else in connection with the Initial Issue and the Share Issuance Programme and the contents of this Registration Document and the rest of the Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Initial Issue and the Share Issuance Programme and the contents of this Registration Document or any matters referred to herein. Nothing in this paragraph shall serve to exclude or limit any responsibilities which Jefferies may have under FSMA or the regulatory regime established thereunder. Jefferies takes no responsibility for any part of the contents of this Registration Document pursuant to sections 79(3) or 90 of FSMA and does not accept any responsibility for, or authorise, any part of the contents of this document under Rule 5.3 of the Prospectus Regulation Rules of the FCA.

Although the whole text of the Prospectus (and the documents incorporated by reference) should be read, the attention of persons receiving this document and of potential investors in the Company are drawn to the section headed "Risk Factors" contained on pages 4 to 20 of this document and those set out in the Securities Note.

The Ordinary Shares are not dealt in on any other recognised investment exchanges and no applications for the Ordinary Shares to be traded on any such other exchanges have been made or are currently expected to be made.

No Ordinary Shares have been nor will they be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or under any laws of, or with any securities regulatory authority of, any state or other jurisdiction of the United States and no Ordinary Shares may be offered, sold, resold, transferred or delivered, directly or indirectly, in, into or within the United States or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the U.S. Securities Act ("**Regulation S**") (a "**U.S. Person**") except pursuant to an exemption from the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States, and under circumstances that would not result in the Company being in violation of the U.S. Investment Company Act of 1940, as amended (the "**U.S. Investment Company Act**"). There will be no public offer or sale of the Ordinary Shares in the United States. The Company has not been and will not be registered under the U.S. Investment Company Act nor is the Investment Manager or the Investment Adviser registered as an investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "**U.S. Investment Advisers Act**"). Consequently, investors will not be entitled to the benefits and protections of the U.S. Investment Company Act or the U.S. Investment Advisers Act.

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

No Ordinary Shares may be acquired by: (i) investors using assets of: (A) an "employee benefit plan" that is subject to Part 4 of Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"); (B) a "plan" to which Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "**U.S. Tax Code**"), applies; or (C) an entity whose underlying assets are considered to include "plan assets" by reason of investment by an "employee benefit plan" or "plan" described in the preceding clauses (A) or (B) in such entity; or (ii) a governmental plan (as defined in Section 3(32) of ERISA), a church plan (as defined in Section 3(33) of ERISA) that has not made an election under Section 410(d) of the U.S. Tax Code, or a non-U.S. plan that is subject to any federal, state, local or non-U.S. law that regulates its investments (a "**Similar Law**"), unless such governmental, church or non-U.S. plan's purchase, holding, and disposition of the Ordinary Shares will not constitute or result in a violation of any Similar Law that prohibits or imposes an excise or penalty tax on the purchase of the Ordinary Shares.

The distribution of this Registration Document and any offer of Ordinary Shares pursuant to the Initial Issue or the Share Issuance Programme may be restricted by law in certain jurisdictions. Other than in the United Kingdom, no action has been or will be taken to permit the possession, issue or distribution of this Registration Document or the Prospectus (or any other offering or publicity material relating to the Ordinary Shares) in any jurisdiction where action for that purpose may be required or where doing so is restricted by law. Accordingly, neither this Registration Document, the Prospectus nor any advertisement, nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Registration Document comes should inform themselves about and observe any such restrictions. None of the Company, Jefferies, the Investment Adviser, the Investment Manager or any of their respective affiliates or advisers accepts any legal responsibility to any person, whether or not such person is a potential investor, in respect of any such restrictions.

This document is dated 10 February 2020.

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RISK FACTORS

An investment in the Company involves significant risks and is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses (which may be equal to the whole amount invested) which may result from such an investment. Accordingly, potential investors should review carefully and evaluate the risks and the other information contained in this document before making a decision to invest in the Company. If in any doubt, potential investors should immediately seek their own personal financial advice from an independent professional adviser authorised under FSMA who specialises in advising on the acquisition of shares and other securities or other advisers such as legal advisers and accountants.

If any of the following risks actually occur, the business, financial condition, capital resources, results and/or future operations of the Company could be materially and adversely affected. In such circumstances, the trading price of the Ordinary Shares could decline and investors may lose all or part of their investment. Additional risks and uncertainties not currently known may also have an adverse effect on the Company.

The Directors believe that the risks described below are the material risks relating to the Company and its industry at the date of this document. In addition, specific risk factors in respect of the Ordinary Shares will be set out in the Summary and Securities Note and any Future Summary and Future Securities Note prepared in respect of this Registration Document. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem to be immaterial at the date of this document, may also have an adverse effect on the performance of the Company and the value of the Ordinary Shares. Potential investors should review this document carefully and in its entirety and consult with their professional advisers before making an application to invest in the Ordinary Shares.

A. Risks relating to the Group

The Company's target return and target dividend yield are based on estimates and assumptions that are inherently subject to significant business and economic uncertainties and contingencies, and the actual return and dividend yield may be materially lower than the target return and target dividend yield

The Company's target return and target dividend yield set forth in this Registration Document are targets only and are based on estimates and assumptions concerning the performance of the Group which will be subject to a variety of factors including, without limitation, operating expenses, the availability of investment opportunities, speed of deployment of funds, asset mix, value, volatility, holding periods, performance of underlying portfolio debt issuers and borrowers, investment liquidity, borrower default, changes in current market conditions, interest rates, adverse currency exchange rate movements, government regulations or other policies, the worldwide economic environment, changes in law and taxation, natural disasters, terrorism, social unrest and civil disturbances or the occurrence of risks described elsewhere in this Registration Document, which are inherently subject to significant business, economic and market uncertainties and contingencies, all of which are beyond the control of the Company and which may adversely affect the Company's ability to achieve its target return and target dividend yield. In particular, the Company may have significant exposure in the United States, the success of which may be affected by currency volatility and any changes (or inability to make proposed changes) to policies and laws in the United States. Such targets are based on market conditions and the economic environment at the time of assessing the proposed targets and the assumption that the Company will be able to implement its Investment Policy and strategy successfully, and are therefore subject to change. There is no guarantee or assurance that the target return and/or target dividend yield can be achieved at or near the levels set forth in the Prospectus. Accordingly, the actual rate of return and actual dividend yield achieved may be materially lower than the targets, or may result in a loss. A failure to achieve the target return and/or target dividend yield set forth in this Registration Document may adversely affect the Group's business, financial condition, results of operations, NAV and/or the market price of the Ordinary Shares.

The Group's income is subject to fluctuations in currency exchange rates

The Group makes investments across a range of currencies including but not limited to Sterling, U.S. Dollars and the Euro. Changes in currency exchange rates will therefore affect the Company's NAV, which

is denominated in Sterling.

Additionally, in certain cases borrowers may be exposed to currency exchange rates if, for example, their revenues and expenses are denominated in different currencies. Changes in currency exchange rates may therefore, adversely affect the borrowers' ability to service their debts which may adversely affect the Group.

The depreciation in Sterling makes non-Sterling investments more expensive for the Group to acquire investments

Investing across multiple jurisdictions may also expose the Company to financial risks associated with fluctuations in exchange rates, primarily between Sterling, Euro and US dollar. In particular, the announcement of Brexit caused significant currency exchange rate fluctuations that resulted in a weakening of Sterling against foreign currencies.

As the Group intends to hold surplus funds awaiting investment in Sterling, any fall in value of Sterling could have a negative effect on the Group by making non-Sterling investments more expensive. Although the Group may utilise financial instruments to partially hedge against changes in currency exchange rates, it is not obliged to do so and may terminate any hedge contract at any time. Moreover, it may not be possible for the Group to hedge against a particular change or event at an acceptable price or at all. In addition, there can be no assurance that any attempt to hedge against a particular change or event would be successful, and any such hedging failure could materially and adversely affect the performance of the Group and its business, financial condition, results of operations, NAV and/or the market price of the Ordinary Shares.

The Group's ability to make investments is subject to the availability of appropriate assets

Although the Directors, the Investment Manager and the Investment Adviser believe that there is substantial availability of investments of the type intended to be made by the Group, either through acquiring in the secondary markets debt instruments backed by economic infrastructure assets, or through originating debt instruments to infrastructure projects and companies, there is no guarantee that such availability will continue to result in sufficient investments being made in a timely manner, or at all, to allow the Company to deliver the targeted returns for Shareholders. When the availability of appropriate assets is lower than expected, it is likely that the Company will take longer than expected to identify and make investments in appropriate assets and therefore a greater proportion of the Group's assets will be held in cash which will generate a much lower return for Shareholders than currently envisaged. In such circumstances, the Directors would consider returning cash to Shareholders.

As at the date of this document, the Group has not entered into any legally binding documentation to acquire any assets in the Company's near term pipeline. Accordingly there can be no assurance that any of these investments will remain available for purchase after the Initial Issue in a timely fashion, or at all or, if available, at what price the investments can be acquired by the Group. There can be no guarantee that the Group will ultimately pursue all, or any, of the potential investments.

The yield on investments is subject to reinvestment risk

To the extent that any investments prepay or mature or are sold, the Investment Adviser will seek to reinvest the proceeds in investments that satisfy the Investment Criteria and the Investment Concentration Limits. The yield on such pipeline investments will depend on, among other factors, the reinvestment rates available at the time, the availability of investments which satisfy the Investment Criteria and the Investment Concentration Limits and on market conditions related to economic infrastructure bonds and loans in general. These factors may require the purchase of assets with a lower yield than those replaced, with different characteristics to those replaced (including, but not limited to, coupon, maturity, call features and/or credit quality) or require that funds be maintained in cash or short-term investments pending reinvestment in substitute investments, which will further reduce the yield of the Portfolio. Any decrease in the yield of the Portfolio will have the effect of reducing the amount available to pay dividends on the Ordinary Shares. There can be no assurance that if investments prepay, mature or are sold, yields on investments eligible for purchase will be at the same level as those replaced nor that the characteristics of any pipeline investments will be the same as those replaced nor as to the timing of purchase of any substitute investments.

The uncertainty regarding the UK's exit from and future relationship with the European Union may lead to a period of financial uncertainty and market volatility

On 23 June 2016, UK citizens voted in favour of the UK leaving the EU ("**Brexit**"), with Brexit subsequently occurring on 31 January 2020 under the terms of a withdrawal treaty which largely maintains the status quo in terms of the UK's relationship with the EU until 31 December 2020. There remains uncertainty around the UK's future relationship with the EU beyond 31 December 2020 and it is therefore difficult for the Company to assess what the impact of Brexit and the UK's future relationship with the EU will be on the Group's business. The uncertainty caused by the ongoing negotiation and potential outcome may lead to heightened levels of market volatility both in the UK, the EU and globally.

Accordingly there will be a period of prolonged uncertainty regarding aspects of the UK economy including the possibility of a period of recession, together with other risks which could materially and adversely affect the legal, operational, regulatory and tax regime(s) to which the Group is currently subject. The effect of these risks could also be to increase compliance and operating costs whilst restricting the movement of its capital and the mobility of its personnel.

The uncertainty created by Brexit and the UK's relationship with the EU following 31 December 2020 may also lead to heightened levels of market and currency volatility both in the UK and globally. Any of these risks, taken singularly or in aggregate, could have a material adverse effect on the Group's business, financial position and results of operations.

Capital gains from the Investments may require significant time to materialise or may not materialise at all

Investments that the Group makes may not appreciate in value and, in fact, may decline in value. There may be a significant period between the date that the Group makes an investment and the date that any capital gain or loss on such investment is realised. Capital return on the Investments, therefore, may not be realised for a substantial time period, if at all.

There can be no assurance that the Investments will generate gains or income or that any gains or income that may be generated will be sufficient to offset any losses that may be sustained. As a result, investing in the Company is speculative and involves a high degree of risk. The Group's performance may be volatile and investors could lose all or part of their investment.

The market value of the Group's investments may vary over time

The value of the Investments made and intended to be made by the Group will change from time to time according to a variety of factors, including the performance of the underlying borrowers (including their actual and perceived financial condition and performance), and expected movements in interest rates, exchange rates, inflation and bond ratings and general market pricing of similar investments. Such changes will affect the Company and the Net Asset Value.

The Group's investments are subject to liquidity risk

Infrastructure debt investments in loan form are not likely to be publicly-traded or freely marketable, and debt investments in bond form may have limited or no secondary market liquidity. Such investments may therefore be difficult to value or sell and therefore the price that is achievable for the investments might be lower than the valuation of these assets as determined by the Investment Adviser and independently reviewed by the Valuation Agent.

The use of leverage by the Company requires the Company to grant security over the Groups assets and to comply with financial covenants

The Company may utilise borrowings for investment purposes, share buybacks and short term liquidity, subject to a maximum permitted leverage of 20 per cent. of the Company's NAV. Entry into leverage agreements may involve granting of security by the Company over the Portfolio. As at 7 February 2020, the Company had gross leverage of £225 million which represents approximately 15.20 per cent. of the Company's unaudited NAV as at the Portfolio Date. Since the Ordinary Shares are equity instruments, on any insolvency of the Company, Shareholders could rank behind the Company's financing counterparties, whose claims will be considered as indebtedness of the Company and may be secured.

The Company may also be required to provide cash margin to a lender based on market movements in

the value of the Portfolio and this may reduce funds available to the Company for distribution. In addition, the Company's financings may be relatively short-term, whereas some of the Investments of the Company are medium to long-term. To the extent that refinancing facilities are not available at economic rates or at all, the Company may be required to sell assets at disadvantageous prices, which could have an adverse effect on the Company's NAV and/or the market price of the Shares.

Market factors such as a deterioration in the infrastructure debt sector may result in the failure of the Investment Strategy followed by the Group

Strategy risk is associated with the failure or deterioration of an investment strategy such that most or all investment managers employing that strategy suffer losses. Strategy specific losses may result from excessive concentration by multiple market participants in the same investment or general economic or other events that adversely affect particular strategies (for example the disruption of historical pricing relationships). The Investment Strategy employed by the Group involves substantial risk of loss in the event of such a failure or deterioration in the infrastructure debt sector. The Group has an Investment Policy which defines, to a degree, how the Group must invest and the Directors require the approval of a majority of the Shareholders to make any material changes to the Investment Policy. As a result, the Group's Investment Strategy may fail, and it may be difficult for the Directors to amend the Group's Investment Strategy quickly or at all should certain market factors appear, which may adversely affect the performance of the Group's business, financial condition, results of operations, NAV and/or the market price of the Ordinary Shares.

The Investment Concentration Limits or Borrowing Limit may change over time

The Directors may make changes to the Investment Concentration Limits and Borrowing Limit which they consider are not material without the consent of Shareholders. Material changes to the Group's Investment Concentration Limits and Borrowing Limit may be made with the approval of a majority of Shareholders. If the Investment Concentration Limits or Borrowing Limit of the Group were to change, the Company (and therefore, indirectly, Shareholders) may find that the nature of its investment exposure changes, possibly significantly and its ability to exit may be limited, which could have a material adverse effect on the Company's business, financial condition, results of operations, NAV and/or the market price of the Ordinary Shares.

B. Risks relating to the Investment Manager and the Investment Adviser

The Investment Manager and the Investment Adviser are each dependent upon the expertise of its personnel in providing investment management services to the Company

The ability of the Group to achieve its Investment Objective is significantly dependent upon the expertise of the Investment Manager and the Investment Adviser's employees and the ability of the Investment Manager and the Investment Adviser to attract and retain suitable staff. The impact of the departure, for any reason, of an individual (or individuals) on the ability of the Investment Manager or the Investment Adviser to achieve the Investment Objective of the Group cannot be determined and may depend on, amongst other things, the ability of the Investment Manager and the Investment Adviser to recruit other individuals of similar experience and credibility. A failure by the Investment Manager or the Investment Adviser to recruit suitable individuals to replace individuals who leave the Investment Manager or the Investment Adviser may negatively affect on the performance of the Investment Manager and/or the Investment Adviser and therefore, of the Group.

Failure by the Investment Manager, the Investment Adviser or other third-party service providers of the Company to carry out its or their obligations could materially disrupt the business of the Company

The Company has no employees and the Directors have all been appointed on a non-executive basis. The Company must therefore rely on the performance of third-party service providers to perform its executive functions. In particular, the Investment Manager, the Investment Adviser, the Administrator, TMF and the Custodian will perform services that are integral to the operations and financial performance of the Company. The Group is reliant on the systems and processes of several entities. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment, or the failure of their systems and processes could have a materially adverse effect on the Company's performance and returns to Shareholders.

The Investment Manager, the Investment Adviser and their respective principals are involved in other businesses and investments which may create conflicts of interest

The Investment Manager, in addition to providing investment management services to the Company, provides investment management services to a number of other funds and accounts. Similarly, the Investment Adviser, in addition to advising upon the Investments, currently serves, or may serve in the future, as the investment adviser and/or investment manager to other investment funds and managed accounts. Accordingly, neither the Investment Manager nor the Investment Adviser devotes its resources exclusively to the business of the Company. In addition, each of the Investment Manager and the Investment Adviser and its owners, members, officers and principals are presently, and will in the future continue to be, involved in other business ventures that have no relationship with the Company. Accordingly, the Investment Manager, the Investment Adviser and their respective owners, members, principals and officers may encounter potential conflicts of interest in connection with their respective roles to the Company and their respective involvement in other business ventures. Each of the Investment Manager and the Investment Adviser has undertaken, *inter alia*, to seek to ensure that any conflicts of interest in respect of its services are resolved fairly.

The Investment Adviser will reinvest one tenth of its management fees in subscribing for Ordinary Shares, and its directors have personal investments in the Ordinary Shares. Notwithstanding this, the interests of the Investment Adviser, its directors and other investors in the Shares may not be aligned and may create conflicts of interest between the Investment Adviser and other Shareholders.

The Investment Manager and the Investment Adviser are dependent on information technology systems

The Investment Manager and the Company are dependent on the Investment Adviser for investment, operational and financial advisory services. The Investment Adviser depends on information technology systems in order to assess investment opportunities, strategies and markets and to monitor and control risks for the Company.

It is possible that a failure of some kind which causes disruptions to these information technology systems could materially limit the Investment Adviser's ability to adequately assess and manage the investments of the Company, formulate strategies and provide adequate risk control. Any such information technology related difficulty could harm the performance of the Company.

C. Risks relating to and associated with the Investments

The Group may be unable to realise value from its Investments in the event of the insolvency of a borrower or in the event of a borrower default and investors could lose all or part of their investment

Although a detailed assessment of the creditworthiness of all borrowers will be conducted in respect of infrastructure loans and bonds in which the Group will invest, there remains a risk that such borrowers may default on their obligations to the Group. Such a default may adversely affect the income and principal repayments due to be received by the Group and the value of the Group's assets.

A substantial component of the Investment Adviser's analysis of the desirability of making all investment relates to the estimated residual or recovery value of such investments in the event of the insolvency of the borrower. This residual or recovery value will be driven primarily by the value of the underlying assets constituting the collateral for such investment. The value of collateral can, however, be extremely difficult to predict and in certain market circumstances there could be little, if any, market for such assets. Moreover, depending upon the status of these assets at the time of a borrower's default, they may be substantially worthless. The types of collateral owned by the borrowers in which the Group invests will vary widely, but are expected to be primarily infrastructure assets and concessions, and secondarily other tangible and financial assets. A default that results in the Group holding collateral may materially adversely affect the performance of the Group and the value of the Ordinary Shares.

In the event of the insolvency of a borrower in respect of an Investment, the Group's recovery of amounts outstanding in insolvency proceedings may be affected by the insolvency regimes in force in the jurisdiction of incorporation of such borrower and/or in the jurisdiction in which it mainly conducts its business, and/or in the jurisdiction in which the assets of such borrower are located. Some insolvency regimes impose rules for the protection of creditors and may adversely affect the Group's ability to recover such amounts

as are outstanding from the insolvent borrower, which may consequently adversely affect the performance of the Group and its business, financial condition, results of operations, NAV and/or the market price of the Ordinary Shares.

Similarly, the ability of borrowers to recover amounts owing to them from insolvent underlying obligors may be adversely affected by any such insolvency regimes applicable to those underlying obligors, which in turn may adversely affect the abilities of those borrowers to make payments to the Group due under the Investment on a full or timely basis.

A number of jurisdictions operate unpredictable insolvency regimes which may cause delays to the recovery of amounts owed by insolvent borrowers or underlying obligors subject to those regimes. These delays may have a material adverse effect on the performance of the Group and its business, financial condition, results of operations, NAV and/or the market price of the Ordinary Shares.

Various laws enacted for the protection of creditors and stakeholders may apply to certain Investments that are debt obligations, although the existence and applicability of such laws will vary between jurisdictions. For example, if a court were to find that a borrower did not receive fair consideration or reasonably equivalent value for incurring indebtedness evidenced by an Investment and the grant of any security interest securing such Investment, and, after giving effect to such indebtedness, the borrower: (i) was insolvent; (ii) was engaged in a business for which the assets remaining in such borrower constituted unreasonably small capital; or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court may: (a) invalidate such indebtedness and such security interest as a fraudulent conveyance; (b) subordinate such indebtedness to existing or future creditors of the borrower; or (c) recover amounts previously paid by the borrower (including to the Group) in satisfaction of such indebtedness or proceeds of such security interest previously applied in satisfaction of such indebtedness. In addition, if a borrower in whose debt the Group has an Investment becomes insolvent, any payment made on such Investment may be subject to avoidance, cancellation and/or clawback as a "preference" if made within a certain period of time (which for example under some current laws may be as long as two years) before insolvency. In general, if payments on an Investment are avoidable, whether as fraudulent conveyances, extortionate transactions or preferences, such payments may be recaptured either from the initial recipient or from subsequent transferees of such payments. To the extent that any such payments are recaptured from the Group, there may be an adverse effect on the performance of the Group and, by extension, on the Company's business, financial condition, results of operations, NAV and/or the market price of the Ordinary Shares.

A valuation is an estimate of value and not a precise measure of realisable value

All investments made by the Group will be valued by the Independent Adviser and independently reviewed by the Valuation Agent, in accordance with the valuation methodology set out in paragraph 14 of Part 2 of this Registration Document. The resulting valuations will be used, amongst other things, for determining the basis on which various transactions in the Ordinary Shares take place (including pursuant to the Initial Issue and the Share Issuance Programme and potential future issues of Ordinary Shares). Valuations of the Investments reflect the Valuation Agent's view of expected cashflows and appropriate discount rates, which are uncertain. To the extent that these discount rates or any other metric used in the valuation of the Group's assets are incorrect the valuation of the Investments may be inaccurate. Moreover, a valuation is only an estimate of value and is not a precise measure of realisable value. Therefore, transactions in the Shares may take place by reference to valuations of Investments which do not reflect the realisable value of underlying assets. There can be no certainty that estimated monthly valuations will be equivalent or similar to NAV valuations calculated by the Company's auditors at the end of each financial year.

The Group invests exclusively in economic infrastructure debt investments and therefore bears the risk of lack of diversification of asset class

Other than some holdings in cash, or cash equivalents, and hedging instruments, the Group intends to invest exclusively in economic infrastructure debt investments and therefore bears the risk of investing in only one asset class. If returns from economic infrastructure debt investments are adversely affected, the lack of diversification across any other asset class in the investment portfolio means that there will be no income from another class of assets to off-set any shortfall, which may have an adverse effect on the income received by the Group and the value of the Group's assets.

There can be no assurance that targeted returns on debt investments will be achieved

The Group will make debt investments based on estimates or projections of that investment's future cashflows (which will primarily consist of interest and principal receipts). These cashflows may be affected by, *inter alia*:

- interest rates, inflation rates and currency exchanges rates, as discussed below;
- borrower defaults, loan restructurings, grace periods, extensions, waivers and debt forgiveness and write-offs; and
- prepayments of Investments.

There can be no assurance that the investment's actual cashflows will equal or exceed those that are expected or that the targeted return on the Investments will be achieved.

The Group is subject to unexpected fluctuations in the rates of inflation

In certain cases, the Group may make investments based on estimates or projections of future rates of inflation because the Investment Adviser expects that the borrower's underlying revenues and/or expenses will be linked to inflation. If actual inflation differs from this expectation, the net cashflows of the borrower may be lower than anticipated, potentially adversely affecting its ability to service its debt and thereby adversely affecting the position of the Company.

Moreover, the Group may make investments in debt instruments where the return is partially or entirely linked to inflation. In this case, if future inflation is lower than expected, the income received by the Group from that debt instrument will also be lower than expected, and this will adversely affect the position of the Group.

The Group is subject to unexpected fluctuations to the rates of interest

Changes in interest rates may adversely affect the value or profitability of the assets of the Group in a number of ways:

- by affecting the interest earned on floating-rate assets held by the Group (including, potentially, negative interest rates);
- by affecting the spread between, amongst other things, the income on its assets and the expense of any interest-bearing liabilities;
- by affecting the borrower's ability to service its debts, to the extent that the borrower has not fully hedged any floating rate exposure it has and also by affecting the interest earned by borrowers on any cash balances that they hold; and
- by affecting the valuation and duration of the Group's assets.

Interest rates are highly sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond the control of the Group.

The Group is subject to counterparty credit risk

Hedge transactions and repurchase agreements involve the Group entering into contracts with counterparties. Pursuant to such contracts, the counterparties agree to make payments (and, in the case of repurchase agreements, deliveries) to the Group under certain circumstances as described therein. The Group will be exposed to the credit risk of the counterparty with respect to any such payments or deliveries.

The Group may borrow funds by entering into a repurchase transaction (repo), under which it sells a debt instrument to the repo counterparty and agrees to repurchase an equivalent debt instrument at a later date for a higher price. In that case, the Group will depend on the counterparty to redeliver the equivalent debt instrument on maturity of the repo agreement. If the repo counterparty defaults or becomes unable to perform due to insolvency or otherwise, the Group may be unable to recover an equivalent debt instrument to that delivered under the repo.

The Group hedges a proportion of its foreign exchange risk which arises from holding non-Sterling investments whilst its Ordinary Shares are denominated in Sterling. Such hedging may be executed by, for example, selling a non-Sterling currency for Sterling at a future date. To the extent that Sterling appreciates

in value prior to that forward date, the Group will be exposed to the credit risk of its hedging counterparty.

Additionally, although the Group will generally only hold its uninvested cash (excluding operational cash) with banks rated (at the bank group level) at least A-1, P-1 or F-1 from S&P, Moody's or Fitch respectively, or in one or more similarly-rated money market or short-dated debt funds, a default by the bank or losses on the money market or short-dated debt fund would adversely affect the Company. This risk will be of particular significance when the Company has a significant amount of uninvested cash including immediately following the completion of the Initial Issue and after each issue under the Share Issuance Programme.

Therefore, although the Group may benefit from the use of hedging strategies, failure to properly hedge the market risk in the Investments and/or default of a counterparty in the performance of its obligations under a hedging contract may have a material adverse effect on the performance of the Group and its business, financial condition, results of operation, NAV and/or the market price of the Ordinary Shares, and such adverse effects may exceed those which may have resulted had no hedging strategy been employed. It is also possible that the Group may be required to post collateral with hedging counterparties in order to enter into hedging contracts which may result in cash drag or investments being sold in order to finance such collateral deposits, which may have an adverse effect on the returns made by the Group on investments.

The Group is exposed to risks associated with investing in subordinated and mezzanine debt

The covenants provided by a borrower in favour of its senior lenders are generally extensive and a breach of one or more of such covenants may result in payments to a subordinated lender being suspended, and in some circumstances any amounts paid to the subordinated lender following any such breach may be repayable.

Where such a breach or any other event leads to an event of default, the senior lenders will normally have the right to take control of the borrower and ultimately to sell it. In such event, the sale proceeds may be insufficient to repay in full the subordinated debt of the borrower, which would result in a loss being suffered by the Group.

Following a default by a borrower, its senior lenders will have a priority claim on cashflow generated by the company (whether arising through its continuing operation or from the disposal of the assets of the business) or on the assets of the borrower in the event of insolvency or on enforcement of security. A subordinated lender will often only receive cashflow once the senior lenders have been repaid in full, including accrued interest owing to them and in some cases compensation for the early prepayment of their debt. A relatively small decline in a borrower's assets could therefore create a disproportionately large loss for a subordinated lender, including potentially the full loss of the subordinated lender's investment, which would adversely affect the income received by the Group and the value of the Group's assets.

Investments in regulated UK utilities are subject to risk arising from the UK regulatory framework

In the case of UK utilities, loans advanced to the borrower bear, in addition to the normal risks of subordination, additional risks arising from the UK regulatory framework. Specifically, following a breach of certain licence conditions (which could include the downgrade of the regulated utility to sub-investment grade), the regulator has the right to place the utility into "Special Administration" which would be likely to result in the suspension of dividend payments out of the regulated utility. This would adversely affect the ability of the borrower to service its debt which would adversely affect the income received by the Group and the value of the Group's assets.

Errors in financial models or incorrect analysis may impact the Group's return on investments

Infrastructure projects rely on large and detailed financial models and forecasts. Assumptions are made in such models and forecasts in relation to a range of matters, including revenues, inflation, lifecycle replacement costs, insurance premia, applicable rates of tax, availability of tax reliefs, insurance rates and deposit interest rates and these may diverge in the future from those assumed in the financial models and forecasts. Errors in these or other assumptions or in the methodology used in such financial models and forecasts may mean that the return on an investment is less than expected. In addition, data received which is incorrect or has been incorrectly interpreted may lead to errors in financial models and forecasts and ultimately negatively affect the return on the Investments. For example, a project will often provide for the replacement or refurbishment of certain items of equipment. The timing of such replacements or refurbishments is a key aspect of the cashflow forecasting assumed by the Group in assessing the ability

of the project company to service its debts. Where such replacements or refurbishments occur earlier than projected, or cost more than expected, the free cashflow arising to the project company may be reduced, potentially affecting its ability to service its debt.

Additionally, the Investment Adviser and the Investment Manager will make use of financial models, developed either in-house or by third parties, for a range of purposes including but not limited to credit assessment and scoring, portfolio optimisation and loan pricing, and errors in one or more of these models may mean that the returns on the Investments will be less than expected.

If any of these errors in financial models, cashflow forecasting or analysis occur this may adversely affect the income received by the Group and the value of the Group's assets.

The Group generally has no control over decisions taken by borrowers in its investments

The Group will not normally have control over decisions taken by borrowers other than to a limited extent through the normal operation of loan or bond covenants, warranties and representations, or other terms. This may result in borrowers making decisions that are not in the interests of the Group.

In circumstances where the Group invests in a loan or bond, it may only hold a small percentage of the total outstanding loan or bonds, and therefore may not have the ability to block certain decisions made collectively by the lending group that may be taken either prior to or after a default by the borrower. This may result in the group of lenders to a borrower making decisions that are not in the interests of the Group. Additionally in certain cases the agent bank (in the case of loans) or the trustee (in the case of bonds) may make decisions related to the investment which may not be in the interests of the Group.

The Group is reliant on the sufficiency of due diligence in relation to the Group's investments

Whilst the due diligence process in connection with the Investments may include site visits, meetings with management, and engaging lawyers, technical consultants, independent valuers and financial model auditors, this may not reveal all facts that may be relevant in connection with an investment and may not highlight issues that could affect the Investments' performance. Additionally, in some circumstances where the Group is acquiring secondary market loans, the due diligence reports that are available may be out of date or the Group may be limited in the extent of the due diligence which it is able to carry out. While all such factors are taken into account in assessing potential investments, any failure in the due diligence conducted by the Group to highlight relevant issues may result in the Group acquiring an asset that does not perform as expected which may adversely affect the income received by the Group and the value of the Group's assets.

Moreover to the extent that the Group invests in bonds or other securities, then the information available will be limited to publicly-available information which may be less than would be typically received in relation to loan investments. This factor may further increase the risk that the Investment Adviser does not have adequate information to identify risks associated with the Investments.

The Group invests in assets whose revenues are dependent on usage and therefore the borrower's ability to service its debt owed to the Group is dependent on level of use

The Group intends to make debt investments in borrowers that provide services on a "demand" basis, where the borrower's revenues depend on the level of use made of its assets. Therefore, to the extent that the level of use of the borrower's assets is less than expected, the borrower will have lower revenues than expected and its ability to service its debts will be impaired. The utilisation of a borrower's assets will be dependent upon many complex and potentially-interlinked factors, outside the control of the Group. Such factors could include, but are not limited to: macro-economic factors, local factors specific to the region in which the borrower operates, competition, changes in government policy (including taxation) that may affect demand for the borrower's assets, the skill with which the borrower operates the assets, and the pricing policies adopted by the borrower in respect of its assets. Any default by a borrower will have an adverse effect upon the income received by the Group and the value of the Group's assets.

The Group may be exposed to environmental liabilities to any sites owned or used by a borrower

To the extent that there are environmental liabilities arising in the future in relation to any sites owned or used by a borrower (including, for example, clean-up and remediation liabilities), that borrower may be required to contribute financially towards any such liabilities which in turn may increase its risk of defaulting. This may adversely affect the income received by the Group and the value of the Group.

The Group may be exposed to acquisition risks for investments used by borrowers to acquire economic infrastructure assets

The Group may make debt investments to borrowers that are acquiring infrastructure assets, as part of their acquisition finance arrangements. In such circumstances the vendor will typically provide various warranties for the benefit of the acquirer and its funders in relation to the acquisition. Such warranties will be limited in extent and are typically subject to disclosure, time limitations, materiality thresholds and liability caps and to the extent that any loss suffered by the acquirer arises outside the warranties or such limitations or exceeds such caps it will be borne by the acquirer, which may adversely affect the income received by the Group and the value of the Group's assets.

The costs and availability of insurance for project companies may impact its ability to service its debt owed to the Group

The Group may make investments based on estimates or projections of the cost to infrastructure project companies of maintaining insurance cover for, amongst other things, buildings, contents and third party risks (for example arising from fire, flood or terrorism). Although generally not the most significant cost incurred by a project company, the cost of insurance to cover risks including those referred to above is a material cost. Where the cost of maintaining the insurance is greater than assumed, it is possible that the ability of the project company to service its debts may be negatively affected. Moreover certain risks may be uninsurable in the insurance market (such as in the event of the occurrence of force majeure events) or subject to an excess or exclusions of general events and in such cases the risks of such events may rest with the project company. These factors may adversely affect the income received by the Group and the value of the Group's assets.

In the case of certain PPP/PFI infrastructure projects, where insurance is not obtainable, the project agreement usually provides that the public sector counterparty may, in certain circumstances, arrange to insure the relevant risks itself. If a risk then subsequently occurs, the public sector counterparty can typically choose whether to let the project agreement continue, and pay to the project company an amount equal to the insurance proceeds which would have been payable had the insurance been available (excluding in certain cases amounts which would have been payable in respect of equity investment), or terminate the project agreement and pay compensation on the basis of termination for *force majeure* (see below under "Termination of Project Agreements"). There can be no guarantee that a project company will be able to fully repay its debt, which may have a material adverse effect on the Group.

The Group is exposed to risks associated with the operation of its assets including reliance on sub-contractors

The performance of project companies is, to a considerable degree, dependent on the performance of its sub-contractors. The financial models for project companies are typically based on the fact that many of the risks of operating the relevant concessions are substantially assumed by subcontractors. Where project companies have entered into subcontracts, the subcontractors' liabilities to a project company for the risks they have assumed will often be subject to financial limits and it is possible that these limits may be exceeded in certain circumstances. Any loss or expense in excess of such a cap would be borne by the project company, unless covered by the project company's insurance. Additionally, the project companies may be exposed to cost or liability as a result of limits of liability, default by or the insolvency of a contractor or defective contractual provisions.

Project companies will typically subcontract design and construction activities in respect of projects. The subcontractors responsible for the construction of a project asset will normally retain liability in respect of design and construction defects in the asset for a statutory period following the construction of the asset, subject to liability caps. In addition to this financial liability, the construction subcontractor will also often have agreed an obligation to return to site in order to carry out any remedial works required for a pre-agreed period. Following the expiry of these limitation periods, an infrastructure project company will not normally have recourse to any third party for any defects which arise thereafter. Any potential defect may affect the ability of the infrastructure asset to generate revenue or may require additional capital expenditure to repair such defect.

If a project company is required to replace a key sub-contractor (including a facilities manager) due to the insolvency of that sub-contractor or for any other reason, the replacement sub-contractor may charge a higher price for the relevant services than the project company paid previously. The resulting increase in

the costs of the project company may adversely affect its ability to service its debt to the Group.

If any of these risks relating to the use of subcontractors were to materialise, they may adversely affect the income received by the Group and the value of the Group's assets.

Assets subject to benchmarking may incur losses arising from changes in its costs

A project may provide for the market-testing (sometimes referred to as benchmarking) of the costs of providing certain services in order to more accurately set the level of payments to be made under the relevant project agreement. This may expose the project company to potential losses arising from changes in its costs relative to the charges that it is entitled to receive as a result of the benchmarking process. This would potentially affect the ability of the project company to service its debts, thereby adversely affecting the income received by the Group and the value of the Group's assets.

If the Group's assets have employees the Group will be exposed to employment-related liabilities

It is occasionally the case that a project company has its own employees, in which case it may be exposed to potential employer liabilities (including in respect of pension entitlements) under applicable legislation and regulations, which could have adverse consequences for a project company. Such consequences may adversely affect the income received by the Group and the value of the Group's assets.

A borrower project company may be exposed to risk of counterparty default

A project company may be exposed to credit risk from a wide range of counterparties including, but not limited to:

- the entity (such as a public sector body) that granted the concession and is responsible in whole or in part for providing the project company with its revenues or with guaranteeing certain liabilities or risks associated with the project (such as compensation for the early termination of a concession agreement);
- subcontractors providing a range of services including facilities management companies, operation and maintenance companies, SPY management and administration, construction companies and others;
- insurance companies; and
- banks providing bank accounts for the project company or hedging arrangements for currency or exchange rate risks.

In the event of a counterparty default, there may be significant difficulties for the project company in finding an alternative or replacement counterparty on the same or better terms, and in some cases would immediately expose the project company to financial loss, in which circumstances the value of the Group's assets could be adversely affected.

The Group may make debt investments from time to time in loan assets which are held on existing lenders' books, for example, where the Group invests in a loan participation, or where it guarantees the performance of a project company to an existing lender (typically a bank) in return for a fee, with such a guarantee collateralised by a deposit held by the existing lender. In such an event, a default by the counterparty may expose the Group to losses regardless of the performance of the underlying projects or loans, including the potential for the principal value of the investment to be lost.

The Group often makes debt investments in assets that are not yet cash generative and/or are exposed to construction risks

The Group makes debt investments in projects that have not yet completed the construction phases of their concessions and/or which are not yet cash generative. Should there be any delay in completion of the construction phase in relation to any such project or any "overrun" in the costs of construction, there is a risk that the ability of the project company to service its debts will be lower than expected. In addition once a project is complete but not yet operational or is operational but there is a delay between the commencement of operations and the project achieving the expected revenues and returns, the ability of the project company to service its debts during this period may be reduced. Any such default or delay may have an adverse effect upon the income received by the Group and the value of the Group's assets.

Defects in contractual documentation may expose the Group to unforeseen liabilities

The contractual arrangements for infrastructure projects are structured so as to minimise the risks inherent in projects that are retained by infrastructure project companies. However, despite technical and legal

review, the contractual documentation may be ineffective in distributing or mitigating risks to the degree expected, resulting in unexpected costs or reductions in revenues which could adversely affect the returns to the Group. Due to commonalities in the drafting of such contractual documentation, such issues could affect a number of investments in which the Group may invest.

Supply risk in respect of raw materials may affect the profitability of the underlying assets of the Group

Many projects (particularly in the power sector) are reliant on the supply of raw materials or commodities for their continued operation. However, the relevant commodities may suffer from price volatility or simply be unavailable. A project can sometimes partially mitigate against these risks by executing a long-term supply agreement in respect of the required commodity at a pre-agreed price. Any failure of the counterparty under such a long-term supply contract or generally of a project company to procure the supply of necessary commodities could have a negative impact on the project which could, in turn, negatively affect the principal value of the Investments.

The Group's investments in power and energy renewable projects may be exposed to merchant risk

Power and renewable energy projects may be reliant on selling some or all of their electricity over time in the "spot" markets, and are therefore exposed to the future price of electricity. To the extent that the actual price of electricity is lower than originally forecast, the project company's ability to service its debt will be adversely affected, which in turn will have an adverse effect on the value of the Investments.

The Group may be exposed to political risk particularly those associated with public infrastructure procurement

Although mitigated to a certain extent by the choice of jurisdictions where the Group will invest (see paragraph 11.2 of Part 2 of this Registration Document), all projects face some level of political risk.

For example, project agreements for PPP/PFI infrastructure projects may be terminated in certain circumstances, as a result of, for example, default by a borrower or the commission of a corrupt or fraudulent act by a borrower, shareholder or contractor in relation to a project agreement. In addition, political parties in different jurisdictions, including the Labour Party in the UK, have adopted or considered adopting as policy an intention to amend and/or terminate existing PPP/PFI contracts. The compensation that a borrower may receive on termination will depend on the reason for termination but in some circumstances (such as termination for *force majeure* events) the compensation received may be insufficient to repay in full the debts of the borrower which may, in turn, negatively affect the principal value of the Investments.

PPP/PFI is not the only means of funding infrastructure projects and the use of such funding mechanisms in the future may decrease. If there is such a change in policy, there is a risk that public bodies may seek to terminate existing PFI-type projects and, while such termination may be contemplated in the transaction documentation, there can be no guarantee that the Group will recover the full market value of its Investments in those circumstances. Any failure by the Group to recover the full market value of its Investments may result in a reduction in the value of the Group's assets. Additionally, any changes in policy could reduce the future availability of appropriate assets.

The Group's borrowers may be reliant on licences or concession agreements and the Group is exposed to any consequences of default under these agreements

Many borrowers are reliant on licences or concession agreements in order to operate their businesses or projects. Any default by such borrowers of the terms of such licences or concession agreements may result in their termination, which is likely to have a significant and adverse effect on the borrower's ability to continue to operate, and therefore to service its debt and project companies. Any such problems may, in turn, adversely affect the Group's investment returns.

The Group is exposed to risks associated with renewable energy-related transactions

Governments generally provide a range of incentives and subsidies for specific types of renewable energy projects, for example in the UK "feed-in" tariffs and the renewable heat incentive (where energy producers are guaranteed a minimum price for their output, typically above market rates) and the Renewables Obligation Certificate (ROC) system (which requires electricity suppliers to supply minimum levels of

renewable source electricity or make buy-out payments into a central fund). Changes in the application of government policy in relation to the incentives and subsidies that they provide may have a material impact upon the profitability of renewable energy projects. Furthermore, the generation of power from renewable energy sources tends to be reliant upon relatively recent technological developments (or the application thereof), and therefore unforeseen technical deficiencies with installations may occur; and although such deficiencies may be covered by supplier warranties, the value of such warranties, if any, may be adversely affected by, for example, time limitations on such warranties or credit events in relation to the relevant supplier.

Some borrowers may utilise relatively new or developing technologies. There may be issues in relation to those technologies that become apparent only in the future. Such issues may give rise to additional costs for the relevant borrower or may otherwise result in the financial performance of the relevant borrower being poorer than is anticipated. This may adversely affect the value of and returns generated by the Investments. Additionally, technological advances in the future may reduce the competitive efficiency of installations commissioned now.

Moreover, the reliance of any renewable energy project, or group of projects, on a variable resource as its feedstock (for example, ambient light in the case of solar power projects, wind speed in the case of wind power projects and waste in the case of waste-to-energy projects) may affect the profitability of a site or sites. Finally, in the event of a failure of a utility or other private company contracted to purchase power produced by an installation in which the Group has invested, difficulties may arise in contracting with a replacement power purchaser. All of these risks relating to Investments in renewable energy projects could have an adverse effect upon the income received by the Group and the value of the Group's assets.

The Group may be exposed to lessee risk for assets which are subject to a lease

Infrastructure asset-owning companies may generate revenues from their assets by leasing them to one or more companies. Such leases can take a range of forms including short and long-term operating leases, financial leases and charters of various types. The infrastructure borrower is exposed to counterparty credit risk in relation to these lessees and the insolvency of one or more lessees may result in financial loss to the borrower which may adversely affect the income received by the Group and the value of the Group's assets.

The Group may experience issues and costs in relation to the recovery of assets

Some infrastructure assets, especially in those in the transportation sector such as shipping and aircraft, are by their nature moveable and, following the default of the lessee, the servicer will need to physically recover the assets before it can re-lease them. Depending upon the location of the assets at the time of default, their recovery may present the servicer with technical, logistical or legal difficulties which may increase the time taken to re-lease the asset and/or introduce additional costs that will be borne by the borrower. Additionally, in relation to some asset types such as aircraft, the assets may attract fleet liens or other encumbrances that relate not just to that asset but to the lessee's entire fleet, and removing these liens after the insolvency of the lessee may expose the lessor to substantial costs. Such delays or costs may reduce the ability of the borrower to service its debt and this may adversely affect the income and principal re-payments due to be received by the Group from the borrower and the value of the Group's assets.

The income received from the Group's Investments might be exposed to re-leasing risk

In certain cases, an infrastructure borrower will need to re-lease its assets over the course of their life. This could occur, for example, following the default of a lessee, or if the initial leases mature before the debt that is secured on them is fully repaid. The ability of the servicer of the assets to re-lease them will be dependent upon many complex factors outside their control and outside the control of the Group. These factors could include, but are not limited to:

- general economic conditions;
- the age and condition of the assets at the time of the re-leasing;
- technological and regulatory changes that may occur in the future; and
- the skill of the servicer in identifying and negotiating the re-leasing.

To the extent that the servicer cannot find replacement lessees for the infrastructure assets, or the terms

of the replacement leases are worse than originally anticipated, the ability of the borrower to service its debt may be impaired. This may adversely affect the income received by the Group and the value of the Group's assets.

The Group may invest in assets which are subject to depreciation and residual value risk

Some infrastructure assets, for example rolling stock and aircraft, have a finite economic life and therefore their value will decrease over time. When assessing such Investments, the Investment Adviser and/or Investment Manager will make assumptions about the rate of depreciation of the asset. To the extent that the actual rate of depreciation is higher than that assumed, the future value of the assets will be lower than anticipated.

In certain cases the debt secured on infrastructure assets may not fully amortise over time out of leasing income and may therefore be dependent upon the ability of the borrower to either sell or re-finance those assets in order to repay its debt at maturity. If the value of the assets has declined by more than expected over time the borrower may be unable to repay the debt at maturity and this may adversely affect the income received by the Group and the value of the Group's assets.

The Company is exposed to risks associated with the ratings of bonds and loans

The Group may invest in rated bonds and loans and in such cases, the withdrawal of such ratings, or an actual or expected downgrade, on the bonds may result in a decline in the market value of the bonds or loan, and a reduction in their secondary market liquidity. In such cases, the value of the Group's assets may decline.

D. Risks relating to laws, taxation and regulation

Changes in laws or regulations may adversely affect the Group's business, investments and the results of its operations

The Group, the Investment Manager and the Investment Adviser are subject to laws and regulations enacted by national, regional and local governments and institutions. These laws and regulations and their respective interpretation and application may change from time to time and those changes could have a material adverse effect on the Investments and the results of the Group's operations. The precise nature of all of the risks and uncertainties that the Group may face in the case of a change of law or regulation cannot be predicted and are outside of the Group's control, and further, the political and economic uncertainty which results from any actual or proposed change of applicable laws or regulations could adversely affect the operations and results of the Group.

The Group is exposed to changes in tax laws, accounting standards or regulation, or their interpretation

The fund structure through which the Group initially intends to invest, being principally through its wholly-owned Luxembourg subsidiary, whilst designed to maximise post-tax returns to investors, is based upon current law and practice and accountancy regulations and practice in Guernsey, Luxembourg and the UK. Such law or practice is subject to change and any such change may potentially reduce the post-tax returns to Shareholders, for example in the event of the imposition of withholding or other additional taxes on income or gains in respect of the underlying investments of the Subsidiary or the distributions by the Subsidiary to the Company. Any such changes may potentially be enacted with retrospective effect.

The Company and the Subsidiary is exposed to changes in the tax treatment of arrangements relating to its business or investments.

If either the Company or the Subsidiary were treated as resident, or as having a permanent establishment, or as otherwise being engaged in a trade or business, in any country in which it invests or in which the Investments are managed, all of its income or gains, or the part of such gain or income that is attributable to, or effectively connected with, such permanent establishment or trade or business, may be subject to tax in that country, which could have a material adverse effect on the performance of the Group and returns to Shareholders.

Base Erosion and Profit Shifting may affect the tax treatment of the Company

The law and any other rules or customary practice relating to tax, or its interpretation in relation to the

Company, its assets and any investment of the Company may change during its life. In particular, both the level and basis of taxation may change. In particular, the OECD's on-going global Base Erosion and Profit Shifting project which intends to achieve a multi-national framework on corporate taxation could substantially affect the tax treatment of the Company. Additionally, the interpretation and application of tax rules and customary practice to the Company, its assets and investors by any taxation authority or court may differ from that anticipated by the Company. Both could significantly affect returns to investors.

OECD consultation on changes in tax law may affect the Group, its borrowers and investors

Prospective investors should be aware of the Organisation for Economic Co-operation and Development's ("OECD") Base Erosion and Profit Shifting ("BEPS") project which relates to, amongst other things, restricting the deductibility of interest payments (Action 4), preventing the granting of tax treaty benefits in inappropriate circumstances (Action 6) and preventing the artificial avoidance of permanent establishment status (Action 7). The OECD's proposed changes under the BEPS project are being progressively implemented by tax authorities around the world and such implementation may affect the investors, the Borrowers and/or the Group.

Offshore funds rules may become applicable to the Company in the future

The Directors consider that the Company should not constitute an "offshore fund" for the purposes of Part 8 of TIOPA, as the Company is closed-ended with an unlimited life. In addition, it is not intended that arrangements will be operated in respect of the Company so that investors can expect to realise their investment at or close to NAV other than in the event of a winding up of the Company.

The Directors will use reasonable endeavours (but without liability) to monitor the Company's status in this regard. Changes in the Company's tax status or tax treatment may adversely affect the Company and if the Company becomes subject to the UK offshore funds rules in Part 8 of TIOPA, there may be adverse tax consequences for UK tax resident Shareholders.

Anti-Avoidance provisions which may be implemented or adjusted in the future could affect the Company's tax position

Guernsey has a wide-ranging anti-avoidance provision. This provision targets transactions where the effect of a transaction or series of transactions is the avoidance, reduction or deferral of a tax liability. The Director of Revenue Service may, at its discretion, make such adjustments to the tax liability as may in the Director's opinion be appropriate to counteract the effects of the avoidance, reduction or deferral of liability which would otherwise be affected by, or as a result of, that transaction or series of transactions. Any such adjustments may adversely impact the Company and its assets which in turn could significantly affect returns to investors.

The Company may be exposed to risks relating to the classification of the Company under the Non-Mainstream Pooled Investments ("NMPIs") definition

The Company has been advised that the Ordinary Shares can be considered as "excluded securities" for the purposes of the FCA rules regarding the definition and promotion of NMPIs because the Company would be capable of qualifying as an investment trust if it were resident in the UK, and therefore the Board believes that its Ordinary Shares will be excluded from the restrictions contained in the FCA's rules on NMPIs.

It is the Board's intention that the Company will make all reasonable efforts to continue to conduct its affairs in such a manner so that its Ordinary Shares can be recommended to ordinary retail investors in accordance with the FCA's rules relating to non-mainstream pooled investment products. However, the Board has however been advised that no guidance on the application of the NMPI rules to non-UK companies has been published by the FCA and, further, that the rules may be subject to change. The Company will make an announcement should the FCA issue further guidance or amend the NMPI rules in a way which affects the Company's view on the application of the NMPI rules to the Company.

Local laws or regulations may mean that the status of the Company or of the Ordinary Shares is uncertain or subject to change, which could adversely affect investors' ability to hold Ordinary Shares

For regulatory, tax and other purposes, the Company and/or the Ordinary Shares may be treated differently in different jurisdictions. For instance, in certain jurisdictions and for certain purposes, the Ordinary Shares

may be treated as units in a collective investment scheme. Furthermore, in certain jurisdictions, the status of the Company and/or the Ordinary Shares may be uncertain or subject to change, or it may differ depending on the availability of certain information or as a result of disclosures made by the Company. Changes in the status or treatment of the Company and/or the Ordinary Shares may have unforeseen effects on the ability of investors to hold Ordinary Shares or the consequences to investors of doing so.

The AIFMD may impair the ability of the Investment Manager and/or the Investment Adviser to manage investments of the Group, which may materially adversely affect the Company's ability to implement its Investment Policy and achieve its Investment Objective

The AIFMD, which was required to have been transposed by EU member states into national law on 22 July 2013, imposed a new regime for EU managers of AIFs and in respect of marketing of AIFs in the EU. The AIFMD has been transposed in the UK by the UK AIFMD. The AIFMD requires that EU AIFMs of AIFs are authorised and regulated as such.

Based on the provisions of AIFMD and the AIFM Regulations, the Board considers that the Company is an AIF within the Annex III scope of AIFMD and the AIFM Regulations. The Company intends to operate as an externally managed AIF, with the Investment Manager being the Company's AIFM.

The Investment Manager will need to comply with various operational and transparency obligations in relation to the UK AIFMD. In complying with these obligations, the Company may be required to provide additional or different information to or update information given to Shareholders and appoint or replace external service providers that the Company intends to use, including those referred to in this document. Changes to the UK AIFMD or new recommendations and guidance as to its implementation may impose new operating requirements and result in a change in the operating procedures of the Investment Manager and its relationship with the Company and service providers and may impose restrictions on the investment activities that the Investment Manager (and in turn the Company) may engage in. Such changes may increase management and operating costs, in particular regulatory and compliance costs, of the Company and the Investment Manager which may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

Investors may, in certain circumstances, be exposed to adverse ERISA consequences

Ordinary Shares may not be acquired under the Initial Issue nor under the Share Issuance Programme, and should not otherwise be acquired, by any person whose ownership of Ordinary Shares may cause the Company's assets to be deemed "plan assets" for the purposes of ERISA or the U.S. Tax Code. However, the Company cannot guarantee that equity interests in the Company will not be acquired by, or transferred to, such an investor. If 25 per cent. or more of the total value of any class of equity interest in the Company (determined after the most recent acquisition of any equity interest in the Company and subject to certain other computational rules) were to be held by such persons, an undivided portion of the Company's assets could be required to be treated as "plan assets" subject to ERISA or the U.S. Tax Code. In such a case, the Company and those responsible for advising the Company and its assets could become subject to applicable requirements of ERISA and the U.S. Tax Code and could be obligated to cause the operations and investments of the Company to be administered, consistent with those requirements, other than as the Company and its advisers might otherwise think advisable. Moreover, it is not clear that, in such a case, the Company or its advisers could comply with all applicable requirements of ERISA or the U.S. Tax Code. A failure of the Company or its advisers to comply with any such applicable provision could result in injunctive or other relief that could adversely affect the Company, its advisers and its investors and in the assertion of a tax or penalty with respect to transactions involving the "plan assets" deemed held by the Company.

The Company may be treated as a passive foreign investment company

The Company may be treated as a "passive foreign investment company" (often referred to as a "PFIC") for U.S. federal income tax purposes, which could have adverse consequences on U.S. investors. The Company has not undertaken to determine whether it was a PFIC for any prior taxable year, for the current year, or whether it is likely to be so treated for future years. A non-U.S. corporation generally will be considered a PFIC for any taxable year in which 75 per cent. or more of its gross income is passive income, or 50 per cent. or more of the average value of its assets are considered "passive assets" (generally, assets that generate passive income). This determination is highly factual. If the Company is classified as a PFIC for any taxable year, holders of Ordinary Shares who are U.S. taxpayers would be subject

to adverse U.S. federal income tax consequences. Further, prospective investors should assume that a “qualified electing fund” election, which, if made, could serve as an alternative to the general PFIC rules and could reduce any adverse consequences to U.S. taxpayers if the Company were to be classified as a PFIC, will not be available because the Company does not expect to provide the information needed to make such an election. A “mark-to-market” election may be available, however, if the Company’s ordinary shares are regularly traded. All prospective purchasers of Ordinary Shares are urged to consult with their own tax advisers concerning the U.S. federal income tax considerations associated with acquiring, owning and disposing of Ordinary Shares in light of their particular circumstances.

The ability of overseas shareholders to bring actions or enforce judgments against the Company, the Directors, the Investment Manager and the Investment Adviser may be limited

The ability of an overseas shareholder to bring an action against the Company may be limited under law. The Company is a Guernsey-domiciled, non-cellular company limited by shares with an unlimited life incorporated in Guernsey. The rights of holders of Ordinary Shares are governed by Guernsey law and by the Articles. These rights differ from the rights of shareholders in public United States corporations and some other non-UK corporations. An overseas shareholder may not be able to enforce a judgment against some or all of the Directors, the Company, the Investment Manager, and the Investment Adviser. The Directors of the Company, the Company, the Investment Manager and the Investment Adviser are residents of the UK and/or Guernsey. Consequently, it may not be possible for an overseas shareholder to effect service of process upon the Company and Directors, the Investment Manager or the Investment Adviser within the overseas shareholder’s country of residence or to enforce against the Company, the Directors, the Investment Manager and the Investment Advisor judgments of courts of the overseas shareholder’s country of residence based on civil liabilities under that country’s securities laws. There can be no assurance that an overseas shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the UK and Guernsey against the Company and Directors, the Investment Manager and the Investment Adviser, or countries other than those in which judgment is made. In addition, English, Guernsey or other courts may not impose civil liability on the Company, the Directors, the Investment Manager and the Investment Adviser in any original action based solely on foreign securities laws brought against them in a court of competent jurisdiction in England or Guernsey or other countries. U.S. investors should refer to the section headed “Enforceability of U.S. judgements” on page 23 of this document for further information.

IMPORTANT INFORMATION

This Registration Document should be read in its entirety, along with the Summary and Securities Note or any Future Summary and Future Securities Note. In assessing an investment in the Company, investors should rely only on the information in the Prospectus. No person has been authorised to give any information or make any representations in relation to the Company other than those contained in the Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Directors, the Investment Manager, the Investment Adviser, Jefferies or any other person. Neither the delivery of the Prospectus nor any subscription of Ordinary Shares shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this Registration Document.

General regulatory information

The Prospectus does not constitute an offer to sell, or the solicitation of an offer to subscribe for or to buy, shares in any jurisdiction in which such offer or solicitation is unlawful. The issue or circulation of the Prospectus may be prohibited in some countries.

Guernsey regulatory information

The Company is a registered closed-ended investment scheme registered pursuant to POI Law and the Scheme Rules. The GFSC, in granting registration, has not reviewed the Prospectus but has relied upon specific warranties provided by the Administrator, the Company's designated administrator.

Neither the GFSC nor the States of Guernsey take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

It should be remembered that the price of the Ordinary Shares and the income from them can go down as well as up.

Investment considerations

The contents of the Prospectus are not to be construed as advice relating to legal, financial, taxation, investment or any other matters. Potential investors should inform themselves as to:

- the legal requirements within their own countries for the subscription for, purchase, holding, transfer or other disposal of Ordinary Shares (as applicable);
- any foreign exchange restrictions applicable to the subscription for, purchase, holding, transfer or other disposal of Ordinary Shares which they might encounter;
- the income and other tax consequences which may apply in their own countries as a result of the subscription for, purchase, holding, transfer or other disposal of Ordinary Shares; and
- potential investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

Typical investors in the Company are expected to be institutional and sophisticated investors and private client brokers acting on behalf of private wealth clients.

The Prospectus should be read in its entirety before making any investment in Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Memorandum and Articles, which investors should review.

Forward-looking statements

The Prospectus includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts.

All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important factors that could cause the Company's actual results to differ materially from those

indicated in these statements. These factors include, but are not limited to, those described in the part of this Registration Document entitled "Risk Factors" or the risk factors set out in the Securities Note, which should be read in conjunction with the other cautionary statements that are included in the Prospectus. Any forward-looking statements in the Prospectus reflect the Company's current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Company's operations, results of operations and growth strategy. For the avoidance of doubt, nothing in this paragraph qualifies the working capital statement set out in the Summary or the Securities Note (or any Future Summary or Future Securities Note).

These forward-looking statements apply only as of the date of this Registration Document. Subject to any obligations under the Prospectus Regulation, the Prospectus Regulation Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules, none of the Company, the Directors, the Investment Manager, the Investment Adviser or Jefferies undertakes an obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. Potential investors should specifically consider the factors identified in the Prospectus which could cause actual results to differ before making an investment decision.

Presentation of information

Market, economic and industry data

Market, economic and industry data used throughout the Prospectus is derived from various industry and other independent sources. The Company and the Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Currency presentation

Unless otherwise indicated, all references in the Prospectus to "Sterling", "pounds Sterling", "£", "pence" or "p" are to the lawful currency of the UK.

No incorporation of Company's Website

The contents of the Company's Website do not form part of the Prospectus. Investors should base their decision to invest on the contents of the Prospectus alone and should consult their professional advisers prior to making an application to subscribe for Ordinary Shares.

Definitions

A list of defined terms used in this Registration Document is set out at pages 108 to 117.

Governing law

Unless otherwise stated, statements made in the Prospectus are based on the law and practice currently in force in England or Guernsey (as appropriate) and are subject to changes therein.

Further share issues

This Registration Document is valid for a period of up to 12 months following its publication. Following the Initial Issue and assuming that Resolution 2 is passed at the EGM, the Company may issue up to 300,000,000 additional Ordinary Shares (less any Ordinary Shares reallocated from the Share Issuance Programme to the Initial Issue up to a maximum of 44,642,857 Ordinary Shares) at any time within a period of up to 12 months from the date of this Registration Document in connection with the Share Issuance Programme. For the avoidance of doubt the Initial Issue does not form part of the Share Issuance Programme. Following the Initial Issue, the prospectus for any issuance of additional Ordinary Shares pursuant to a placing only, shall for a period of up to 12 months from the date of publication of this Registration Document, consist of this Prospectus and any Supplementary Prospectus which has been published since the date of this Prospectus. Alternatively, the prospectus for any issuance of additional Ordinary Shares, which includes an offer for subscription and/or an open offer, shall for a period of up to 12 months from the date of publication of this Registration Document, consist of this Registration Document which will not be updated and a Future Summary and Future Securities Note which will be applicable to each issue and subject to separate approval by the FCA on each issue. Persons receiving this Registration

Document should read the Prospectus (however constituted) (or any future prospectus) together as a whole and should be aware that any update in respect of a Future Summary and Future Securities Note, may constitute a significant new factor for the purposes of the Prospectus Regulation and the Prospectus Regulation Rules.

Information for Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of investors who meet the criteria of retail and professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares, may decline and investors could lose all or part of their investment, the Ordinary Shares, offer no guaranteed income and no capital protection; and an investment in Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluation the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Initial Issue and the Share Issuance Programme. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Jefferies will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Packaged retail and insurance-based investment products ("PRIIPs")

Investors should be aware that the PRIIPs Regulation requires the Company, as PRIIP manufacturer, to prepare a key information document. The Key Information Document must be made available by the Company to retail investors prior to them making any investment decision and is available on the Company's Website. The content of the Key Information Document is highly prescriptive, both in terms of the calculations underlying the numbers and the narrative, with limited ability to add further context and explanations, and therefore the Key Information Document should be read in conjunction with other material produced by the Company including the annual report and the Prospectus, all of which are available on the Company's Website. The performance scenarios reflected in the Key Information Document do not reflect the Company's expectations of the returns which may be generated.

Enforceability of U.S. judgements

The Company is Guernsey-domiciled, non-cellular company limited by shares with an unlimited life incorporated under the laws of Guernsey. All of the Directors and executive officers of the Company, the Investment Manager and the Investment Adviser reside outside the United States. In addition, some or substantially all of the assets of the Company, the Investment Manager, the Investment Adviser, the Directors and the Company's executive officers, as the case may be, are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon any of the Company, the Investment Manager, the Investment Adviser, the Directors or the executive officers of the Company located outside of the United States or to enforce against them any judgments of U.S. courts, including judgments predicated upon civil liabilities under the securities laws of the United States or any state or territory within the United States. There is substantial doubt as to the enforceability in the United Kingdom and Guernsey in original actions, or in actions for enforcement of judgments of U.S. courts, based on the civil liability provisions of U.S. federal securities laws. In addition, punitive damages in actions brought in the United States or elsewhere may be unenforceable in Guernsey and England and

Wales.

DIRECTORS, AGENTS AND ADVISERS

Directors (all non-executive)	Robert Jennings (<i>Chairman</i>) Sandra Platts (<i>Senior Independent Director</i>) Jan Pethick Jonathan Bridel
Administrator, secretary, nominated firm and registered office of the Company	Praxis Fund Services Limited Sarnia House Le Truchot St Peter Port Guernsey, GY1 1GR
Investment Adviser	Sequoia Investment Management Company Limited Kent House 14-17 Market Place London, W1W 8AJ
Investment Manager	International Fund Management Limited Sarnia House Le Truchot St Peter Port Guernsey, GY1 1GR
Sponsor and Sole Bookrunner	Jefferies International Limited 100 Bishopgate London, EC2N 4JL
Legal Advisers to the Company as to English and US law	CMS Cameron McKenna Nabarro Olswang LLP Cannon Place 78 Cannon Street London, EC4N 6AF
Legal Advisers to the Company as to Guernsey law	Mourant Ozannes Royal Chambers St Julian's Avenue St Peter Port Guernsey, GY1 4HP
Legal Advisers to the Sponsor and Bookrunner as to English law	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
Legal Advisers to the Sponsor and Bookrunner as to US law	Proskauer Rose LLP 110 Bishopsgate London, EC2N 4AY
Registrar	Computershare Investor Services (Guernsey) Limited 1st Floor Tudor House Le Bordage St Peter Port Guernsey, GY1 1DB

Reporting Accountants	BDO LLP 55 Baker Street London W1U 7EU
Auditors	KPMG Channel Islands Limited Gategny Court Gategny Esplanade St Peter Port Guernsey, GY1 1WR
Receiving Agent	Computershare Investor Services PLC Corporate Actions Projects Bristol, BS99 6AH
Operational Bankers	Royal Bank of Scotland International Limited 2nd Floor 1 Gategny Esplanade St Peter Port Guernsey, GY1 4BQ
Valuation Agent	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT
Custodian	Bank of New York Mellon, London Branch One Canada Square London, E14 5AL
Subsidiary Corporate Services Provider	TMF Luxembourg S.A. 46A, Avenue J.F. Kennedy L-1855 Luxembourg, Grand Duchy of Luxembourg
Portfolio Administrator	Bank of New York Mellon SA/NV, Dublin Branch Hanover Building, Windmill Lane Dublin 2 Ireland
Depository	Bank of New York Mellon SA/NV, Asset Servicing Friedrich-Ebert-Anlage 49, 60327 Frankfurt am Main Germany
Account Bank	Bank of New York Mellon, London Branch One Canada Square London, E14 5AL

PART 1 - INVESTMENT OBJECTIVE AND POLICY

The full text of the Company's Investment Policy is set out below.

1 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.

2 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 Austria, Belgium, the Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland (together, those countries being referred to as "**Western Europe**" in this Part 1), Australia, Canada, New Zealand, 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 subsectors 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
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) undersea cables (iv) data centres; and (v) 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.

3 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 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 subsector 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	Preoperational 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.

4 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.

5 Material change

In accordance with its obligations under the Listing Rules, the Company will obtain the prior approval of its Shareholders to make any material change to its published Investment Policy.

PART 2 - THE GROUP

1 Introduction

The Company is a non-cellular company limited by shares, registered and incorporated in Guernsey under the Guernsey Companies Law on 30 December 2014 with registration number 59596. The Company's LEI is 2138006OW12FQHJ6PX91. The Ordinary Shares are denominated in Sterling. Applications will be made to (i) the FCA for all the New Ordinary Shares to be issued pursuant to the Initial Issue to be admitted to the premium segment of the Official List; and (ii) the London Stock Exchange for all such New Ordinary Shares to be admitted to trading on the Main Market. It is expected that Initial Admission will become effective and dealings will commence on or around 3 March 2020.

The IPO of the Company took place on 3 March 2015, raising gross proceeds of approximately £150 million in an oversubscribed issue. During the course of the next five years, the Company has carried out a further eight equity issues, which have raised in excess of £1.285 billion of gross proceeds. The net proceeds of the IPO and each of the subsequent issues were, after accounting for costs and expenses, substantially invested in accordance with the Company's Investment Objective and policy.

In addition to the equity which the Company has raised, the Company announced on 6 December 2017 that it had entered into a multi-currency Revolving Credit Facility of £100 million with the option of drawing down an extra £50 million if required (subject to the satisfaction of certain conditions). On 10 May 2019 the Company agreed a further accordion tranche resulting in the overall size of the Revolving Credit Facility being increased to £200 million which was subsequently increased further to £280 million on 13 December 2019. The term of the Revolving Credit Facility was for three years, from 6 December 2017 (which has been extended by a year to 7 December 2021) with a borrowing cost of 210 basis points over LIBOR. The Revolving Credit Facility enables the Company to reduce cash drag by buying assets through the use of leverage with the intention to pay this down in the future through the proceeds of equity issuances.

The Company proposes to raise further gross proceeds of approximately £250 million under the Initial Issue. The Company intends to use the proceeds to: i) repay existing drawings under the Revolving Credit Facility which, as at 7 February 2020, amount to approximately £225 million and ii) to invest in a near term pipeline of assets focusing on senior and subordinated infrastructure debt instruments and related and/or similar assets.

Details of the Group's Existing Portfolio are set out in Part 5 of this Registration Document. As at the Portfolio Date, the Group has invested approximately 107.90 per cent. of the unaudited Net Asset Value (or 114.1 per cent. of its NAV including committed but undrawn amounts) according to its Investment Objective and policy. As at 10 February 2020, the existing investment portfolio consists of 74 loans and bonds. As at 7 February 2020 (being the latest practicable date before publication of this Registration Document) the Company had a market capitalisation of £1.59 billion and as at the Portfolio Date, an unaudited NAV per share of the Ordinary Shares of 106.32 pence.

As at 7 February 2020 (being the latest practicable date prior to the date of this Registration Document), there were 1,386,814,306 Ordinary Shares of the Company in issue. Details of the Directors', the Investment Manager's and the Investment Adviser's holdings of Ordinary Shares are set out in paragraphs 2.17 to 2.19 (inclusive) and paragraph 3.1 of Part 8 of this Registration Document.

2 Overview of the Initial Issue

The Investment Adviser continues to see significant opportunities in the infrastructure debt market and believes that it would be in the interests of the Company to raise further funds through a share issuance to initially repay debt under its Revolving Credit Facility, to take advantage of further investment opportunities and to use future drawings from its Revolving Credit Facility to deploy into opportunities as and when required. The Board believes that the Pipeline available to the Investment Adviser will enable it to further diversify the Group's Existing Portfolio and spread the fixed costs of running the Company across a wider base. The Directors further believe that growing the size of the Company would increase secondary market liquidity for investors.

The Directors believe that the Investment Adviser has developed a strong presence in the economic infrastructure debt market through its activity since inception of the Company as well as its prior experience in the sector. In 2018, the economic infrastructure market was estimated to be approximately 14.8 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. This provides the Group with a lower risk profile than equity infrastructure investments. However, the Group is still able to access investments with attractive return profiles. The current yield to maturity (or Yield to Worst) on the Existing Portfolio is 8.2 per cent. as at the Portfolio Date. The Investment Adviser has identified a near term pipeline of investment opportunities in excess of £380 million. Following the repayment of the Revolving Credit Facility, the Company intends to use any remaining proceeds of the Initial Issue and any future drawings under its Revolving Credit Facility to deploy into its near term pipeline of opportunities.

The Share Issuance Programme is being created to provide the Company with flexibility should it wish to raise further capital as new investment opportunities arise over the next 12 months to either repay any future drawn down funds under the Revolving Credit Facility or to directly invest in new investment opportunities.

The Company will invest the Net Issue Proceeds, any funds drawn under the Revolving Credit Facility and the net proceeds of any further issuances under the Share Issuance Programme in accordance with the Investment Policy.

The Directors have determined that the New Ordinary Shares will be issued at an Issue Price of 112.0 pence per New Ordinary Share. On the basis that the Company issues 223,214,285 New Ordinary Shares (the target number of New Ordinary Shares to be issued pursuant to the Initial Issue), the Gross Issue Proceeds will be approximately £250 million and the Net Issue Proceeds will be approximately £247 million. Subject to the passing of Resolution 2 at the EGM, the Board may increase the size of the Initial Issue by up to a further 44,642,857 New Ordinary Shares if they, in consultation with Jefferies and the Investment Adviser, believe there is sufficient demand and assets available and suitable for investment. Where the size of the Initial Issue is increased above 223,214,285 New Ordinary Shares, the maximum aggregate number of Ordinary Shares available for issuance under the Share Issuance Programme shall be reduced by the amount of such increase up to a maximum of 44,642,857 million Ordinary Shares. There is not certainty that the maximum number of New Ordinary Shares will be issued even if sufficient demand exists.

The Investment Adviser will reinvest one tenth of its management fees in subscribing for Ordinary Shares, which will be subject to a lock-in for a period of three years.

3 Investment opportunity

Lending against infrastructure projects typically has attractive characteristics with low levels of credit losses relative to other forms of corporate lending, stable returns and a generally low correlation to other asset classes (evidenced by studies conducted by Moody's and Standard & Poor's Rating Agency ("**S&P**")). In particular:

- **Low default rates** – the default rate on infrastructure debt has historically been lower than that on corporate debt;
- **High recovery rate** – the recovery rate on defaulted infrastructure debt has historically been higher than on defaulted corporate debt; and
- **Attractive return profile** – returns on infrastructure debt generally are higher than comparably-rated corporate debt principally due (in the view of the Directors and the Investment Adviser) to an illiquidity premium, a scarcity of lenders – especially in relation to mezzanine debt - and being a relatively specialist asset class.

Prior to the financial crisis, it was difficult for non-bank lenders or other investors to participate in infrastructure debt, as the sector was dominated by, and essentially controlled by, lending banks. However, many of those banks have either exited the market or materially reduced their balance sheet allocation to the sector, which the Directors and Investment Adviser attribute in part to more onerous capital constraints imposed on them by Basel III and in part to a general reduction in commercial banks' risk appetite since the financial crisis. As a result, the Directors and the Investment Adviser believe that not only are infrastructure debt investments now available to investors more generally, but also the economic and other terms available on infrastructure debt are more favourable for lenders and investors than prior to the financial crisis.

In response to this, a number of non-bank lenders and long-term investors have become active in infrastructure lending, including insurance companies such as Allianz, Met Life, Aviva and Axa. Their

approach has been, generally, to target sub-sectors of the market where they can originate loans or bonds that meet their own specific investment parameters of generating long-dated, investment grade and fixed rate cashflows. The Directors and the Investment Adviser believe that they have achieved this by focussing on investments such as social infrastructure projects with very low economic risk in highly-rated jurisdictions such as the US, UK, France and Germany. However, this part of the market is not large: for example, social infrastructure represented eighteen per cent. of all infrastructure transactions in 2017 and six per cent. of the total in 2018 (Source: Preqin). The result of the insurance companies' capital in pursuit of deals has been a significant tightening of lending margins for social infrastructure projects, especially in the UK, the U.S. and Germany.

This reduction in lending margins has not been evidenced to the same extent in the significantly larger economic infrastructure debt market which, in the opinion of the Directors and the Investment Adviser, provides a more attractive lending and investment opportunity than the social infrastructure sector. Moreover, the Group intends to invest across a range of investment-grade jurisdictions in the UK, Western Europe, North America and Australia and New Zealand, which will provide it with a wider range of opportunities than are available solely in the UK.

The Directors and the Investment Adviser also believe that there is an attractive investment opportunity in subordinated or mezzanine infrastructure debt for which there is currently only a very limited investor base. In particular:

- **Lack of other investors** – insurance companies have limited appetite for sub-investment grade debt which is penalised by Solvency I and the proposed Solvency II capital directives;
- **Limited banking appetite** – since the financial crisis, banks' internal control functions are reluctant to approve mezzanine debt regardless of its risk-return characteristics and subordinated debt is also penalised both by internal bank capital allocation models and by banking regulations; and
- **Requires sector expertise** – many credit funds do not have the in-house expertise to evaluate infrastructure projects and are instead targeting short to medium term corporate loans.

Accordingly, a global portfolio of senior and mezzanine economic infrastructure debt may have a better expected risk-adjusted return than pure-play portfolios of infrastructure equity or corporate debt.¹ The Directors and the Investment Adviser believe that the Group's strategy of investing in the largest sector of the infrastructure market, across a range of investment-grade jurisdictions, and in both senior and mezzanine debt will enable it to construct a more diversified portfolio of investments than have typically been seen in other listed infrastructure investment companies.

4 **Features of the Company**

In addition to the above, the Directors and the Investment Adviser believe that an investment in the Company offers the following benefits and advantages:

- the Company and its Directors have access to the Investment Adviser, which has the capabilities and experience required to originate and manage infrastructure-related debt investments, having already successfully invested over £1.4 billion of equity raised by the Company as part of and since the IPO and the drawn down funds of £225 million under the Revolving Credit Facility;
- the Company already owns a diverse portfolio of infrastructure debt investments, which delivers an attractive yield relative to corporate bonds;
- infrastructure debt, based on historical evidence from Moody's and S&P amongst others, is likely to experience lower volatility and lower credit losses than other forms of corporate credit of an equivalent credit rating;
- infrastructure debt has a low correlation to equity markets; and
- the fee load and operating expenses of the Company are low compared to certain other listed infrastructure funds.

5 **Benefits of the Initial Issue**

The Directors believe that proceeding with the Initial Issue will have the following benefits:

¹ Based on a comparison between the annualised risk-adjusted returns on the Company's portfolio of assets and portfolios of infrastructure equity and corporate debt.

- providing the Company with the funds to repay the fully drawn down Revolving Credit Facility which will allow the Company to re-draw funds under the facility as and when investment opportunities arise without incurring cash drag;
- allowing the Company, following repayment of the Revolving Credit Facility, to invest further capital in the Company's identified Pipeline opportunities which should enable the Group to further diversify its Existing Portfolio;
- creating the potential to enhance the NAV per Ordinary Share of the existing Ordinary Shares through the issuance of New Ordinary Shares at a premium to NAV per Ordinary Share, after the related costs have been deducted;
- 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;
- increasing the size of the Company which should help make the Company more attractive to a wider base of investors and improving market liquidity in the Ordinary Shares;
- through the Open Offer, allowing existing shareholders to participate in the Initial Issue on a pre-emptive basis; and
- increasing the size of the Company which should help make the Company more attractive as a lender to borrowers offering the Company better access to pipeline opportunities;

6 Benefits of the Share Issuance Programme

The Directors believe that instituting the Share Issuance Programme and the ability to issue further Ordinary Shares under it will:

- enable the Company to raise additional capital quickly through an equity issuance, in order to i) repay the Revolving Credit Facility when it becomes fully or substantially drawn or ii) invest in opportunities identified in the future with the aim of keeping the Company in a position where it has available cash to invest in investment opportunities as and when they become available;
- 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;
- 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;
- partially satisfy market demand from time to time for Ordinary Shares and improve liquidity in the market for the Ordinary Shares; and
- increasing the size of the Company which should help make the Company more attractive as a lender to borrowers offering the Company better access to pipeline opportunities.

7 The EGM

An extraordinary general meeting of the Company is due to be held on 25 February 2020 at which the Company will seek from Shareholders the approvals necessary for the Initial Issue to proceed and for the Share Issuance Programme to be implemented including, *inter alia*, resolutions to:

- approve the disapplication of pre-emption rights in respect of up to 223,214,285 New Ordinary Shares for the purposes of the Initial Issue ("**Resolution 1**"); and
- approve the disapplication of pre-emption rights in respect of up to 300,000,000 Ordinary Shares for the purposes of the Share Issuance Programme ("**Resolution 2**").

The Initial Issue is conditional on the passing of Resolution 1. The Share Issuance Programme and any reallocation from the Share Issuance Programme to the Initial Issue (up to a maximum of 44,642,857 Ordinary Shares) is conditional on the passing of Resolution 1 and 2.

The Company will also seek from Shareholders the approval necessary to implement a scrip dividend scheme ("**Resolution 3**"). This scheme will allow the Company, subject to such terms and conditions as the Board may require, to offer Shareholders the right to elect to receive further Ordinary Shares, credited as fully paid, instead of cash in respect of all or any part of any dividend (a scrip dividend). The Directors believe that the ability for Shareholders to receive future dividends from the Company wholly or partly

in the form of new Ordinary Shares in the Company will benefit the Company as it will benefit from the ability to retain cash which would otherwise be paid as dividends. It may also benefit certain Shareholders depending on their tax status. The Initial Issue and the Share Issuance Programme are not conditional on the passing of Resolution 3.

8 Investment objectives of the Company

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.

Further information on the Company's Investment Objective and Policy is set out in Part 1 of this document.

9 Dividend policy

Subject to sufficient profits being available for distribution and taking into account the working capital and liquidity requirements of the Group, the Company currently intends to target for Shareholders, an ongoing dividend equivalent to 6.25 pence per Ordinary Share per annum, payable quarterly. To the extent that the Company's NAV per Ordinary Share continues to increase in the near term, the Directors will consider whether it is appropriate to increase the dividend. A further announcement will be made if any changes to the Company's dividend policy are made. No changes to the Company's existing dividend policy are expected to be made ahead of the closing of the Initial Issue.

In addition, the Company will target a long-term growth in its Net Asset Value of between one per cent. and two per cent. per annum.

Since incorporation the Company has paid an aggregate of 26.125 pence per Ordinary Share in dividends. In the last financial year, the Company has paid 4.625 pence per Ordinary Share in dividends.

On 16 January 2020, the Company declared a dividend of 1.5625 pence for the quarter ended 31 December 2019 to be paid on 21 February 2020 before the closing of the Initial Issue. The next expected dividend is expected to be made in respect of the quarter ended 31 March 2020, announced in April 2020 and paid in May 2020.

The Company's returns to its Shareholders will be affected by portfolio performance, the Company's fees and expenses and the impact of any leverage. The target returns stated above should not be taken as an indication of the Group's expected future performance or results over any period and does not constitute a profit forecast. It is intended to be a target only and there is no guarantee that it can or will be achieved. It should not be seen as an indication of the Group's expected or actual return. Potential investors should also be aware that each dividend payment by the Company may not be for an equal amount to a previous or subsequent dividend payment. Accordingly, potential investors should not place any reliance on the target figures stated above in deciding whether to invest in the New Ordinary Shares and/or any Ordinary Shares issued in connection with the Initial Issue and/or the Share Issuance Programme.

10 Investment strategy

The Company intends to focus primarily on taking senior and subordinated debt exposures to:

- economic infrastructure projects based in Eligible Jurisdictions and economic infrastructure asset or equipment-owning special purpose companies; and
- companies based in Eligible Jurisdictions whose primary focus is the ownership, funding, management or provision of services to economic infrastructure assets or projects,

(in either case, a "Borrower").

10.1 Jurisdictions

The Group intends only to invest in debt exposures where all or substantially all of the associated underlying revenues are from an Eligible Jurisdiction, as detailed in paragraph 2 of Part 1 of this Registration Document.

By way of example, currently Greece is not an Eligible Jurisdiction as it is rated B1 by Moody's and BB- by S&P. Additionally, the Investment Adviser is currently not pursuing investment opportunities in Italy, even

though it is an Eligible Jurisdiction, as it believes that there is regulatory, legal and economic risk in this jurisdiction that is not reflected in the debt pricing available. Should these risks reduce, the Investment Adviser may consider projects from this jurisdiction.

Jurisdictional concentration limits apply as described in paragraph 3 of Part 1 of this Registration Document.

10.2 **Sectors**

The Company intends to invest in debt exposures where all or substantially all of the associated underlying revenues are from business activities in the following sectors and sub-sectors:

- transportation including roads, rail, airports and ports;
- transportation equipment including aircraft, rolling stock and shipping;
- utilities including water and waste, electricity distribution and transmission, electricity supply, gas distribution and transmission, pipelines and waste-to-energy;
- power including power purchase contracts and electricity generation;
- renewable energy including solar, wind, biomass;
- telecommunications, Media and Technology infrastructure including mobile phone towers, fixed line networks, undersea cables, data centres and satellites;
- infrastructure accommodation including student accommodation and elderly care facilities; and
- other sub-sectors within the sectors above that exhibit infrastructure characteristics.

Sector concentration limits apply as described in paragraph 3 of Part 1 of this Registration Document.

10.3 **Construction and pre-operational risk**

The Group intends to invest primarily in operational projects, since the Investment Adviser believes that once an infrastructure asset has been constructed and the contracted cash flows relating to the project have commenced, many of the risks associated with investments in such assets are significantly reduced. Moreover, funding a construction project would potentially require the Group to hold cash balances for a prolonged period of time which would reduce portfolio returns. However, in certain circumstances the Investment Adviser may consider pre-operational projects (which are projects in construction but are not yet generating revenue) of up to 20 per cent. of total assets measured at the time of investment where their risk and return characteristics are consistent with the overall requirements for the portfolio. As at the Portfolio Date, 13.1 per cent. of the total invested assets consists of loans and bonds backed by projects in the construction or the pre-operational phase. In addition to construction risk, the Board monitors the amount of positions that have completed construction but are not yet revenue earning.

10.4 **Interest rates**

The Group intends to invest in a combination of floating rate, fixed rate and inflation-linked instruments but will target that in excess of half of its portfolio will be floating rate or inflation-linked debt. The Group may convert cash flows on a fixed rate instrument into floating rate by entering into asset swap transactions to manage its interest rate exposure.

10.5 **Investment form**

The Group intends to invest in debt exposures typically structured as loans, notes and bonds.

When investing in loans, the Group will typically seek to be "lender of record" but if that is not possible or practical, it will seek to ensure that any resultant additional risks are appropriately mitigated.

Although the Group does not invest in equity, it may from time to time make debt investments which benefit from returns linked to equity investments, such as convertible bonds or loan with warrants. However, the Group would only make such investments where any conversion to equity was solely at the discretion of the holder of the investment and the Group would only exercise such a conversion feature in order to benefit from a near term and certain realisation event for the resulting equity (such as on a takeover of the borrower).

10.6 **Exceptions**

It is intended that the Group will invest directly or indirectly in projects which meet these criteria (detailed in paragraphs 10.1 to 10.5) and that such investments will make up a minimum of 80 per cent. of the Group's Investments at the time of investment.

The Group will not invest in the following assets or sectors:

- equity investments;
- military assets;
- outright property ownership; and
- credit default swaps or unfunded synthetic debt instruments.

11 **Investments**

The Group targets senior and subordinated economic infrastructure debt investments across a range of sectors and jurisdictions in both bond and loan form, as outlined in paragraph 10 above.

Background information in relation to the economic infrastructure sector and the associated debt investment opportunities that are targeted by the Group is set out in Part 4 of this Registration Document.

The Group's Existing Portfolio, consisting (as at 10 February 2020) of 74 loans and bonds (excluding any unsettled trades) is described in Part 5 of this Registration Document.

A description of the Pipeline as at the date of this Registration Document is also set out in Part 6 of this Registration Document. The investments have been identified by the Investment Adviser as being either available for purchase or expected to be available shortly after the Initial Issue. However there can be no assurance that any of the investments will remain available for purchase after the Initial Issue or, if available, at what price the investments can be acquired by the Group. Furthermore in respect of the Share Issuance Programme, the Pipeline only gives an indication of the possible type of investment opportunities which the Company might invest in.

The Investment Adviser has identified three specific strategies that it will pursue in identifying target assets, all of which are broadly consistent in terms of target rates of return.

11.1 **Mezzanine debt**

In relation to economic infrastructure, mezzanine debt can take a number of forms:

- subordinated debt issued by the Borrower. This debt is serviced from the same revenues as the senior debt, but will rank junior to it upon a default. Both senior and subordinated debt are often secured on the same assets, with subordination created by an intercreditor agreement. The terms of such agreements can vary significantly between projects and as such form an important part of the credit analysis and due diligence process for assessing subordinated debt;
- senior debt issued by a parent company to one or more Borrowers ("**Holdco Debt**"), which is classified as mezzanine debt by virtue of its structural subordination to the debt in its subsidiaries. This debt is primarily serviced by dividends being paid by the subsidiary or subsidiaries to the parent company and is therefore reliant upon not just their profitability but also their compliance with their banking covenants; and
- junior tranches of debt sold by a lender to Borrowers, where it retains the senior exposure either on a loan-by-loan basis or on a portfolio basis. This type of transaction may potentially carry a higher risk than lending directly on a subordinated basis to a Borrower, since the contractual relationship for the mezzanine provider in this case is only with the original lender, and not with the Borrower itself. However, the risks associated with this indirect relationship are reduced by the benefits of sharing in the covenants, control rights and security package of the original loan or loans.

In general, and across all these types of mezzanine debt, any losses suffered by investors in an infrastructure Borrower will be suffered firstly by the equity investors in the Borrower itself. Typically, only once the equity investors in the Borrower have suffered a complete loss of their investment will debt investors stand to make a loss. However, any subordinated debt will rank behind senior debt, so the holders of subordinated debt will typically stand to make a complete loss on their investment before holders of senior debt experience any losses. In the view of the Directors and the Investment Adviser,

the capital structures of the Borrowers to which the Company seeks to generate mezzanine exposure include sufficient equity so that any losses are likely to be borne by the equity investors in the Borrowers themselves rather than by the providers of mezzanine and senior debt finance.

11.2 *Jurisdictional strategies*

One of the consequences of the financial crisis has been that many lending banks are no longer as active across a range of jurisdictions as was previously the case. For example, fewer European banks are as active in the United States as they were, in part because they themselves generally have difficulty in sourcing long-term funding in U.S. Dollars. This phenomenon has resulted in supply and demand imbalances in capital across various countries, with different returns being earned on projects with similar credit characteristics, purely because of their jurisdiction.

Currently, in the opinion of the Investment Adviser, among Eligible Jurisdictions, the UK, Germany and to a lesser extent the Netherlands are attracting substantial debt capital in comparison to their funding needs, which has resulted in a reduction in lending returns for economic infrastructure debt. France, the U.S., Belgium, Ireland and certain other jurisdictions have not experienced this reduction to the same extent, and therefore the yield on an infrastructure debt portfolio can be enhanced by increasing its allocation to these countries.

Whilst the portfolio yield could be increased further by investing in economic infrastructure debt from Southern European jurisdictions such as Italy, the Investment Adviser believes, as discussed in paragraph 10.1 above, that there remain significant economic, legal and regulatory risks and the Group will not invest there until these risks are significantly reduced (in the opinion of the Investment Adviser).

11.3 *Sectoral strategies*

In addition to choosing attractive jurisdictions, the Investment Adviser believes that it can target higher risk-adjusted returns by investing in specific sectors that are potentially underinvested in by the broader infrastructure debt market, at the expense of sectors that may be overinvested in. Examples of such sectors that may be attractive would currently include gas pipelines; mid-life aircraft leasing; speciality shipping and ports. The Investment Adviser views overinvested sectors as currently including social infrastructure, many PPP transactions and some renewable projects such as on-shore wind, especially in Northern Europe.

The Investment Adviser believes that lending in such underinvested sectors is typically at a relatively high yield and is also often conducted with better credit metrics (for example, lower loan-to-value ratios). Therefore, these more conservative credit metrics may mitigate some or all of the risks associated with these sectors.

The Investment Adviser believes these inefficiencies in the infrastructure debt markets may arise because many lenders have similar internal guidelines, investment restrictions or institutional preferences. For example, the Investment Adviser believes that many lenders may be currently avoiding the oil and gas sector as a matter of policy, regardless of the risk or return characteristics of specific investments in that sector. Therefore, some infrastructure investments in underinvested sectors may potentially represent attractive investments for the Group.

11.4 *Other strategies*

Subject to paragraph 5 of Part 1 of this Registration Document, the Investment Adviser retains the flexibility to adopt other strategies in response to changing market conditions. In addition, it may from time to time find potential infrastructure debt investments which, whilst not corresponding to a specific strategy, could nonetheless provide the Group with an attractive risk-adjusted return.

12 *Diversification*

The Group's objective is to generate a diversified portfolio of senior and subordinated debt economic infrastructure assets and related and/or similar assets and to maintain its portfolio so that not more than 10 per cent. in value of the Group's Net Asset Value from time to time consist of securities or loans relating to any one individual infrastructure asset (having regard to the risks relating to any cross-default or cross-collateralisation provisions). 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 restrictions described in paragraphs 10 and 11 of this Part 2.

The Directors have set Concentration Limits on Investments that may be acquired, as set out in the table in paragraph 3 of Part 1 of this Registration Document. In practice, the Investment Adviser might seek to operate within tighter limits within these Concentration Limits on Investments.

Following Initial Admission, the Company may seek to raise additional capital from time to time to the extent that the Directors and the Investment Adviser believe the Group will be able to make suitable investments. This may enable the Group to achieve greater diversification of risk and to benefit from economies of scale in relation to the operational costs of the Group.

13 Investment process

13.1 *Asset origination*

The directors of the Investment Adviser have significant experience of working within the European, U.S. and UK infrastructure markets, particularly with regard to lending, arranging debt and debt advisory work, and have established close relationships with many of the key participants in the global infrastructure market, including equity investors and lenders. The Directors therefore believe that the Investment Adviser is well placed to identify potential investment opportunities for the Group, as is evidenced by the Pipeline described in Part 6 of this Registration Document.

As the Group has grown since the IPO, the primary focus of the Investment Adviser has gradually transitioned from secondary market purchases of loans and bonds to primary market originations, where it is possible to deploy a greater sum of money, more rapidly and with more control than secondary market purchases. These primary market transactions will consist mostly of bilateral loans and "club" loans, where a small number of lenders join together to make one loan, and to a lesser extent syndicated loans involving a larger number of lenders. The Investment Adviser believes that by focussing on primary transactions it can target jurisdictions, sectors and subsectors that are attractive for the Group. Moreover, primary market transactions usually allow the Group to earn upfront lending fees. These transactions will be sourced by the Investment Adviser through its network of relationships with infrastructure equity funds, construction companies, advisory firms and other lenders.

To a lesser extent, the Investment Adviser will continue to pursue secondary market loan and bond acquisitions. These will be sourced through its relationships with commercial banks, investment banks and brokers.

13.2 *Preliminary review*

The Group has a selective approach to investing in infrastructure loans and bonds, and focuses primarily on identifying investment opportunities with the following target characteristics:

- meeting the Investment Criteria as set out in further detail in paragraphs 10 and 11;
- complying with the Company's ESG policy as described in paragraph 13.4 below;
- the project or assets must fit within the Existing Portfolio, meeting the diversification criteria as set out in paragraph 12, and the investment must add balance and diversification to the Existing Portfolio of the Group with regards to credit risk, asset sector, investment term and income return;
- the project or assets must generally provide an essential amenity with monopolistic characteristics, have high barriers to entry or have a high replacement cost;
- the project or assets must not expose the Group to reputational or legal risk;
- the management of the Borrower (either directly or through facilities management, servicing or other contractual arrangements) should have a proven track record and a robust financial position;
- the underlying obligor must have an acceptable credit profile; and
- there must be sufficient equity in the project or assets to allow, in the view of the Investment Adviser, the proposed leverage without undue risk.

13.3 *Due diligence procedures*

The Investment Adviser will evaluate all project risks it believes are material to making an investment decision and will assess how those risks are mitigated. Where appropriate, it will complement its analysis through the use of professional third party advisers, including technical consultants, financial and legal

advisers and valuation and insurance experts. These advisers will be engaged to conduct due diligence that is intended to provide an additional and independent review of key aspects and risks of a project, providing comfort as to the level of risk mitigation and the project's ongoing performance. In addition, the Investment Adviser will, where appropriate, conduct site visits and meetings with the management of the Borrower and/or its advisers.

Table 1 summarises the due diligence and credit considerations that the Investment Adviser will apply when assessing potential investments for the Group.

Table 1: Due diligence and audit considerations

Macro review	<ul style="list-style-type: none"> • Sovereign analysis to include economic structure and growth prospects, balance of payments and external debt, fiscal performance and budgetary constraints, monetary flexibility, political stability • Country-specific infrastructure framework (PPP, P3, PFI) • Local authority/municipal analysis to include economic, institutional framework, financial performance, debt profile • Compatability with the Company's ESG policy
Sub-sector review	<ul style="list-style-type: none"> • Analysis to determine competitive intensity and attractiveness of market in which the borrower operates • Considerations include: market structure (assessing monopolistic nature of sub-sector or industry); competitiveness (intensity of competitive rivalry); profit margin stability (threat of new entrants and bargaining power of suppliers); sustainability of the market (threat of substitute products); and pricing (bargaining power of customers) • Industry life cycle, strategic position of the issuer, regulatory framework
Project/Company review	<ul style="list-style-type: none"> • <i>Projects/loans</i>: Essentiality of project and barriers to entry, monopoly or quasi-monopoly status • Experience and commitment of project sponsors and service providers. Benchmarking to comparable projects • Ongoing review of financial model(s) including financial ratios • Sensitivity analysis varying assumptions such as demand, operating expenditure, renewal & replacement, inflation and interest rates • <i>Companies/bonds</i>: ongoing financial, liquidity, operating and event risk analysis; management; access to capital • Earning quality tests (special items, non-recurring items, one-off gains as a percentage of cash flow)
Documentation	<ul style="list-style-type: none"> • Review concession agreement and other revenue documents such as feed-in tariffs • Robustness of financing documents including loan and security agreement, intercreditor arrangements and hedging agreements • Review all due diligence technical reports • Third-party analysis including rating agencies as available • Site visits where appropriate
Counterparty credit risk	<ul style="list-style-type: none"> • Sovereign or municipality credit risks • Transactional counterparties such as facility maintenance providers, operator, technical advisor to lenders, off-takers

- Financial counterparties such as hedge providers
- Transactional counterparties such as facility maintenance providers, operator, technical advisor to lenders, off-takers

In addition to this credit and investment review, the Investment Adviser has developed a proprietary factor model for assessing the credit risk associated with infrastructure projects, the Sequoia Infrastructure Debt Credit Model. This model is based upon a combination of the Investment Adviser's experience in the sector and independent research from EDHEC (Ecole des Hautes Etudes Commerciales) (Source: Blanc-Brude and Ismail (2013) Measuring infrastructure debt credit risk) and analyses 10 primary independent variables (which are in the opinion of the Investment Adviser the main drivers of risk for infrastructure debt transactions) and 32 secondary independent variables. This factor model does not replace fundamental analysis but rather provides a standardised methodology to assess and rate different loans. The Investment Adviser has also developed the Sequoia Infrastructure Debt Portfolio Model, a detailed Monte Carlo simulation model which shows expected returns, return volatility, defaults, loss given defaults and portfolio rating.

13.4 **Environmental Social and Governance policy**

The Company has implemented a comprehensive programme establishing and incorporating broad Environmental, Social and Governance ("**ESG**") considerations into its approach to its investment review process. The Company's current ESG policy comprises the following guidelines:

Guidelines	Considerations
Alignment with community goals	<ul style="list-style-type: none"> • Health & safety of residents: pollution & noise • Historical and cultural elements preservation and project's visual impact
Commitment to sustainability goals	<ul style="list-style-type: none"> • Counterparties' commitment to sustainability, including an adequate maintenance plan • Other indicators of commitment to sustainability
Efficient use of resources	<ul style="list-style-type: none"> • Materials recycling, reduction of energy & water consumption and limitation on use of landfills • Alternative water sources usage and consumption of renewable energy
Reduced environmental footprint	<ul style="list-style-type: none"> • Emissions of greenhouse gasses and air pollutants • Usage of environmentally friendly and biodegradable materials • Use of farmland and natural buffer zones
Sustainable economic development	<ul style="list-style-type: none"> • Job creation and workforce skills development • Support of local, social and business community

ESG principles are applied in three ways to the Existing Portfolio:

1. Negative Screening;
2. Thematic investing (positive screening); and
3. ESG scoring.

Each potential new investment is screened through the negative and thematic screenings and its E Score (or estimated ESG score) is assessed in the context of the Company's Existing Portfolio and current investment objectives. Only then is the potential investment admitted to the next stage of the investment process which is full credit analysis and documentation.

These investment screens are applied to new investments and a retrospective review of the Existing Portfolio is underway. Once this is completed, low scoring investments (or any investments that would not pass the negative screening process) will either be disposed of or put into a run-off portfolio.

In connection with the Company's commitment to ESG, the Investment Adviser has signed up to the United Nations Principles of Responsible Investment ("**UNPRI**"). Whilst these have historically been tailored to equity investors, their scope has expanded to private debt. The UNPRI encompass all stages of the private debt process (origination, due diligence, documentation, holding period and exit decisions).

13.5 Investment approval

Prior to any investment being made (or a commitment to investment being executed) the Investment Adviser's internal investment committee will need to approve the transaction. This committee will consider the investment in the context of:

- the credit and other risks associated with the investment;
- its potential return both in absolute terms and relative to other investment opportunities; and
- its effect on the overall composition of the Group's portfolio taking into account the Group's objective of holding a diversified portfolio of investments.

At a minimum, the investment committee will comprise the chief investment officer, the chief risk officer (or his delegate) and at least one of the portfolio managers. A unanimous investment decision is required from the investment committee. Once an investment has received unanimous approval, the Investment Adviser will provide the Investment Manager with the committee minutes and the credit memorandum containing details of the investment and maximum commitment for their approval before the investment can proceed. Whilst the Investment Adviser has been delegated portfolio management authority, all transactions are subject to ongoing monitoring and supervision by the Investment Manager.

In the event that a transaction is provided to the Investment Manager for approval and the Investment Manager considers the characteristics of the transaction to be of a higher risk based on a set of key risk criteria agreed with the Board, the Investment Manager will escalate the transaction to the Company's Risk Committee and the Independent Consultants for enhanced transaction review. The Investment Manager will pass queries raised to the Investment Advisor and provided that all queries are satisfactorily answered and parties being comfortable with the transaction then the Investment Manager will provide transaction approval.

13.6 Investment monitoring

Information flows to the Investment Manager, the Investment Adviser, the Independent Consultants and the Board will vary depending on the investment. However, on a semi-annual basis, the Investment Manager, the Investment Adviser, the Independent Consultants and the Board will convene in person, in order to discuss and review the current portfolio, the Company's pipeline and the Company's strategy in detail.

Loans

The Investment Adviser will receive a project-by-project technical adviser's report semi-annually or annually, where available, together with financial statements and performance data in relation to the project. In addition, in certain circumstances, such as in the event of a revenue shortfall or an unremedied event of default under a loan agreement, project agreement or operating sub-contract, further information will be sought or commissioned and, if relevant, meetings with the management of the Borrower and/or the agent bank will be arranged, together potentially with site visits.

Bonds

The Investment Adviser will receive trustee reports or similar reports (in relation to project bonds and asset-backed bonds) and audited financials of the Borrower. In some cases the Investment Manager and the Investment Adviser will also benefit from third-party research undertaken on bonds including that from the rating agencies, although the Investment Adviser will not rely upon such reports.

Loans and Bonds

The goal of investment monitoring is not limited to a reactive assessment of changes to the portfolio, but rather is a proactive process of identifying potential problems at an early stage. The Investment Manager and the Investment Adviser will aim to anticipate potentially adverse changes to the portfolio arising

from, for example, the economic environment or proposed regulatory or legal changes. All ongoing credit monitoring updates are provided to the Investment Manager by the Investment Advisor at least semi-annually or more frequently as and when a credit event occurs or there is a change to a key credit indicator. The Investment Manager reviews all monitoring updates and looks to consult and seek advice from the Board and/or the Independent Consultants if required or in the event of a key performance indicator change such as a credit downgrade.

14 Valuation and valuation methodology

The Valuation Agent is responsible for performing a monthly valuation review of the fair value pricing of the Investments which will be performed by the Investment Adviser.

The current Valuation Agent, the UK network firm of PricewaterhouseCoopers LLP ("**PwC UK**"), is a professional services firm, incorporated on 9 December 2002 in England and Wales (registered address: 1 Embankment Place, London, WC2N 6RH, registered number OC303525) as a limited liability partnership under the Limited Liability Partnerships Act 2000. The PricewaterhouseCoopers network has offices in 158 countries and more than 236,000 professionals. The Valuation Agent was appointed by the Company pursuant to an engagement letter dated 18 April 2017.

The valuation principles used by the Valuation Agent are based on market prices, where available, and otherwise a discounted cash flow methodology.

The Investment Adviser is responsible for providing the market prices, which will be obtained, where possible, from a range of market participants including commercial and investment banks and brokers. Market prices should reflect the size of the Group's holding.

In cases where market prices are not obtainable, or where quoted prices do not reflect, as agreed between the Investment Adviser and the Valuation Agent, the best price that could be obtained for the investment following a reasonable marketing period, the fair value for each investment acquired by the Group will instead be calculated by applying a discount rate to the cash flows expected to arise from each such investment.

As part of its review procedures, the Valuation Agent will consider the discount rate that it believes the market would reasonably apply to each investment taking, *inter alia*, the following into account:

- interest rates for the currency in which the relevant investment is denominated;
- movements of comparable credit markets;
- general infrastructure market activity and investor sentiment, which the Valuation Agent assesses using its knowledge of the infrastructure market gained from discussions with market participants and from publicly available information on relevant transactions and publicly-traded infrastructure funds;
- changes to the economic, legal, taxation or regulatory environment; and
- the performance of the underlying assets, including any actual or potential event in relation to the underlying asset that may be expected to have a material impact on the ability of the Borrower to meet its obligations to its lenders, such as operating performance failures, or the credit impairment of the underlying obligor.

For the avoidance of doubt, the Valuation Agent will not be acting in the capacity as "external valuer" for the purposes of the AIFMD. As a result, the Investment Manager will remain responsible under the AIFMD for the final valuation of the Company's Investments.

15 Monthly net asset valuation

The Valuation Agent is responsible for reviewing the fair value pricing of the Company's Investments, which will be performed by the Investment Adviser (conducted on the basis of a market bid price, where available, and otherwise a discounted cash flow methodology). TMF is responsible for calculating the Net Asset Value of the Subsidiary on a monthly basis which they submit to the Administrator each month. The Administrator is then responsible for calculating the Net Asset Value of the Company on a monthly basis. The Administrator calculates the Net Asset Value of the Company by taking into consideration the fair market value of the Subsidiary calculated in accordance with IFRS and making such adjustments as are required.

The monthly Net Asset Value for the Ordinary Shares will be published by the Company by means of an

RIS announcement approximately 10 Business Days after the end of the relevant month. As at the Portfolio Date, the unaudited NAV per share of the Ordinary Shares was 106.32 pence.

The Directors may at any time, but cannot be obliged to, temporarily suspend the calculation of the Net Asset Value of the Company during:

- any period when any of the principal markets or stock exchanges on which a substantial part of the Investments are traded are closed, otherwise than for ordinary holidays, or during which dealings thereon are restricted or suspended;
- any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a substantial part of the Investments is not reasonably practicable without this being seriously detrimental to the interests of the Shareholders or if in the opinion of the Directors the Net Asset Value of the Company cannot be fairly calculated; or
- any breakdown in the means of communication normally employed in determining the value of the Investments or when for any reason the current prices on any market of a substantial part of the Investments cannot be promptly and accurately ascertained.

Any delays or suspensions in the publication or calculation of the Net Asset Values will be notified to Shareholders by means of a RIS announcement.

16 Cash awaiting investment

Cash awaiting investment will be held (typically in Sterling) on behalf of the Group in interest-bearing bank accounts, or in one or more similarly-rated money market accounts or in short-dated debt funds or investments (such as treasury bills or similar instruments).

17 Debt facilities of the Company

As set out in the Investment Policy, borrowing is permitted at Company level (including through the use of repurchase or securities lending agreements), up to a maximum of 20 per cent. of the Company's Net Asset Value. The Company has entered into a £100 million loan facility agreement which was extended by (i) £50 million on 9 August 2018, (ii) £50 million on 18 May 2019, and (iii) £80 million on 18 December 2019 resulting in a combined facility of £280 million further details of which are set out on paragraph 7.14 of Part 8 of this Registration Document. As at 7 February 2020, the Revolving Credit Facility was drawn down in an amount of £225 million. As at 7 February 2020, the Company had gross leverage of £225 million which represents approximately 15.2 per cent. of NAV as at the Portfolio Date.

18 Hedging policy

The Company engages in currency hedging through the use of forward and swap contracts with a view to protecting the level of Sterling dividends and other distributions to be paid by the Company. The currency hedging strategy is set and reviewed by the Directors in consultation with the Investment Manager, the Investment Adviser and/or a third party hedging consultant if required.

The Group undertakes a hedging strategy whereby the Company seeks to hedge substantially all of its capital and NAV in addition to its income. However, the Company's ability to effect such a strategy may be affected by currency market and credit conditions and as such, it cannot be guaranteed that all of the Company's NAV will always be hedged and there will be periods where the Company's NAV is only partially hedged. The Group intends to hold any surplus cash from the Initial Issue or any issue under the Share Issuance Programme which is not invested in Sterling.

Interest rate hedging may also be carried out by the Group to seek to provide protection against increasing interest rates as and when any floating rate liabilities are entered into by the Group. The Group's exposure to such floating rate liabilities is likely to be limited to permitted borrowing, if any, as referred to in paragraph 17 of this Part 2.

Interest rate hedging may be carried out to seek to provide protection against falling interest rates in relation to assets that do not have a minimum fixed rate of return acceptable to the Group in line with its Investment Policy and strategy.

As at the Portfolio Date, approximately 98 per cent. of the Company's Net Asset Value consisted of either Sterling assets or was hedged into Sterling.

The Group will only use derivatives for the purposes of efficient portfolio management.

The actual return generated by the Group in pursuing its Investment Objective will depend on a wide range of factors including, but not limited to, general economic and market conditions, fluctuations in currency exchange rates, prevailing interest rates and credit spreads, the terms of the investments made by the Group, and the risks highlighted in the section entitled "Risk Factors" in this Registration Document.

19 Discount Control

19.1 *Application of the Investment Adviser fee attributable to the Ordinary Shares*

The fee earned by the Investment Adviser under the Investment Advisory Agreement, includes a proportion of fees to be applied in either acquiring or subscribing for Ordinary Shares in the capital of the Company. At an AGM which took place on 16 August 2018, the Shareholders approved a resolution which reduced the proportion of fees to be applied to acquire or subscribe for Ordinary Shares from 25 per cent. to 10 per cent. of its aggregate fees. Following Admission, if the Ordinary Shares are trading at a premium to the Net Asset Value per Ordinary Share, the relevant Investment Adviser fee will be applied in subscribing for new Ordinary Shares to be issued by the Company at the most recent closing Ordinary Share price.

To the extent that the Ordinary Shares are trading at a discount to the NAV per Ordinary Share, the Company is authorised to apply the relevant Investment Adviser fee to make market purchases for the benefit of the Investment Adviser pursuant to the terms of the Investment Advisory Agreement, provided that (i) the maximum aggregate number of Ordinary Shares to be purchased by the Company represents no more than 14.99 per cent. of the total number of Ordinary Shares in issue on 5 August 2019, being the date that the buy-back authority was passed; (ii) the minimum price (exclusive of expenses) which may be paid by the Company for an Ordinary Share shall be £0.01; (iii) the maximum price (exclusive of expenses) which may be paid by the Company for an Ordinary Share shall be not more than the higher of (a) five per cent. above the average market value of an Ordinary Share for the five business days prior to the date of the market acquisition and (b) the value of the Ordinary Share calculated on the basis of the higher of the price quoted for the last independent trade and the highest independent bid for any number of Ordinary Shares on the trading venue where the purchase is carried out; and (iv) such authority shall expire on the earlier of (a) 5 February 2021; and (b) the conclusion of the next annual general meeting of the Company.

19.2 *Continuation Resolution*

In accordance with the Articles, the Directors are required to convene a general meeting within every three years in order to propose an Ordinary Resolution that the Company continues its business as a closed-ended investment company (the "**Continuation Resolution**"). The Company approved the Continuation Resolution at the AGM dated 16 August 2018. Accordingly the next Continuation Resolution will be proposed in 2021.

If a Continuation Resolution is not passed, the Directors are required to put forward proposals within six months for the reconstruction or reorganisation of the Company to the Shareholders for their approval. These proposals may or may not involve winding up the Company and, accordingly, failure to pass the Continuation Resolution will not necessarily result in the winding up of the Company.

19.3 *Share Buyback*

The Directors intend to consider the acquisitions of Ordinary Shares as part of its discount control policy, from time to time, when appropriate to do so. Pursuant to an existing authority granted by the Shareholders on 5 August 2019 the Company is authorised to make one or more market acquisitions provided that (i) the maximum number of Ordinary Shares that the Company may purchase is such number as represents 14.99 per cent. of the total number of Ordinary Shares in issue on 5 August 2019, being the date that the buy-back authority was passed; and (ii) the Company shall pay a minimum of £0.01 per Ordinary Share (exclusive of expenses) and a maximum (exclusive of expenses) of no more than five per cent. above the average of the mid-market quotations of an Ordinary Share as derived from the London Stock Exchange for the five business days prior to the date of the market acquisition or, if higher, the higher of the price of the last independent trade and the highest current independent bid.

If the Board does decide that the Company should buy back Ordinary Shares, purchases will only be made through the market for cash at prices below the estimated prevailing Net Asset Value per Ordinary Share and where the Board believes such purchases will result in an increase in the Net Asset Value per Ordinary

Share. Such purchases will only be made in accordance with applicable law, the Listing Rules and the Disclosure Guidance and Transparency Rules in force from time to time, or any successor laws, rules or regulations.

The authority shall expire on the earlier of 18 months from 5 August 2019 or the next annual general meeting of the Company. Although the Directors consider it appropriate to have the authorisation in place, there is no guarantee that it will be exercised or upon which terms any buyback would be exercised. The Board intends to seek renewal of this authority from Shareholders at each annual general meeting of the Company.

19.4 Scrip Dividends

The Directors may, with the prior authority of the Shareholders and subject to such terms and conditions as the Directors may determine, offer to holders of Ordinary Shares (excluding any member holding Ordinary Shares as treasury shares) the right to elect to receive Ordinary Shares, credited as fully paid, instead of the whole or some part (to be determined by the Directors), of any dividend. The Directors believe that the ability for Shareholders to elect to receive future dividends from the Company wholly or partly in the form of new Ordinary Shares rather than in cash is likely to benefit both the Company and certain Shareholders. The Company would benefit from the ability to retain cash which would otherwise be paid as dividends. To the extent that a scrip dividend alternative is offered in respect of any future dividend, Shareholders would be able to increase their shareholdings without incurring dealing costs or paying stamp duty reserve tax.

The decision whether to offer such a scrip dividend alternative in respect of any dividend will be made by the Directors at the time the relevant dividend is declared and must be authorised by an Ordinary Resolution. Resolution 3 is being proposed at the EGM to authorise the offer of a scrip dividend alternative to Shareholders from the date of the EGM and ending prior to the date of the annual general meeting of the Company to be held in 2022, on such terms as the Directors may determine.

The Initial Issue and the Share Issuance Programme is not conditional on the passing of Resolution 3 at the EGM.

20 Fees and expenses

20.1 Expenses of the Initial Issue

In aggregate, the fees and expenses relating to the Initial Issue and associated matters are expected to be approximately £3.4 million, if the target number of New Ordinary Shares are subscribed for, resulting in Net Issue Proceeds of approximately £247 million if Gross Issue Proceeds of approximately £250 million are raised pursuant to the Initial Issue. In the event that the maximum Gross Issue Proceeds of £300 million are raised, the fees and expenses relating to the Initial Issue and associated matters are expected to be approximately £3.4 million. No fees or expenses in relation to the Initial Issue will be charged to subscribers for New Ordinary Shares and the Company will bear these costs including any abort costs if the Initial Issue does not proceed.

20.2 Expenses of the Share Issuance Programme

In aggregate, the fees and expenses relating to the Share Issuance Programme and associated matters are expected to be approximately £3.5 million, resulting in net proceeds (for illustrative purposes only, assuming a price per Ordinary Share of 112.0 pence and two issuances under the Share Issuance Programme) totalling £332.5 million (one being a pre-emptive offer and one being a Placing-Only Issue).

The initial expenses payable by the Company in relation to the Share Issuance Programme (other than the Share Issuance Programme issuance commissions, LSE admission fees and ad hoc expenses) will be borne by the Shareholders. The Ordinary Shares issued pursuant to the Share Issuance Programme will be issued at a premium to NAV sufficient to cover the subsequent costs and expenses of the relevant placing, offer for subscription, open offer and/or any combination thereof (including, without limitation, any Share Issuance Programme issuance commissions, LSE admission fees and ad hoc expenses, any costs associated with the publication of a Future Securities Note or Future Summary in respect of any offer for subscription or any open offer). No fees or expenses in relation to the Share Issuance Programme will be charged to subscribers for Ordinary Shares issued pursuant to the Share Issuance Programme and the Company will bear these costs including any abort costs if the Share Issuance Programme does not proceed.

20.3 **Other fees and expenses**

The Company is responsible for its own ongoing operational costs and expenses which include (but are not limited to) the fees and expenses of the Administrator, the Custodian, the Directors, the Independent Consultants and the Auditors, as well as listing fees, regulatory fees, expenses associated with any purchases of or tender offers for Ordinary Shares, printing and legal expenses and other expenses (including insurance and irrecoverable VAT). Further details are set out in Part 8 of this Registration Document.

At an AGM held on 16 August 2018, the Shareholders approved a revised fee structure in relation to the services provided by the Investment Adviser under the Investment Advisory Agreement. Therefore, with effect from 16 August 2018, the Investment Adviser is entitled to a base fee of (a) 0.74 per. cent per annum of the market value of the Group's investments for all invested assets up to £1 billion (other than cash holdings and any committed investments which remain undrawn) plus (b) 0.56 per. cent of the market value of the Group's investments for all invested assets in excess of £1 billion (other than cash holdings and any committed investments which remain undrawn) is charged quarterly by the Investment Adviser to the Company. No performance fees or acquisition fees are charged. A tenth of the Investment Adviser's fee will be reinvested in applying for Ordinary Shares, which will be held subject to a three-year rolling lock-up. If the relevant Ordinary Shares are trading at a discount to NAV, the relevant fees will be applied in acquiring existing relevant Ordinary Shares in the market, at the prevailing share price. If the relevant Ordinary Shares are trading at a premium to NAV, the relevant fees will be applied in subscribing for new relevant Ordinary Shares to be issued by the Company at the most recent closing price (as reported on Bloomberg).

Under the terms of the Investment Management Agreement, the Investment Manager is entitled to receive an annual management fee for AIFM services 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; plus
- (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.

21 **Taxation**

Information concerning the tax status of the Company and in relation to an investment in Ordinary Shares is set out in Part 7 of this Registration Document. The statements on taxation in Part 7 of this Registration Document are intended to be a general summary of certain tax consequences that may arise in relation to the Company and Shareholders. This is not a comprehensive summary of all technical aspects of the structure and is not intended to constitute legal or tax advice to investors. If any potential investor is in any doubt about the taxation consequences of acquiring, holding or disposing of Ordinary Shares they should seek advice from their independent professional adviser.

22 **Non-Mainstream Pooled Investments**

The Board notes the rules of the FCA on the promotion of non-mainstream pooled investments, effective from 1 January 2014. The Board confirms that it conducts the Company's affairs, and intends to continue to conduct its affairs, so that the Company's shares will be "excluded securities" under the FCA's rules. This is on the basis that the Company, which is resident outside the EEA, would qualify for approval as an investment trust by the Commissioners for HMRC under sections 1158 and 1159 of the Corporation Tax

Act 2010 if resident and listed in the United Kingdom. Therefore, the Company's shares will not amount to non-mainstream pooled investments. Accordingly, promotion of the Company's shares will not be subject to the FCA's restriction on promotion of non-mainstream pooled investments.

23 Liquidity Risk Management

- 23.1 In accordance with the UK AIFMD, the Investment Manager manages the Group's liquidity risk by taking into account the liquidity profile and strategy of the company through investing primarily in a diverse portfolio of assets. Liquidity risk mitigation will be sought through careful selection of assets, asset duration and asset liquidity profiling through loan market interaction, geographical focus, currency allocations, cash management along with other Company considerations.
- 23.2 The Investment Manager will periodically make available to the Shareholders the following information, (and at least annually in the Company's annual report and audited accounts):
- (a) the percentage of the Company's assets which are subject to special arrangements, arising from their illiquid nature if any;
 - (b) any new arrangements for managing the liquidity of the Company;
 - (c) the Company will periodically disclose the current risk profile of the Company to investors and the risk management systems employed by the Investment Manager and Board to manage those risks; and
 - (d) any changes to the maximum level of UK AIFMD leverage which may be employed by the Company.

24 Further issues of Shares

The Directors will have authority to issue further Ordinary Shares (or where applicable, re-issue Treasury Shares) following Initial Admission. Further issues of Ordinary Shares (or reissue of Treasury Shares) will be made only if the Directors determine such issues to be in the best interests of Shareholders and the Group as a whole. Relevant factors in making such determination will include the net asset performance of the Group, the Company's Share price rating and perceived investor demand. Unless otherwise approved by Shareholders, the Directors shall only allot and issue Shares to investors at prices not less than the latest published Net Asset Value per Ordinary Share at that time. The Company will invest the net proceeds of any further issue of Shares (less short-term working capital requirements) in the Group.

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 Initial Issue and Share Issuance Programme to proceed, a resolution to approve the disapplication of pre-emption rights in respect of up to 223,214,285 New Ordinary Shares for the purposes of the Initial Issue and up to 300,000,000 Ordinary Shares for the purposes of the Share Issuance Programme will be proposed at the EGM. The Directors intend that any material issue under the Share Issuance Programme would include a material pre-emptive element consistent with their approach in respect of the Initial Issue. For the avoidance of doubt, these authorities are additional to and exclusive of the general authority to dis-apply pre-emption rights up to an aggregate amount not exceeding 10 per cent. of the Ordinary Shares from time to time in issue which was obtained at the AGM held on the 5 August 2019, a substantial part of which was used to implement the 2019 Placing.

The Directors intend to request that the authority to allot a specified amount of the Ordinary Shares from time to time in issue on a non-pre-emptive basis is renewed at each annual general meeting of the Company.

25 Cross holdings

The Company's policy is not to invest any of its assets into equity products, including other listed closed-ended investment funds. As such, the Company considers its Shares to be eligible investments under the FCA's Listing Rule 15.4.5, for other listed closed-ended investment funds.

PART 3 - MANAGEMENT AND ADMINISTRATION

1 Board of Directors

The Articles provide that there shall be no maximum or minimum number of Directors unless determined by Ordinary Resolution. The Company has appointed four Directors, all of whom are non-executive directors. The Directors meet on a regular basis to review and assess the Investment Policy and performance of the Company and generally to supervise the conduct of its affairs.

The Directors and their business experience are as follows:

Robert Jennings, CBE (64) (Chairman)

Robert Jennings is a resident of the United Kingdom and qualified as a Chartered Accountant in 1979. He has over 20 years senior experience in the infrastructure sector. Mr Jennings was a managing director of UBS Investment Bank and was joint head of the Bank's Infrastructure Group until 2007. In that role, he particularly focused on the railway sector advising companies and governments across a very broad geographic range. He has twice acted as a special senior adviser to HM Treasury in 2001/02 during Railtrack's Administration and again in 2007/08 in relation to Crossrail. Mr Jennings was also a non-executive director of Crossrail from April 2009 until April 2019, and was until February 2017 Chairman of Southern Water. Mr Jennings was appointed to the Board of 3i Infrastructure plc in a non-executive role with effect from 1 February 2018.

Jan Pethick (72)

Jan Pethick is a resident of the United Kingdom and has over 35 years experience in the debt sector. Mr Pethick was Chairman of Merrill Lynch International Debt Capital Markets for 10 years, from 2000 to 2010. He had previously been Head of Global Debt Origination at Dresdner Kleinwort Benson which had acquired the credit research boutique, Luthy Baillie which he had co-founded in 1990. Prior to that, he worked for 12 years at Lehman Brothers where he was a member of the Executive Management Committee in Europe. Mr Pethick was previously the Chairman of Troy Asset Management until July 2019.

Jonathan Bridel (55)

Jonathan Bridel is a resident of Guernsey. Mr Bridel is currently a non-executive director of a number of investment funds and managers including The Renewables Infrastructure Group Limited, SME Credit Realisation Fund Limited and Starwood European Real Estate Finance Limited which are listed on the Main Market of the London Stock Exchange. He is also a non-executive director of Fair Oaks Income Limited and non-executive Chairman of DP Aircraft I Limited. Mr Bridel was previously Managing Director of Royal Bank of Canada's investment businesses in the Channel Islands.

After qualifying as a Chartered Accountant in 1987, Mr Bridel worked with Price Waterhouse Corporate Finance in London. He subsequently held senior positions in banking, credit and corporate finance, investment management and private international businesses where he was Chief Financial Officer.

Mr Bridel holds a Master of Business Administration and also holds qualifications from the Institute of Chartered Accountants in England and Wales where he is a Fellow, the Chartered Institute of Marketing where he is a Chartered Marketer and the Australian Institute of Company Directors. He is also a Chartered Director and Fellow of the Institute of Directors and is a Chartered Fellow of the Chartered Institute for Securities and Investment.

Sandra Platts (61) (Senior Independent Director)

Sandra Platts is a resident of Guernsey and holds a Master's in Business Administration. Mrs Platts joined Kleinwort Benson (CI) Ltd in 1986 and was appointed to the board in 1992. She undertook the role of Chief Operating Officer for the Channel Islands business and in 2000 for the Kleinwort Benson Private Bank Group - UK and Channel Islands. In January 2007, she was appointed to the position of Managing Director of the Guernsey Branch of Kleinwort Benson and was responsible for a strategic change programme as part of her role as Group Chief Operating Officer. Mrs Platts also held directorships on the strategic holding board of the KB Group, as well as sitting on the Bank, Trust Company and Operational Boards. She resigned from these boards in 2010. Mrs Platts is a non-executive director of NB Global Floating Rate Income Fund Limited and UK Commercial Property REIT (both listed on the Main Market), Investec Bank (Channel Islands) Limited and Marble Point Loan Financing Limited (listed on the Specialist Fund

Segment), plus a number of other investment companies. She is a member of the Institute of Directors.

2 Independent Consultants

On 30 January 2018, the Board appointed two independent consultants, Tim Drayson and Kate Thurman, (the "Independent Consultants"), to provide guidance to the Board on the Company's approach to risk management across its Portfolio. The Board considers that the appointment will strengthen and deepen the resources available to the Company in overseeing the risk management of the Portfolio. The Independent Consultants' roles include providing support to both the Board and the Investment Manager in evaluating potential new investments and in respect of the ongoing monitoring of the Portfolio.

Tim Drayson has over thirty years' experience in the US and European debt capital markets. He was most recently Global Head of Corporate Sales & Deputy Head of the European Corporate Debt Platform at BNP Paribas and had been a member of the Fixed Income Transaction Approval Committee, screening complex transactions and interacting with the bank's credit committee. He joined BNP Paribas as Global Head of Securitization in 2005, with responsibility for managing all origination and structuring teams, including infrastructure. Prior to joining BNP Paribas, Tim held senior roles at Morgan Stanley in London as Head of Securitized Products Distribution and Paine Webber in New York.

Kate Thurman is a highly experienced credit market professional having spent over 30 years identifying and analysing credit risk in bond and loan instruments for institutional portfolios. Kate has broad experience across industry sectors, credit grades, legal structures and jurisdictions, having special expertise in the assessment of quantitative and qualitative credit factors and downside risks. In recent years, she has been employed as a credit researcher and debt portfolio specialist by Rogge Global Partners, New Bond Street Asset Management, Dresdner Bank and independently as a consultant.

3 Corporate governance

The GFSC Code applies to all companies that hold a licence from the GFSC or which are registered or authorised as collective investment schemes (such as the Company). However, the GFSC has stated in the GFSC Code that companies which report against the UK Corporate Governance Code or the AIC Code are deemed to meet the requirements of the GFSC Code.

4 UK Corporate Governance Code

The Listing Rules require that the Company must "comply or explain" against the UK Corporate Governance Code. In addition, the Disclosure Guidance and Transparency Rules require the Company to (i) make a corporate governance statement in its annual report and accounts based on the code to which it is subject, or with which it voluntarily complies; and (ii) describes its internal control and risk management arrangements.

The Directors recognise the value of the UK Corporate Governance Code and have taken appropriate measures to ensure that the Company complies, so far as is possible given the Company's size and nature of business, with the UK Corporate Governance Code. The areas of non-compliance by the Company with the UK Corporate Governance Code are as follows:

There is no chief executive position within the Company which is not in accordance with provision A.2.1 of the UK Corporate Governance Code. As an investment company, the Company has no employees and therefore no requirement for a chief executive.

5 AIC Code

The Board has agreed to comply with the AIC Code. The Company is a member of the AIC and is classified as a Sector Specialist: Infrastructure company by the AIC.

The Company complies with the AIC Code, and in accordance with such AIC Code will be meeting its obligations in relation to the UK Corporate Governance Code and associated disclosure requirements of the Listing Rules.

6 Directors' share dealings

The Directors have adopted the Sharedealing Code as the Company's share dealing policy for the purpose of complying with UK legislation and the Market Abuse Regulation (EU) No. 596/2014. The Board is responsible for taking all proper and reasonable steps to ensure compliance with the Shareholding Code

by the Directors.

7 Audit Committee

The Company's Audit Committee meets formally at least three times a year for the purpose, amongst other things, of review of the annual report and the half year report, the nature and scope of the external audit and the findings therefrom, and the terms of appointment of the auditors, including their remuneration and the provision of any non-audit services by them. The Audit Committee comprises at least three Directors and includes at least one member of the Company's Risk Committee. The Board appoints the members. Appointments to the committee shall be for a period of up to three years, extendable by no more than two additional three-year periods, so long as members continue to be independent. Where non-audit services are to be provided by the auditor, full consideration of the financial and other implications on the independence of the auditor arising from any such engagement will be considered before proceeding. As at the date of this Registration Document, the Audit Committee comprises Sandra Platts (chair), Jonathan Bridel, Jan Pethick and Robert Jennings. The principal duties of the Audit Committee include: (i) reviewing the annual financial statements prior to approval, focusing on changes in accounting policies and practices, major judgemental areas, significant audit adjustments, going concern and compliance with accounting standards, listing and legal requirements; (ii) receiving and considering reports on internal financial controls, including reports from the auditors and report their findings to the Board; (iii) considering the appointment of the auditors and their remuneration including reviewing and monitoring of independence and objectivity; (iv) meeting with the auditors to discuss the scope of the audit, issues arising from their work and any matters the auditors wish to raise; and (v) reviewing the Company's corporate review procedures and any statement on internal control prior to endorsement by the Board.

8 Remuneration and Nomination Committees

The Company has established Remuneration and Nomination Committees which each comprise at least three Directors. As at the date of this Registration Document (i) the Remuneration Committee comprises Sandra Platts (chair), Jonathan Bridel, Jan Pethick and Robert Jennings; and (ii) the Nominations Committee comprises Robert Jennings (chair), Jonathan Bridel, Jan Pethick and Sandra Platts. The Remuneration Committee meets not less than once a year and has responsibility for considering the remuneration of the Directors. Appointments to both committees are made by the Board and shall be for a period of up to three years, which may be extended for further periods of up to three-years, provided the director still meets the criteria for membership of the committee. The Nomination Committee meets not less than once a year and its duties include: (i) identifying individuals qualified to become Board members and selecting the director nominees for election at general meetings of the Shareholders or for appointment to fill vacancies; (ii) determining director nominees for each committee of the Board; and (iii) considering the appropriate composition of the Board and its committees. In addition, the chairmanship of the Audit Committee, the Remuneration Committee and Nomination Committee and the Management Engagement Committee and each Director's performance will be reviewed annually by the Chairman and the performance of the Chairman will be assessed by the remaining Directors.

9 Management Engagement Committee

The Company has established a Management Engagement Committee which comprises at least two Directors. As at the date of this Registration Document the Management Engagement Committee comprised Jan Pethick (chair), Sandra Platts, Jonathan Bridel and Robert Jennings. The Management Engagement Committee will meet not less than once a year. The Management Engagement Committee's main function is to review and make recommendations on any proposed amendment to the Investment Management Agreement and keep under review the performance of the Investment Manager in its role as investment manager to the Company, and the performance of the Investment Adviser in its role as investment adviser to the Company. The committee also: (i) reviews the other service providers to the Company; (ii) monitors compliance of service providers with their respective agreements; and (iii) considers any points of conflict that may arise between service providers to the Company.

10 Risk Committee

The Board has established a Risk Committee with formally delegated duties and responsibilities. It comprises Robert Jennings, Jan Pethick, Sandra Platts and Jonathan Bridel and is chaired by Jonathan Bridel. The Risk Committee meets four times per year. Appointments to the committee shall be for a period of up to three years, which may be extended for further periods of up to three years, provided the Director

still meets the criteria for membership of the committee. The Risk Committee advises the Board on the Company's overall risk appetite, tolerance and strategy, oversees and advises the Board on the current risk exposures of the Company and future risk strategy. They consider and approve the remit of the risk management function and ensure it has adequate resources and appropriate access to information to enable it to perform its function effectively and in accordance with the relevant professional standards and corporate governance codes. The Risk Committee also ensures the function has adequate independence and is free from management and other restrictions.

11 The Investment Manager

The Investment Manager is International Fund Management Limited ("**IFM**"), part of the PraxisIFM Group, one of the largest independent financial services groups registered and based in the Channel Islands and listed on The International Stock Exchange. IFM was incorporated, registered and domiciled in Guernsey under Guernsey Companies Law with registration number 17484 on 3 September 1987. The head office is located at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR and its website is www.intfundmanagement.com. IFM can be contacted by writing to its head office or by calling, within business hours, +44 (0)1481 737600. None of the content on the IFM website or the content of any website accessible from hyperlinks on IFM's website is incorporated into, or forms part of, this document.

The Investment Manager is a Guernsey licensed investment manager and has a strong track record in providing risk and management services to funds and investment managers since 2006. The Investment Manager currently provides services to 17 funds with an aggregate asset value in excess of US \$5 billion.

IFM has a number of outsourced relationships whereby IFM appoints advisors to manage fund assets. IFM provides an integral role in reviewing advisor credentials, recommendation processes, portfolio risk analysis, portfolio construction oversight, adherence to investment policy, restrictions and disclosures. IFM is appointed as risk manager to a number of UCITs funds reporting to the board on key risks such as portfolio, liquidity, operational, credit and counterparty risk. IFM also assists with investor reporting and the oversight of all parties to the fund. IFM maintains professional indemnity insurance of not less than £10,000,000.

The board of IFM has years of experience in the fund industry through board positions and senior fund roles in the provision of services to those funds. The board of IFM has worked with a variety of alternate asset strategies including but not limited to debt, loan obligations, private equity, equity long/short strategies. The board of IFM comprises the following directors:

Chris Hickling (46) is the Managing Director and will be the primary contact for the Company in relation to the AIFM risk management function and private placement obligations.

Mr Hickling was educated and qualified as a Chartered Accountant in New Zealand and came to Guernsey in 1998.

Mr Hickling's fund and risk management experience started when he joined Close Fund Services Limited in 2001 where he became Operations Director in 2005. During this period Mr Hickling reviewed their fund clients documenting structure and process in order to implement new operational procedures leading to a more focused risk based approach for the business. Reviews included the specific areas of pricing, NAV production, pricing risks and dealing with the fund advisors on a frequent basis. These funds included asset types such as, but not limited to, property, debt, repos, fund of funds, sovereign debt and private equity. During this time Mr Hickling also implemented a risk management program for Close Fund Services Limited's largest fund client.

In August 2007 Mr Hickling joined Investec Administration Services Limited which was subsequently sold to Praxis as part of Investec's sale of the business in 2009, all clients moved with the acquisition. Mr Hickling's role moved from operations to managing director of IFM in 2011 in order to focus primarily on current management roles and developing future opportunities in the areas of fund management, risk management and AIFMD/UCIT's solutions.

Mr Hickling continues to sit on a number of fund boards and oversees all management services undertaken by IFM including adherence to distribution rules and investor reporting.

Shaun Robert (45) sits on the board of the Investment Manager and has in excess of 25 years experience within the funds arena.

Mr Robert has extensive front to back experience throughout Fund Administration, Transfer Agency, Fund

Custody, Trustee and AIFMD Depository lines of business, dealing with many fund structures including ICC's, PCC's, investment companies and unit trusts, across a wide range of strategies such as hedge funds, fund of funds, fund of hedge funds, debt, bond and equity funds.

Mr Robert's previous positions have been Fund Administration Manager with Close Fund Services Limited, Deputy Head of Credit Suisse Fund Administration (Guernsey) Limited and Head of J.P. Morgan Custody Services (Guernsey) Limited. He has also held prescribed positions as recognised by the Guernsey Financial Services Commission for over 10 years, including Directorships and MLRO positions.

Mr Robert sits on a number of fund boards, is a Member of the Chartered Institute for Securities and Investments and has previously sat on the Guernsey Investment Fund Association Custodian and Depository Sub Committee.

Ray Tully (54) is a consultant to the Investment Manager.

Mr Tully joined the PraxisIFM Group in 2007 and is Group Head of Marketing and Business Development responsible for the coordination of these functions across the Group and the successful delivery of new business growth. Mr Tully is also Managing Director of Praxis Corporate Finance which sources financing solutions for all borrowing clients of the Group. This involves preparation of the credit applications and due diligence packs for the Banks followed by negotiation of terms and implementation of the loan agreements.

Mr Tully has worked for 21 years in the Banking Industry. Ten years were spent in Dublin with Allied Irish Bank where his focus was primarily on Commercial and Private Banking. In 1995 Mr Tully graduated with a degree in Financial Services out of University College Dublin.

In 1996 he moved to Guernsey where he joined The Royal Bank of Scotland International (RBSI) and was a key member of the Corporate Banking Management Team. Throughout that time, in separate corporate departments, he was responsible for large lending portfolios across many asset classes which included UK and Guernsey real estate development and investment.

For non-bankable transactions Mr Tully has developed a source of alternative finance and equity for suitable asset classes all of which have specific lending criteria and require detailed applications to progress.

12 The Investment Adviser

The Investment Manager has appointed as its Investment Adviser, Sequoia Investment Management Company is a private limited company incorporated, registered and domiciled in England and Wales under the Companies Act with company number 05902847 and a registered address of Kent House, 14-17 Market Place, London, W1W 8AJ. The Investment Adviser is regulated in the UK by the FCA.

The Investment Adviser was founded in 2009 with a focus on infrastructure debt. Since its inception it has undertaken a range of advisory mandates, mostly focused on debt structuring and rating, capital raising and the provision of infrastructure advice and has to date identified and reviewed over £7 billion (across £, US\$ and €) of infrastructure debt investments. In addition it has been active in raising institutional funds in the infrastructure debt sector and the first of these funds closed in 2015.

The Investment Adviser's professional staff includes four directors supported by one chief risk officer, three vice presidents, five associates and two analysts. The Investment Adviser has implemented a range of systems and procedures for managing infrastructure debt portfolios including a full infrastructure credit analysis methodology, a proprietary UK Local Authority Credit Model, a proprietary Infrastructure Debt Portfolio Model and an Infrastructure Loan Pricing Model. Its principal investment businesses are: (i) Sequoia Economic Infrastructure Income Fund; and (ii) Sequoia Infrastructure Debt Fund, a senior Euro debt fund, which had its first close in July 2017.

The Investment Adviser's directors have, between them, in aggregate over 90 years experience in infrastructure debt, asset management and debt capital markets. They have successfully lent to, arranged debt for, advised on or rated infrastructure companies and projects across all the major infrastructure sectors.

The personnel primarily responsible for delivering investment advice to the Company on behalf of the Investment Adviser are as follows:

Randall Sandstrom (CEO and CIO) (60) has overall responsibility for the provision of investment advice to the Company.

Randall Sandstrom has 27 years of experience in international and domestic credit markets. Mr Sandstrom managed approximately US\$ 6 billion notional in global high yield and investment grade bonds, leveraged loans, ABS and money market securities in a credit fund, several CDOs, warehouse facilities and a cash portfolio. Jurisdictions included Europe, North America, the UK and Asia Pacific. He also oversaw an active US\$ 2 billion equivalent treasury operation - issuing Euro and U.S. commercial paper and MTNs daily. Mr Sandstrom managed (i) €260 million and €315 million Euro-denominated high yield bond portfolios; (ii) US\$ 2.6 billion in global multi-currency investment grade corporates, banks and asset-backed securities through a levered bond fund; (iii) a €240 million leveraged loan portfolio through a warehouse facility; (iv) US\$ 1 billion notional in a global investment grade CDS portfolio; and (v) US\$ 1.8 billion notional in four separate global investment grade CDS portfolios, through a rated US\$ 500 million debt tranche and 3 principal protected and zero coupon equity tranches of US\$ 1.3 billion. No rated tranche of any structure Mr Sandstrom managed was ever downgraded prior to the global financial crisis and his CDO, Orion Euro High Yield B.V., was considered the best performing 2001 European high yield bond portfolio.

His prior roles included member of the Board of Directors and MD of Structured Finance, LCF Rothschild and Head of Euro Credit Market Strategy, Morgan Stanley and was the former CEO/CIO of Eigar Capital. Earlier in his career Mr Sandstrom was an "I/I" ranked senior Credit Analyst at CS First Boston (energy & transportation).

Steve Cook (Head of Portfolio Management) (47) is responsible for portfolio construction and portfolio hedging.

Steve Cook has 22 years of infrastructure experience and brings to the firm strong structuring and credit analysis skills. Prior to his position with the Investment Adviser he was European Head of Whole Business Securitisation and CMBS, and Co-Head of Infrastructure Finance at UBS. Before that he was the Head of European Corporate Securitisation at Morgan Stanley. At Morgan Stanley and UBS, Mr Cook had zero losses on over £5 billion of loan originations. Mr Cook has been involved in a wide variety of infrastructure projects in the UK and across Europe as a lender, arranger and adviser.

Greg Taylor (Co-Head of Infrastructure) (56) is responsible for asset sourcing, project due diligence and credit.

Greg Taylor has 28 years of infrastructure experience. He was the Head of Infrastructure Finance at Merrill Lynch and Co-Head of Infrastructure Finance at UBS where he was involved in a number of transactions at Merrill Lynch and UBS where the investment bank was asked to participate as a direct lender in sizes of up to £1 billion. The assets over which the lending was secured included airports, water and sewerage companies, oil refineries, rolling stock and toll roads. Mr Taylor's responsibilities included credit analysis, structuring and presenting the transaction to credit committee.

Prior to that Mr Taylor developed Moody's methodology for rating regulated infrastructure companies and worked for 15 years in the U.S. municipal bonds market. He has thus gained a broad infrastructure perspective as bond arranger, direct lender, credit analyst and financial adviser to both borrowers and the public sector in Europe, the UK, North America and Latin America.

Dolf Kohnhorst (Co-Head of Infrastructure) (62) is responsible for asset sourcing, project due diligence and credit.

Dolf Kohnhorst has 37 years of experience in investment banking, debt capital markets and project finance commercial lending. He was Head of Societe Generale's Financial Institutions Group covering UK, Irish, Benelux and Scandinavian banks, insurance companies, pension funds and investment management companies, where he had zero recognised losses in his loan book throughout the financial crisis. Prior to that Mr Kohnhorst spent 16 years with Morgan Stanley heading the Benelux and Scandinavian sales teams and DCM Structured Solutions. Earlier in his career he gained experience in commercial lending to the shipping, construction and project finance sectors.

Anurag Gupta (Chief Risk Officer) (47) is responsible for oversight of the credit, risk assessment and management processes.

Anurag Gupta has over 20 years of infrastructure experience. Anurag joined the Investment Adviser in February 2020 and is responsible for assessing and managing the Investment Adviser's risk. He was previously a Partner at KPMG Canada and Global Sector Head, Power in the Global Infrastructure Practice. Before joining KPMG, Anurag held several positions in different companies such as Infrastructure Ontario (IO, Canada's largest infrastructure delivery agency), Ontario Power Generation (OPG) and TXU Energy. He brings global transactional and risk management experience in fields such as infrastructure,

renewable energy, PPP and corporate finance.

Further details on the Investment Adviser can be found at its website, www.seqimco.com. None of the content on the Investment Adviser's website or the content of any website accessible from hyperlinks on the Investment Adviser's website is incorporated into, or forms part of, this document. The Investment Adviser can be contacted by writing to its registered office or by calling, within business hours, +44 207 079 0480.

13 Administrator of the Company

Praxis Fund Services Limited (a company incorporated in Guernsey on 13 April 2005 with registered number 43046 and with an issued share capital of 3,848 Ordinary A Shares and 893 Ordinary B shares) has been appointed as administrator and secretary of the Group pursuant to the Administration Agreement. The Administrator is responsible for the general administrative requirements of the Group, such as the maintenance of accounting and statutory records. Details of the Administration Agreement are set out in paragraph 7.7 of Part 8 of this Registration Document.

Praxis Fund Services Limited ("**PFS**") is part of the PraxisIFM Group, one of the largest independent financial services groups based in the Channel Islands and listed on The International Stock Exchange (www.tisegroup.com). The head office of PFS is in Guernsey. PFS also has established offices in Jersey, Malta, Luxembourg, Cayman Islands, Netherlands, UAF and the UK. The PraxisIFM Group employs over 550 staff across its office network and administers approximately US\$ 90 billion of assets. In aggregate PFS administers over 60 funds. These funds encompass a number of asset strategies including property, private equity, debt as well as hedge and fund of hedge funds. They also include different types of structure from limited partnerships to incorporated cell companies which are incorporated in multiple jurisdictions, not only where PFS have offices.

As at January 2020, Financial Services Opportunities Investment Fund Limited indirectly holds 16.1 per cent. of the issued share capital of PraxisIFM Group.

14 Custodian

Bank of New York Mellon, London Branch has been appointed as custodian to the Subsidiary pursuant to the Portfolio Administration and Agency Agreement. Bank of New York Mellon, a wholly owned subsidiary of The Bank of New York Mellon Corporation incorporated on 9 June 1784, is with limited liability by Charter, under the Laws of the State of New York by special act of the New York State Legislature, Chapter 616 of the Laws of 1871, with its Head Office situated at 240 Greenwich Street, New York, NY 10286, USA and having a branch registered in England & Wales with FC No 005522 and BR No 000818 with its principal office in the United Kingdom situated at One Canada Square, London E14 5AL.

The Bank of New York Mellon's corporate trust business services US\$ 12 trillion in outstanding debt from 55 locations around the world. It services all major debt categories, including corporate and municipal debt, mortgage-backed and asset-backed securities, collateralized debt obligations, derivative securities and international debt offerings. The Bank of New York Mellon's corporate trust and agency services are delivered through The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A.

The Bank of New York Mellon Corporation (NYSE: BK) is a global financial services company focused on helping clients manage and service their financial assets, operating in 35 countries and serving more than 100 markets. The company is a leading provider of financial services for institutions, corporations and high-net-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. It has more than US\$26 trillion in assets under custody and administration and more than US\$1.4 trillion in assets under management. Additional information is available at bnymellon.com. None of the content on the Bank of New York Mellon's website or the content of any website accessible from hyperlinks on the Bank of New York Mellon's website is incorporated into, or forms part of, this document. Bank of New York Mellon can be contacted by writing to its principal office in the United Kingdom or by calling, within business hours, +44 207 163 5566.

15 Depositary

The agent of the Company performing the duties pursuant to Articles 21(7) to (9) of the AIFMD is The Bank of New York Mellon SA/NV, a Belgian public limited company incorporated on 12 October 2008 under the laws of Belgium and authorised and regulated as a credit institution by the National Bank of Belgium

with company number 0806.743.159. The Bank of New York Mellon SA/NV's 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. The Bank of New York Mellon SA/NV is a wholly owned subsidiary of The Bank of New York Mellon. The Bank of New York Mellon is the main banking entity of The Bank of New York Mellon Corporation.

The Bank of New York Mellon SA/NV provides financial services, primarily comprising asset servicing products focused on global custody and collateral management. The Asset Servicing business, comprises mainly global and local custody but also services such as Depot Banking, Institutional Accounting, FX Services, Fund Accounting and Transfer Agency. The Bank of New York Mellon SA/NV provides most of these products to its international client base.

Additional information is available at bnymellon.com. None of the content on the Bank of New York Mellon SA/NV's website or the content of any website accessible from hyperlinks on the Bank of New York Mellon SA/NV's website is incorporated into, or forms part of, this document. Bank of New York Mellon SA/NV can be contacted by writing to its registered office or by calling, within business hours, + 322 545 8111.

16 Potential conflicts of interest

16.1 Key individuals

No Director or principal has any potential conflicts of interests between any duties such Director carries out on behalf of the Company and any such Directors private interests and/or other duties.

16.2 The Investment Adviser

Under the terms of the Investment Advisory Agreement the Investment Adviser has undertaken to ensure that its obligations 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 as the Portfolio. However the Investment Adviser is not required to devote all of its time to the performance of its obligations under the Investment Advisory Agreement and may advise or manage other funds or similar investment vehicles in the future.

16.3 Advisory role of the Investment Adviser on transactions which may produce investment opportunities for the Company

If the Investment Adviser is or has been engaged by a third party in an advisory role on a transaction which gives rise to an investment opportunity for the Company, the Investment Adviser shall disclose full details of its engagement to the Directors at the earliest opportunity.

16.4 Dealing with conflicts and treating investors fairly

Various potential and actual conflicts of interest may exist as a result of the overall investment activities of the Investment Adviser or its affiliates or any fund or account for which the Investment Adviser or its affiliates exercises discretionary investment authority. The Investment Adviser may in future be manager or adviser for, or act as general partner to, one or more funds or similar investment vehicles whose investment strategies are the same as, overlap with, or are complementary to the investment strategies pursued by the Company.

The Investment Adviser recognises the importance of managing real and perceived conflicts of interest and to that end has implemented a detailed conflicts of interest policy. It is the policy of the Investment Adviser to allocate opportunities fairly and equitably among the Company and other accounts, where applicable, to the extent possible over a period of time. As a general policy, investment opportunities will be allocated among those accounts for which participation in the investment opportunity is appropriate *pro rata* based on the relative capital size of the accounts. However the Investment Adviser may also take into consideration other factors, such as tax consequences, legal or regulatory restrictions, the difficulty of liquidating an investment for more than one account, the fact that an account has a substantial amount of investable cash and/or other factors considered material by the Investment Adviser. Any of these factors may result in allocations among the Company and one or more other accounts on other than a *pro rata* basis.

The fees payable to the Investment Adviser for its services to the Company will be the same for each investor, proportionate to the size of its relative investment. However certain investors may be party to side

letter arrangements with the Investment Adviser which provide those investors a fee rebate payable out of the Investment Adviser's own fees and which therefore have the effect of providing those investors with favourable treatment in relation to the Company's investment advisory fees.

These arrangements may be entered into by the Investment Adviser with certain institutional investors on the basis of the (i) relative size of the relevant investor's investment compared to other investors; (ii) the timing of the relevant investor's investment compared to other investors; or (iii) as may otherwise be negotiated between the relevant investor and the Investment Adviser.

17 Interest in Shares

At the relevant point in time, part of the Investment Adviser's fee will be reinvested in subscribing for Ordinary Shares, in accordance with the Investment Advisory Agreement. The shares are locked up over a rolling three year period. As at 7 February 2020 (being the latest practicable date prior to the date of this document) the Investment Adviser has been issued a cumulative total of 3,876,380 Ordinary Shares which it has earned in lieu of investment advisory fees since IPO. As at 7 February 2020 (being the latest practicable date prior to the date of this document), the Investment Adviser owns 3,263,680 Ordinary Shares having divested itself of 647,856 Ordinary Shares by selling these shares in the market.

PART 4 - BACKGROUND TO ECONOMIC INFRASTRUCTURE AND ASSOCIATED DEBT INVESTMENT OPPORTUNITIES

1 Overview of the Economic Infrastructure Sector

1.1 *Economic infrastructure*

Economic infrastructure features industries such as transportation, utilities, power, telecommunications and renewables which are characterised by high barriers to entry, relatively stable cashflows compared to cyclical industries and, often, a low correlation to other asset classes. Economic infrastructure debt is typically supported by physical assets, long-term concessions or licences to operate infrastructure assets and often these economic infrastructure companies operate within a regulated framework (especially in utilities, power and telecommunications sectors). These fundamental characteristics of economic infrastructure debt may account for the sector's lower default rates compared to many other classes of fixed income investments, as further described below.

Unlike social infrastructure projects such as schools and hospitals, economic infrastructure projects are often exposed to demand risk, that is, the project's revenues are linked to the utilisation of the project. For example, a toll road's revenues are dependent upon traffic on the road. To mitigate this risk, economic infrastructure projects are typically less highly geared than social infrastructure projects with, on average, approximately twice the equity buffer and with more conservative credit ratios and loan covenants, and with a higher level of asset backing for lenders.

1.2 *The size of the economic infrastructure sector*

There is approximately US\$ 73 billion in infrastructure lending annually across Europe. The global infrastructure finance market was approximately US\$ 299 billion in 2019, consisting of 854 transactions, backed by debt funding of US\$ 260 billion. The investible debt market is larger than this, as these transaction volumes do not contain corporate bonds backed by infrastructure companies (such as Heathrow Airport), asset backed transactions (for example, aircraft or most rolling stock financings) or entirely private or bilateral transactions (which are not in the standard project finance databases). A paper published by New York University's Stern School of Business cited OECD estimates of annual infrastructure spending requirements of an average of US\$ 1.8 to 1.9 trillion through 2030.

In 2019, transaction values were split between the Americas (42.0 per cent.), EMEA (32.1 per cent.) and Asia (25.9 per cent.).

According to data from Preqin, the global economic infrastructure sector in 2018 was roughly 14.8 times larger than the social infrastructure sector.

Chart 1 below illustrates the total number of infrastructure deals from 2014 to Q3 2019. Notable trends include a seventeen per cent. increase in telecoms transactions and a seventeen per cent. decrease in social deals in 2019 compared to 2014.

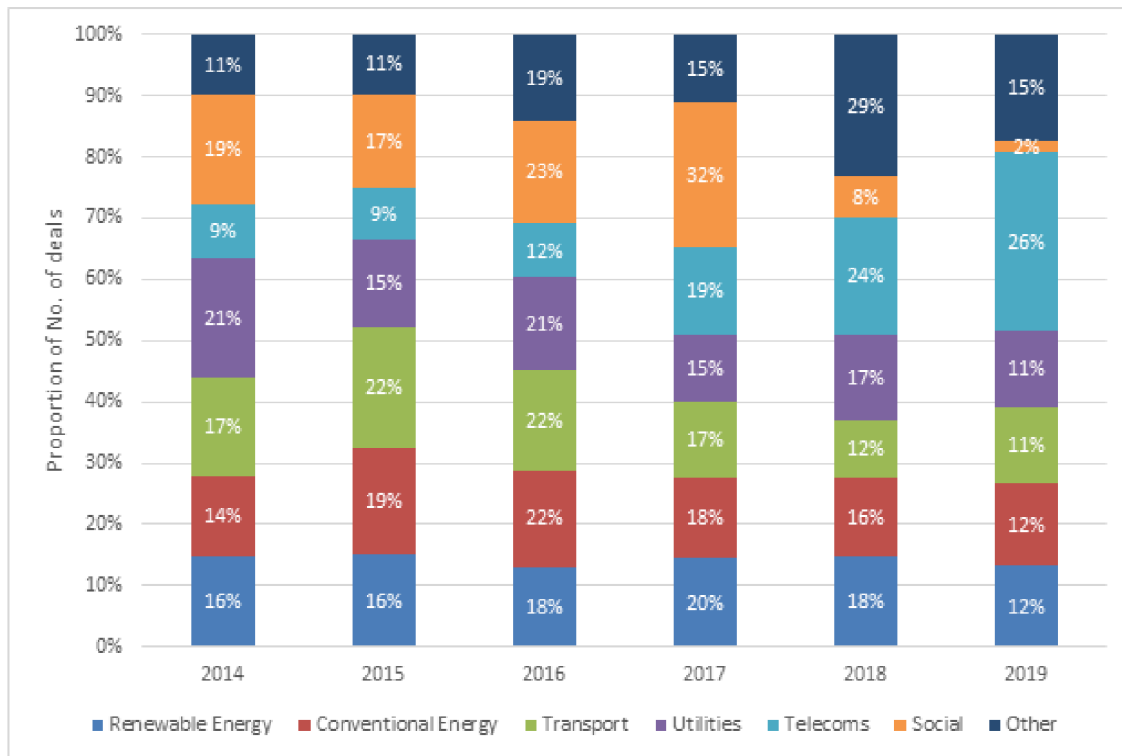


Chart 1: Infrastructure sectors

(Source: Preqin: Infrastructure Deals Q3 2019)

1.3 Historical sources of debt capital to the economic infrastructure sector

As shown in Chart 2, which tracks the historical sources of infrastructure capital, infrastructure has been predominantly financed with bank loans. One of the consequences of the financial crisis has been a withdrawal of banking capacity from the sector with many banks either pulling out of the market entirely or reducing their balance sheet allocation to it. This has resulted in improved economic terms for infrastructure debt and has created opportunities for non-bank lenders to enter the market. The data presented here does not include the totality of the market and in particular exclude corporate bonds issued by some infrastructure companies, asset-backed finance and entirely private or bilateral transactions.

There is substantial global variation in sources of capital for the infrastructure sector. Broadly, in Europe and the UK, bank lending has been by far the predominant funding source with only a small number of bond transactions for typically large and highly-rated infrastructure issuers. Conversely, in the United States, bank lending is less significant and a greater proportion of transactions have been executed in the bond markets, where transactions include not just investment-grade issuers but also a range of sub investment-grade companies. In the United States, a large number of infrastructure projects are financed through the tax exempt municipal bond market. They are excluded from the Investment Adviser's target market since their tax exempt status typically makes them unattractive investments for non-U.S. investors

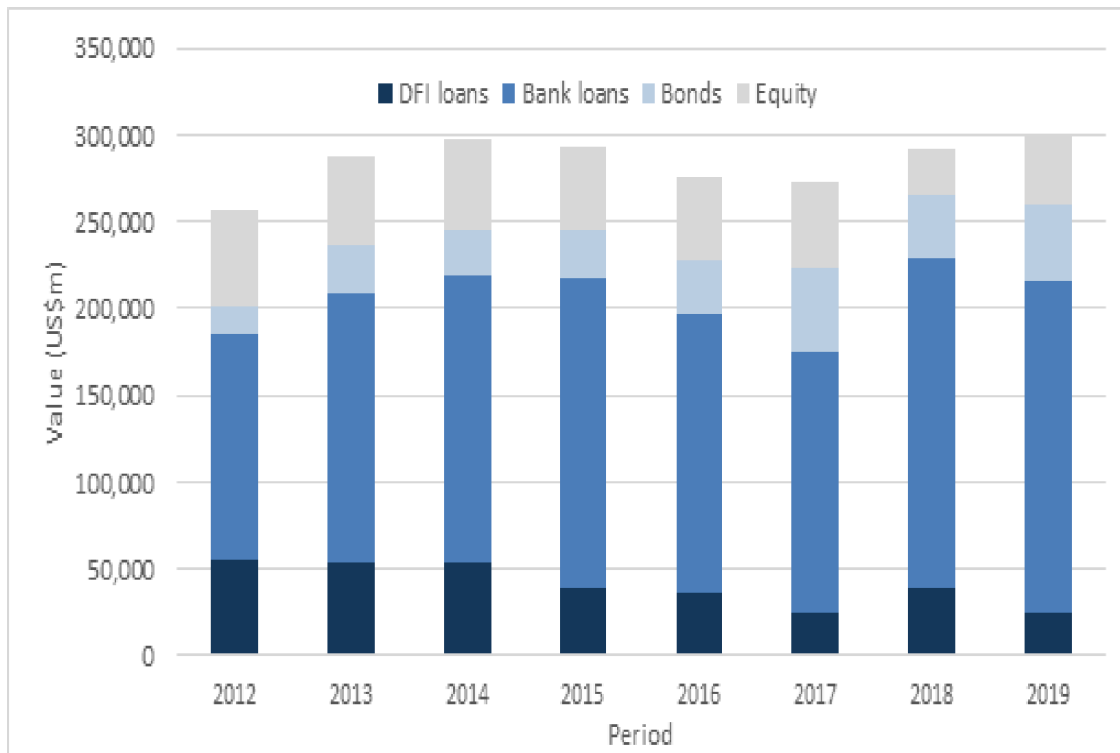


Chart 2: Global volume by source of funding for infrastructure 2011-2019

(Source: IJ Online)

2 Economic infrastructure debt

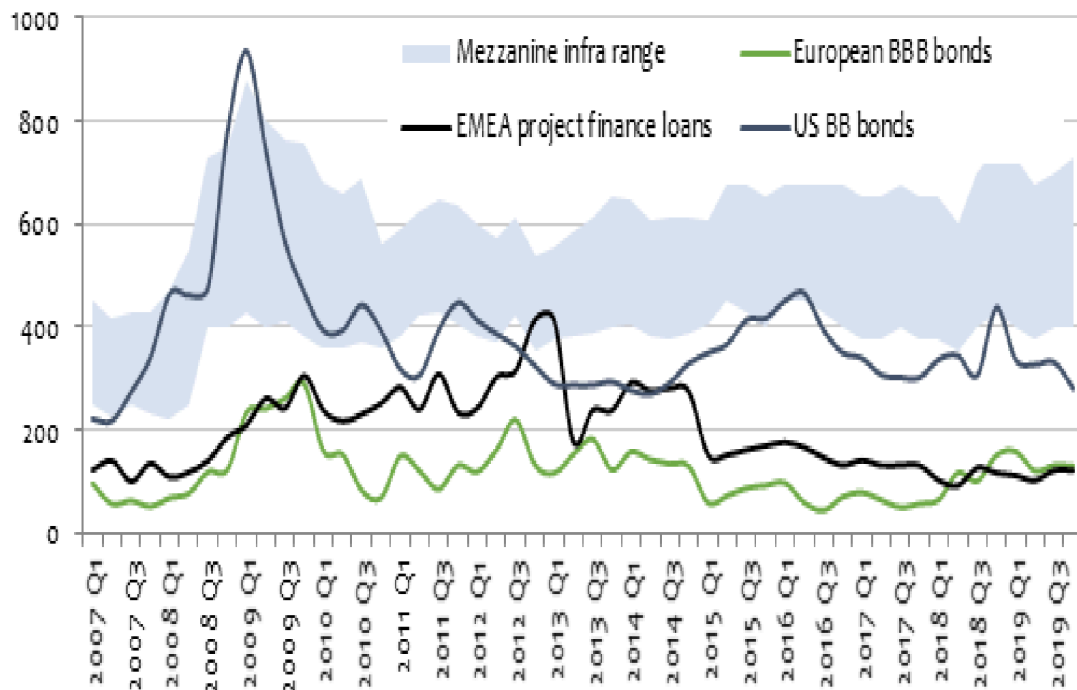
2.1 Returns available on economic infrastructure debt

Chart 3 shows historical pricing for European infrastructure loans over the period from the first quarter of 2007 to the third quarter of 2019. It illustrates that:

- spreads on infrastructure debt have generally been more stable than equivalent credit-quality corporate bonds. Infrastructure premium to corporates increased from approximately 50-100 bps pre-financial crisis to approximately 100-150 bps currently;
- senior debt secured on availability-based PFI or PPP projects offered little-to-no yield premium to corporate bonds but senior "core" infrastructure debt, including economic projects offered additional yield; and
- economic infrastructure mezzanine debt delivered a significant yield premium to senior debt.

Typical mezzanine debt yields on economic infrastructure projects are in the range of Libor (or Euribor) plus four per cent. to six per cent. For debt instruments paying a fixed rate of interest, this is currently approximately equivalent to a fixed return of six per cent. to nine per cent. depending upon the maturity of the debt and the project's currency. As discussed above, floating rate loans are typically found in the European markets and fixed rate bonds in the U.S. markets although this is not exclusively the case.

Chart 3: Infrastructure debt and corporate bond spreads



(Source: the Investment Adviser, Credit Agricole, Bloomberg)

2.2 Credit quality of infrastructure debt

Moody's has undertaken a large scale study (Source: Moody's, Default and Recovery Rates for Project Finance Bank Loans 1983-2015, March 2019) (together the "**Moody's Study**") of the credit characteristics of project finance debt (of which infrastructure debt is a sub set), covering 8,257 loans over a 35-year period up to December 2015. This study indicates that marginal default rates for infrastructure loans typically decrease over time from a rate initially commensurate with Baa3/Ba1 credit quality loans, to a rate commensurate with, or indeed better than, single A credit quality loans over a period of approximately six years after the start of the project (see Chart 4). Marginal default rates for infrastructure loans also show a drop after year two due to projects deleveraging and moving from construction to operation, with an average improvement in credit profile five to seven notches over 10 years. Unlike corporates, infrastructure recoveries are largely independent of economic cycle.

The Moody's Study also demonstrates that the average annual default rate of 0.41 per cent. for "broad infrastructure" loans (defined by Moody's as global transportation, social, and transmission power and distribution) is less than that of project finance loans (0.56 per cent.) and Baa3-rated corporates at (0.51 per cent.). Further, the average annual default rate for Ba1-rated corporates is materially higher than broad infrastructure at a rate of 0.99 per cent.

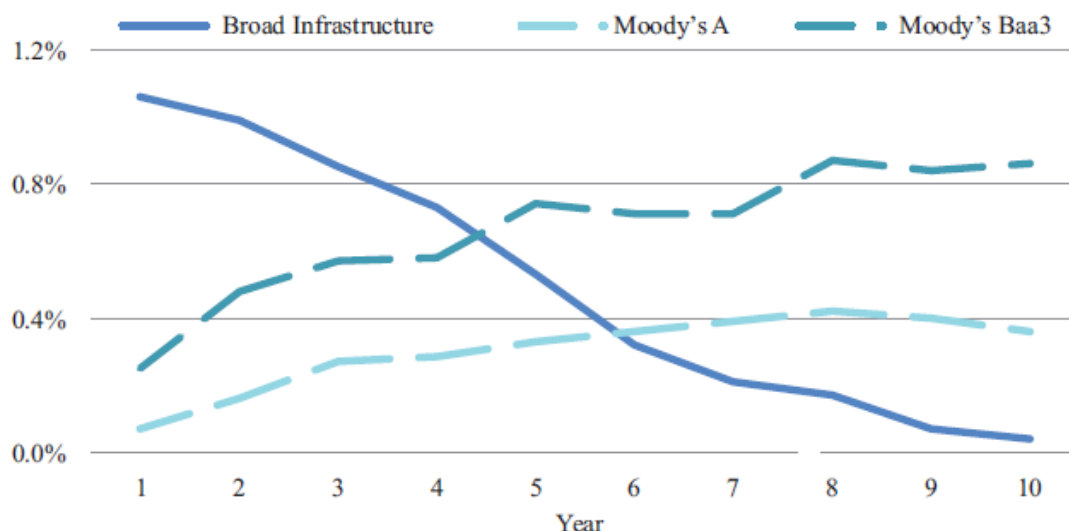


Chart 4: Marginal default rates for infrastructure debt

(Source: Moody's, *Default and Recovery Rates for Project Finance Bank Loans 1983-2015, March 2017 and 1983-2015 Addendum, September 2017.*)

Moreover, the Moody's Study also indicates that, following a default, recoveries for lenders to infrastructure projects are materially higher than those on corporate loans or bonds of similar credit quality, with a similar degree of certainty in recovery levels:

	Broad infrastructure	Corporate bonds
Recovery rate	81.8%	41.9%
Standard deviation	26.5%	35.6%
Coefficient of Variation	0.32	0.85

Investment opportunities in economic infrastructure debt

2.3 Mezzanine debt

The amount of senior debt that an infrastructure project can support is generally determined by its lenders applying standardised financial ratios and scenario analysis to financial projections. On average for economic infrastructure, this approach results in leverage of circa 80 per cent. of the project's total cost, and significantly less in some cases. By comparison, many social infrastructure projects are geared more highly: for example, UK PPP transactions in the social sector typically support senior leverage of up to 90 per cent. of the project's total cost.

This level of gearing, of 80 per cent. or less of the project's total cost, may be unattractive for the equity providers to an infrastructure project for a number of reasons:

- the project's resultant cost of capital may be uncompetitive or unaffordable;
- the amount of equity required may be beyond the resources or allocation of the equity providers; or
- the relatively low leverage may result in the project generating substantial accounting profits, leading to a high future corporation tax expense.

In these cases, it may be advantageous for the project's sponsors to increase the amount of project leverage by including a tranche of mezzanine debt, ranking junior to the senior debt but still secured by the project's assets and cashflows. When considering such a mezzanine tranche, the Investment Adviser will endeavour to ensure that the equity remaining in the project will be sufficient to absorb any likely future potential losses ahead of the mezzanine debt. As shown in Chart 5 this implies that the potential size of the mezzanine tranches decreases substantially as the amount of senior leverage increases and that there is unlikely to be scope for a mezzanine tranche if the leverage of the senior debt approaches 90 per cent. of the capital structure.

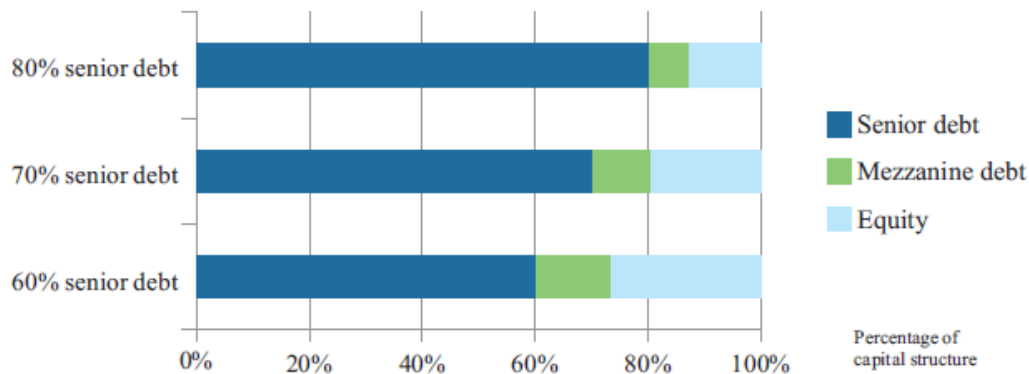


Chart 5: Illustrative project capital structure

(Source: the Investment Adviser)

2.4 **Holdco debt**

Once the construction of an infrastructure project is completed and it is operational, the risks associated with the project are often greatly reduced. In such cases, the owners of a project or series of projects often look to reduce the capital that they have invested in the project. One way they can achieve this is by introducing senior debt into the holding company of the project, with the net proceeds from this new debt being returned to the equity investors: in many cases this may be superior to a recapitalisation of the project debt, as that may require the payment of break fees to existing lenders and providers of interest rate hedging, the incurrence of new banking and other fees and in some cases sharing profits with the public sector.

Although the new debt in the holding company is, from a narrow legal perspective, senior-ranking (since there is typically no other debt in the holding company), the Investment Adviser classifies it as subordinated debt, since it is structurally subordinated to the debt in the project company.

When considering debt at a holding company, two key credit considerations are:

- **What is the remaining equity in the project?** The Investment Adviser will assess the equity value of the project before and after the introduction of the new debt, taking into account the risk profile of the project, and will endeavour to require that the equity investors retain sufficient capital at risk to absorb losses in priority to the lenders.
- **What is the risk that dividend payments to the holding company can be interrupted?** This assessment involves considering both the inherent risks and mitigants of the project, and the potential for the senior lenders to the project to stop dividend payments if the project were to breach its financial covenants. This risk is often substantially reduced if the holding company is invested in a number of different projects.

One important category of Holdco Debt is that associated with regulated utilities in the UK and elsewhere. In such cases, the amount of leverage that can be borne by the regulated entity is limited by either statute or the regulatory framework. Therefore, any leverage that the owners of the utility wish to raise, over that permitted at the level of the regulated entity, must be raised at the level of the holding company. In the opinion of the Investment Adviser, debt raised against the holding company of regulated utilities often has an attractive credit quality since its position in the capital structure is determined by often arbitrary regulatory or legal requirements rather than the fundamental credit characteristics of the holding company.

2.5 **The U.S. bond market**

The U.S. bond market is significantly more developed in infrastructure than the European bond market, across investment grade, sub-investment grade and asset-backed categories. In particular:

- U.S. investment-grade infrastructure bond issuers include pipelines, some utility companies and infrastructure projects, as well as infrastructure funded in the tax-exempt municipal bond markets. In general, many of these investment grade bond issuers (especially those in the utility sector) issue at very low funding costs and will not meet the investment parameters of the Company. In addition, the Company will not be in a position to take advantage of the tax- exemption related to municipal bonds,

since it will not be a U.S. taxpayer, and therefore these are unlikely to be attractive. Nonetheless, from time to time, the Investment Adviser believes that attractive economic infrastructure investment-grade bonds can be identified and the pipeline includes a number of such investments.

- U.S. sub-investment grade infrastructure bond issuers include some utilities (especially in the power sector) and some projects. Unlike in the European bond markets, there are significant number of such issuers in the BB and B rating categories where yields are currently in the approximate range of six to eight per cent. These bonds typically have a number of potential attractions for the Company including: secondary market liquidity and the potential to invest relatively rapidly after the Initial Issue or any issue under the Share Issuance Programme; significant equity cushion to absorb losses; higher transparency and availability of information compared to the European bond markets; and the potential for capital appreciation as over time the bond becomes shorter (the so-called "yield-curve roll").
- U.S. infrastructure asset-backed bonds include transactions backed by aircraft, shipping and cell towers. One of the consequences of the prior financial crisis has been that asset-backed bonds yield a substantial premium over unsecured corporate bonds, when comparing debt instruments with a similar maturity and credit profile. In the opinion of the Investment Adviser, in many cases this premium is unwarranted by the fundamental credit characteristics of the transaction, but may have arisen through investor disenchantment with asset-backed debt in general and also through more stringent capital requirements for holding asset-backed bonds for both banks and insurance companies.

PART 5 - EXISTING PORTFOLIO

1 Introduction

As at 10 February 2020, the Group's existing portfolio consists of 74 loans and bonds. As at the Portfolio Date the Group has invested approximately 107.9 per cent. of the Net Asset Value. The latest unaudited NAV of the Company, as at the Portfolio Date is 106.32 pence per Ordinary Share which represents £1.47 billion (including accrued interest of £23.7 million).

The portfolio of loans and bonds is diversified by country, region, sector and subsector, with the largest individual investment representing 3.9 per cent. of the unaudited Net Asset Value as at the Portfolio Date.

2 The existing investment portfolio

The Group's Existing Portfolio is as shown in the table below. In this table, "Value" is the most recent third-party valuation of the investment, assessed by the Valuation Agent, PricewaterhouseCoopers LLP at the "bid" side of the market, and excluding accrued interest. "Yield" means the yield to maturity or, in the case of investments that can be prepaid by the borrower before their scheduled maturity, the yield to the call date if lower than the yield to maturity. In the case of floating rate investments, the yield is calculated on the basis that the underlying interest reference (such as Libor or Euribor) does not change over the life of the investment.

The Investment valuations in the table below are unaudited and are as at the Portfolio Date. To the extent that Investments were purchased or settled after the Portfolio Date, valuations as at 10 February 2020 are not available and hence yield figures are based off the purchase price.

<i>Investment</i>	<i>Type</i>	<i>Value (£m)</i>	<i>Sector</i>	<i>Sub-sector</i>	<i>Fixed/ Floating</i>	<i>Ranking</i>	<i>Yield (%)</i>
AP Wireless Junior	Private	57.7	TMT	Telecom Towers	Fixed	Mezz	6.2
Hawaiki Mezzanine Loan	Private	56.6	TMT	Undersea cable	Floating	Mezz	11.7
Salt Creek Midstream Senior Debt	Private	52.4	Utility	Midstream	Floating	Senior	7.7
Tracy Hills TL 2025	Private	44.8	Other	Residential Infra	Floating	Senior	9.8
Scandlines Mezzanine 2032	Private	44.0	Transport	Ferries	Fixed	HoldCo	5.9
Kenai HoldCo 2024	Private	42.4	Power	Electricity generation	Fixed	Holdco	6.5
Euroports 2nd Lien 2026	Private	42.2	Transport	Port	Floating	Mezz	7.8
Sacramento Data Centre Senior Secured 2028	Private	41.2	TMT	Data centres	Fixed	Senior	11.0
Bannister Senior Secured 2025	Private	41.2	Accommodation	Healthcare	Floating	Senior	8.4
Corral HoldCo 2024	Private	38.1	Other	Refinery	Floating	HoldCo	11.2
Kaveh Senior Secured TL 2021	Private	38.1	TMT	Data centres	Floating	Senior	7.5
Whittle Schools B	Private	37.9	Other	Private schools	Floating	Senior	10.8
Bizkaia TL 2021	Private	37.7	Power	Electricity generation	Fixed	HoldCo	7.7
Warnow Tunnel Tranches 1, 2 and 3	Private	35.8	Transport	Road	Floating	Senior	6.6
Sunrun Radcliffe HoldCo 2024	Private	35.1	Renewables	Solar & wind	Floating	HoldCo	10.2
Aquaventure Senior Secured	Private	34.3	Utility	Water	Floating	Senior	7.4
Care4U Senior Secured 2026	Private	33.9	Accommodation	Healthcare	Floating	Senior	7.0
Heritage Power Senior Secured 2026	Private	32.6	Power	Electricity generation	Floating	Senior	9.6
EIF Van Hook TL B 2024	Private	31.5	Utility	Midstream	Floating	Senior	8.8
Forsa HoldCo 2025	Private	30.7	Power	Flexible generation	Floating	HoldCo	9.4
Sunrun Hera 2017-B	Private	30.2	Renewables	Solar & wind	Floating	Mezz	7.4
Seaport TL B	Private	29.6	Transport	Port	Floating	Senior	8.0
Base Student Housing Glasgow	Private	28.0	Accommodation	Student housing	Floating	Senior	5.5
Terra-Gen Power TL B	Private	27.5	Renewables	Solar & wind	Floating	Senior	9.3
NewCold (Wakefield) Mezzanine 2023	Private	25.0	Transport	Logistics	Floating	Mezz	6.1
Clyde Street Senior Secured 2019	Private	23.8	Other	Hospitality	Floating	Senior	8.0

Investment	Type	Value (£m)	Sector	Sub-sector	Fixed/ Floating	Ranking	Yield (%)
Ziton Senior Secured 2021	Private	23.5	Transport assets	Specialist shipping	Floating	Senior	9.2
Bourzou HoldCo 2021	Private	22.9	TMT	Data centres	Floating	HoldCo	10.9
Project Flight Senior Secured 2021	Private	22.9	Transport	Electric vehicles	Floating	Senior	11.2
Prometheus HoldCo 2023	Private	22.9	Transport	Motorway services	Floating	HoldCo	7.9
Swissport Senior Secured 2024	Public	22.5	Transport	Airport services	Fixed	Senior	3.8
GE 5% Perpetual	Public	22.4	Other	Equipment manufacturing	Fixed	HoldCo	7.1
Hatch Senior Secured 2020	Private	20.0	Accommodation	Student housing	Floating	Senior	8.0
Atlas Smart Metering 2024	Private	20.0	Other	Smart metering	Fixed	HoldCo	5.5
Prism BidCo Senior Secured 2020	Private	20.0	Accommodation	Healthcare	Floating	Senior	8.7
Elysium Healthcare TL B	Private	19.8	Accommodation	Healthcare	Floating	Senior	7.6
Logistik Holding Mezzanine 2025	Private	19.8	Transport	Logistics	Fixed	Senior	8.6
Panda Patriot	Private	19.4	Power	Electricity generation	Floating	Senior	23.1
Great River Hydro HoldCo 2029	Private	19.1	Renewables	Hydro	Floating	HoldCo	6.8
Exmar Senior Unsecured 2022	Private	18.7	Transport assets	Specialist shipping	Floating	HoldCo	10.3
Sierra Financing 2024	Private	17.2	Power	Electricity generation	Floating	Senior	6.9
Nottingham SH Senior Secured 2021	Private	16.5	Accommodation	Student housing	Fixed	Senior	5.7
Exeltium Mezzanine	Private	16.4	Power	PPA	Fixed	Mezz	8.9
Aliwin Plus Tranche A	Private	15.6	Renewables	Solar & wind	Floating	Senior	6.7
Bluewater Senior Unsecured 2023	Private	15.6	Transport assets	Specialist shipping	Fixed	Senior	9.4
Salt Creek Midstream TopCo 2024	Private	15.2	Utility	Midstream	Floating	HoldCo	10.3
Serrezuola Solar VI Tranche A	Private	15.1	Renewables	Solar & wind	Floating	Senior	6.3
vXchng Senior Secured 2022	Private	14.5	TMT	Data centres	Floating	Senior	8.7
Project Swordfish	Private	14.4	Transport assets	Ferries	Floating	Senior	6.0
Naviera Armas S.A. Senior Secured 2023	Public	14.3	Transport	Ferries	Floating	Senior	15.0
American Shipping Company 9.25% 2022	Private	11.5	Transport assets	Specialist shipping	Fixed	Senior	7.9
Argon Senior Financing 2022	Private	11.5	Transport assets	Aircraft	Floating	Mezz	8.8
Heathrow Finance PLC 5.75% 2025	Public	11.0	Transport	Airport	Fixed	Mezz	3.3
Voyage Care 5.875% 2023	Public	10.1	Accommodation	Healthcare	Fixed	Senior	5.5
Kraftwerk Oberburg Mezzanine 2027	Private	9.1	Power	Electricity generation	Fixed	Mezz	7.0
Talen Energy Supply 10.5% 2026	Public	8.4	Power	Electricity generation	Fixed	Senior	11.8
Talen Energy Supply 6.5% 2025	Public	7.7	Power	Electricity generation	Fixed	Senior	10.5
Heathrow Finance PLC 3.875% 2027	Public	7.1	Transport	Airport	Fixed	Mezz	3.7
NewCold (Burley) Mezzanine 2022	Private	7.0	Transport	Logistics	Fixed	Mezz	8.9
Native Dancer Senior Secured 2023	Private	5.4	Accommodation	Student housing	Floating	Senior	6.7
NewCold (Tacoma) Mezzanine 2022	Private	4.4	Transport	Logistics	Fixed	Mezz	8.9
Serrezuola Solar VI Tranche B	Private	3.1	Renewables	Solar & wind	Floating	Senior	6.3
Orlyval Senior Loan	Private	2.9	Transport	Rail	Floating	Senior	8.5
Sheppey (A249) Mezzanine	Private	2.5	Transport	Road	Floating	Mezz	6.0
Aliwin Plus Tranche B	Private	2.4	Renewables	Solar & wind	Floating	Senior	6.7
Naviera Armas S.A. Senior Secured 2024	Public	1.8	Transport	Ferries	Floating	Senior	12.2

Investment	Type	Value (£m)	Sector	Sub-sector	Fixed/ Floating	Ranking	Yield (%)
Adani Abbot HoldCo 2021	Private	39.3	Transport	Port	Floating	HoldCo	9.5
Nasco Senior Secured 2020	Private	37.7	Other	Industrial infra	Floating	Senior	5.1
Bulb Senior TL 2021	Private	35.0	Utility	Electricity supply	Floating	Senior	7.2
Raptor 2019-1 C	Public	18.3	Transport assets	Aircraft	Fixed	Mezz	7.1
Theatre 2007-1 D	Private	15.7	Other	Private hospitals	Floating	Mezz	6.4
Theatre 2007-1 C	Private	13.2	Other	Private hospitals	Floating	Mezz	5.5
Theatre 2007-2 D	Private	12.9	Other	Private hospitals	Floating	Mezz	6.4
Theatre 2007-2 C	Private	5.2	Other	Private hospitals	Floating	Mezz	5.5
STARR Aircraft 2018-1 C	Public	4.1	Transport assets	Aircraft	Fixed	Mezz	6.3
Apollo Aviation 2016-2 B	Private	1.6	Transport assets	Aircraft	Fixed	Mezz	5.6
Apollo Aviation 2017-1 C	Public	1.5	Transport assets	Aircraft	Fixed	Mezz	7.0
Apollo Aviation 2018-1 B	Public	1.2	Transport assets	Aircraft	Fixed	Mezz	4.6
Castlelake 2016-1 C	Private	0.8	Transport assets	Aircraft	Fixed	Mezz	6.7
Theatre SNM D	Private	0.6	Other	Private hospitals	Fixed	Mezz	13.5
Theatre 2007-2 B	Private	0.4	Other	Private hospitals	Floating	Mezz	4.5
Theatre SNM C	Private	0.3	Other	Private hospitals	Fixed	Mezz	11.6
Theatre SNM B	Private	0.0	Other	Private hospitals	Fixed	Mezz	9.7
Trades Settled after 31 December 2019 (as at 10 February 2020)							
Sierra Financing 2024	Private	17.0	Power	Electricity Generation	Floating	Senior	7.0
EIF Van Hook TL B 2024	Private	3.8	Utility	Midstream	Floating	Senior	8.1

Note: The Investment values included in the table above have been rounded to one decimal place. The yields have been rounded to two decimal places.

3 Performance versus investment goals

The table below shows the performance of the Group as at 31 December 2019 in the period following the IPO against the investment goals or targets set out in the Company's IPO prospectus dated 28 January 2015.

Investment Goal	Achieved	Comments
Indicative target portfolio gross cash yield of 7-8%	✓	Current portfolio yield c. 8.2% (gross)
Purchase price at a discount to par	✓	Average purchase price of 96.5% of par
Low fund management costs	✓	Total expenses expected at c. 1% p.a.
Diversified across 21 different investments, 7 sectors and 15 sub-sectors	✓	82 investments across 8 sectors, 32 sub-sectors and 13 jurisdictions
Over half floating rate or index-linked debt	✓	72.9% floating rate
Debt investments supported by a material equity cushion (typically 20-30%)	✓	65% LTV
Mostly private debt (75% or more of the portfolio in the next 2 years)	✓	91.9% private debt
Dividend yield of 5 pence in respect of the Company's first year of operations, 6 pence subsequently and 6.25 pence since May 2019	Ahead	All dividend payments have met targets . Dividend target increased in May 2019

4 Portfolio valuation

As at the Portfolio Date the Existing Portfolio had an unaudited valuation of £1.6 billion. The valuation is based on the Investment Adviser's valuation of the Investments as at the Portfolio Date. The Valuation Agent has reviewed the Investment Valuations in accordance with the valuation methodology set out

in paragraph 14 of Part 2 of this Registration Document. The tables in paragraph 7 below shows the sensitivity of the valuation to movements in interest rates and exchange rates.

5 Portfolio analysis

The table above in paragraph 2 shows the Existing Portfolio by asset type, interest type, sector, sub-sector and yield as at the Portfolio Date or as at 10 February 2020 for positions acquired after the Portfolio Date.

As at 10 February 2020, the Company expects that approximately £60.4 million of the Company's assets will reach their expected maturity in the next 12 months, with approximately a total of £234.96 million of redemptions scheduled over the remaining life of the RCF to 6 December 2021. In practice more redemptions are likely to occur allowing for prepayments over the period. This implies that, should market conditions change, and the Company be unwilling to pay back future drawings on the RCF by raising more equity capital, the Company expects to be able to prepay the debt out of cashflow generated naturally by the portfolio.

6 NAV Movement Analysis

The table below shows an analysis of the Company's monthly movements in its NAV, split into the following components:

Interest income: includes both interest earned by the Group on its cash deposits as well as interest income and accrual on the Existing Portfolio. This has been steadily increasing over time as a greater proportion of the Group's assets are invested.

Acquisitions costs: the non-cash cost of marking a position to the "bid" price (i.e. the price at which it could readily be sold). Whilst this can vary significantly, for calculation purposes the table below assumes that this cost is one per cent. for each loan and 0.5 per cent. for each bond.

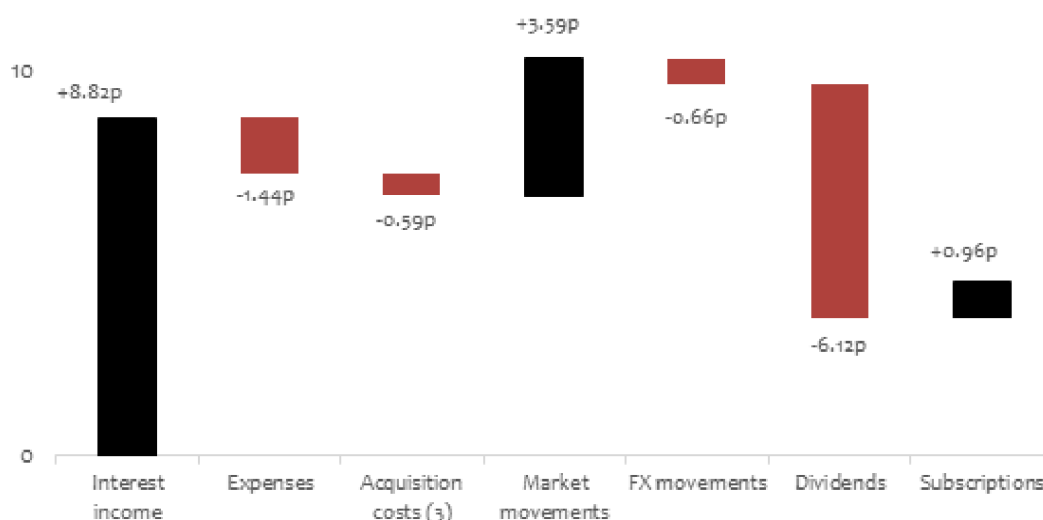
Market gains: the gain (if positive) or loss (if negative) in the valuation of each position.

FX movements (net of hedges): the monthly movements in the Sterling value of the portfolio, net of any realised and unrealised gains or losses in the Group's foreign exchange instruments.

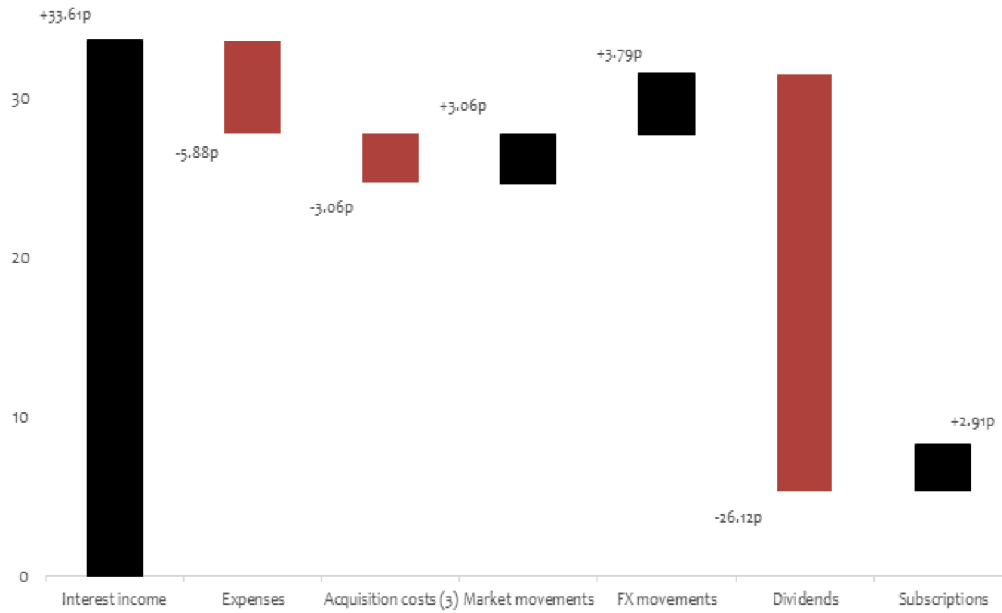
Expenses: the paid or accrued expenses in relation to portfolio management, custodial services, valuation, bookkeeping, company secretarial, UK AIFMD compliance and other operating costs of the Group.

Dividends: these are recorded by the Company on the date on which its shares trade ex-dividend.

Bridge analysis of SEQI NAV movements (last 12 months) (pence per share)



Bridge analysis of SEQI NAV movements (since IPO) (pence per share)



Monthly movements in the NAV are derived from unaudited management accounts.

Cumulative total return since the inception of the fund⁽²⁾



- (1) Unless otherwise stated, all data is current as at 31 December 2019.
- (2) High Yields Bonds GBP hedged ETF, ticker GHYSLN. All indices including Fund NAV, rebased to 100.
- (3) Non cash cost of marking the acquired position to the "bid" side of the price. Assumed to be 0.5 per cent. for bonds and 1.0 per cent. for loans.

7 Selected estimated portfolio sensitivities

As at the Portfolio Date the table below shows the estimated approximate effect on NAV of changes in interest rates and currencies:

Change	Estimated approximate effect on NAV
Rates ⁽¹⁾ rise 0.5%	-0.7%
Rates ⁽¹⁾ fall 0.5%	0.7%
€ up/down 5% ⁽²⁾	± -0.1%
US\$ up/down 5% ⁽²⁾	± 0.0%
US\$ up 5% and € down 5% ⁽²⁾	± 0.0%

(1) Simultaneous increase across yield curve in all currencies.

(2) This is the net of estimated effect of hedges against GBP.

8 Summary of 15 largest assets

The summaries below are of the Group's 15 largest Investments (excluding any unsettled acquisitions) as at the Portfolio Date:

AP Wireless Junior

AP Wireless is the junior financing of a leading cell site lease investment firm, which focuses on the acquisition and management of ground, tower, rooftop and in-building cell site “ground” leases. They derive their revenues from collecting rent from Telco’s and cell tower companies through long term contracts. AP Wireless underwrites sites based on multiple tenants, strategic location and tenant credit quality. AP Wireless' portfolio consists of over 5,400 tenants of which over 80% are rated investment grade.

Hawaiki Mezzanine Loan

Hawaiki required financing of a 14,000km long cable system designed to link Australia, New Zealand, and the Pacific Islands to Hawaii and the continental United States. The construction of the project was completed in July 2018. Hawaiki has signed long-term contracts with a number of blue-chip customers. This mezzanine loan is scheduled to fully amortise ahead of its maturity in 2028.

Salt Creek Midstream Senior Debt

Salt Creek Midstream is an oil and gas processing facility located in the Delaware Basin in Texas, an attractive shale plays in the US. The asset's initial construction is complete and the project benefits from long term (10-15 years) fixed-fee, acreage dedication agreements with a number of customers contracted and has other contracts in negotiations. The Company's senior debt is amortising and matures in 2022.

Tracy Hills TL 2025

Tracy Hills is a 5,411 acre (1,871 developable acres) section of land located in the northern central valley of California, about 100km directly east of San Francisco. The facility is used to repay existing debt and to provide additional capital for the construction of the infrastructure necessary to begin house construction. The revenues from the sales of the plots will be used to repay the debt. The Company's senior debt is amortising and matures in 2025.

Scandlines Mezzanine 2032

Scandlines operates two short-haul hybrid ferry transporting passengers and commercial traffic between Germany and Denmark. The service is a fully-automated booking, ticketing and 24/7 check-in service for cars, freight trucks, buses and rail. Other operations include on-board catering and retail services as well as shore-based shops. The amortising mezzanine debt is at a holding company level and matures in 2032.

Euroports 2nd Lien 2026

Euroports is an international ports operator whose operations consist of large-scale ports which are

situated in 15 main terminal areas in Europe and China. Across the portfolio, which consists of general and specialised terminals, the Company handles, stores and transports bulk, breakbulk, liquids and containerised products for a diverse customer base across 7 end markets (forest products, fertilizer & minerals, agribulk, sugar, fresh & frozen, coal and metals) and across 9 geographies, with Belgium representing the biggest operating territory.

Project Bannister

Project Bannister is a senior secured term loan to an operator of specialist mental care facilities in the UK. The sponsor provides both long-term supported housing and residential care in England, operating across more than 20 locations. The market benefits from increasingly stringent regulatory requirements which contribute towards high barriers to entry. The Company's amortising loan matures in 2025.

Adani Abbot HoldCo 2021

Abbot Point Port is situated 25km north of Bowen and is the most northern coal terminal in Australia. Since commissioning in 1984, the terminal has undergone several expansions, the most recent of which was completed in 2012 and doubled the terminal's capacity to 50 metric tonne per annum. Adani Abbot Point Terminal Pty. Ltd., the terminal operating company, earns its revenue from ship-or-pay contracts with multiple off-takers operating long-lived mining assets. Charges per tonne are fixed and only re-set every five years which provides stable and predictable cash flows, insulating the business from the commodity cycle.

Corral HoldCo 2024

Corral HoldCo is the refinancing of the largest oil refiner in the Nordic region, consisting of two separate refineries and an integrated downstream company with operations including storage and a network of 570 retail gas stations. The refineries have the flexibility to produce higher value products and have consistently outperformed their peer group in terms of captured refining margins. There is significant capex being spent at one of the refineries, the Gothenburg refinery, to produce renewable fuels which is the first refinery in Sweden to do so. Corral Holdings' refineries are one of the first movers in the Nordic region to move into renewable fuel production and are strategic assets for Sweden as they look to convert 50% more of its transport fuel blend to a renewable fuel by 2030 (primarily by using Hydrotreated Vegetable Oil, and other renewable sources of feedstock). They are in a strategic location, with access to Urals and North Sea crudes and proximity to the Amsterdam–Rotterdam–Antwerp market.

Kaveh Senior Secured TL 2021

Kaveh Senior Secured TL 2021 is a loan facility that partially financed the construction (full shell plus 16MW) of a two story 96 MW data centre in Ashburn, Virginia. Construction is on schedule to reach substantial completion in March 2020. There are no current tenants although discussions are advanced with numerous customers. There is a secondary level of collateral to support the credit. The Investment Adviser is familiar with the owner and sponsor who have considerable experience in the hyperscale data centre sector. The loan is a bullet loan maturing in December 2021.

Whittle Schools B

The Whittle Schools loan facility will partially finance the construction of a private K-12 school in Washington D.C. The school opened in Q3 2019 and is targeting full enrolment of 2,500 students. The school is part of a global school group, along with a school in Shenzhen that also opened in Q3 2019 and a number of other schools around the world that are currently under development (e.g. New York scheduled to open in Q3 2021). There are currently 230 students enrolled in Washington with a target of 850 students for the next academic year, in which many international students will transfer from Shenzhen to Washington as part of the global exchange program. This is a bullet loan maturing in 2021.

Bizkaia TL 2021

Bizkaia Energia owns a 755MW Combined Cycle Gas Turbine (CCGT) power plant located at Amorebieta-Etxano close to Bilbao in Northern Spain. Amorebieta derives its revenues from a 15-year tolling agreement indexed to inflation metrics with Shell Espana for all the plant's output. The debt is at a holding company level and matures in 2021.

Nasco Senior Secured 2020

NASCO is the bridge financing of a helium processing plant in Arizona. The project has a strong 12-year off-take agreement with an A2-rated counterparty with a minimum purchase obligation as well as a helium floor price. The market fundamentals are favourable, as helium is a scarce and non-recyclable resource used in a multitude of applications. Other competing sources from Qatar and Russia have been slow to bring to market. There are few commercially viable alternatives in the foreseeable future and thus off-takers seek to lock in new resources as they become available. This loan refinanced in January 2020.

Warnow Tunnel Tranches 1, 2 and 3

The Warnowquerung - a 730 metre long tunnel - was the Federal Republic of Germany's first tolled road infrastructure based on the Federal Private Road Financing Act. It opened for traffic on September 12, 2003 and links, as part of Bundesstrasse B 103, the east and the west bank of the river Warnow, which divides the port city of Rostock. The amortising debt is structured in several tranches and matures in 2036.

Bulb Senior TL 2021

Bulb Energy is a UK energy provider founded in 2015. The company provides gas and electricity and is the UK's largest green energy supplier, with over a million customers across the UK. The company is now the seventh biggest energy supplier in the UK behind the Big Six. The Company previously lent to Bulb Energy in 2017. The loan is a bullet loan maturing in 2021 but is expected to refinance in February 2020.

PART 6 - PIPELINE

1 Introduction

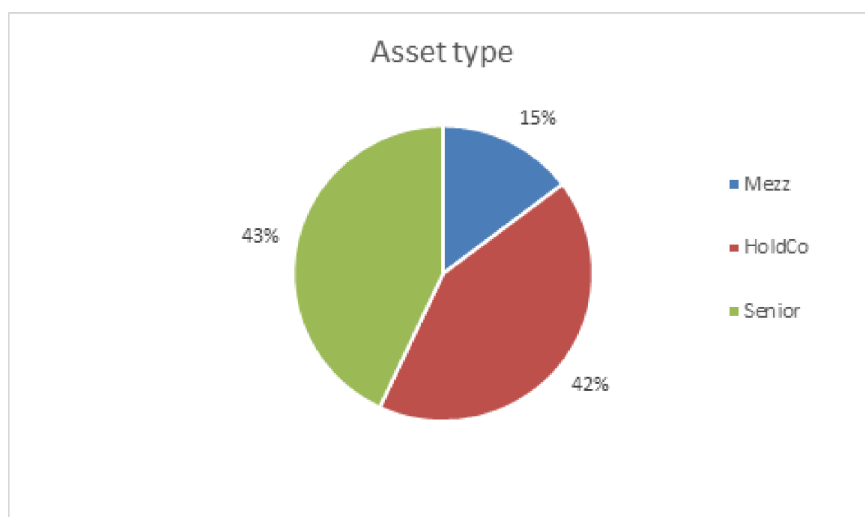
The Investment Adviser is pursuing further potential investment opportunities that meet its Investment Objective and policy as set out in Part 1 of this document. The Investment Adviser is currently engaged in various stages of negotiations on potential acquisitions with a total value of in excess of £1 billion. In addition, the Investment Adviser expects to see a steady stream of further opportunities.

The Investment Adviser has identified potential near-term investments available for purchase, with a total value in excess of £380 million that meet the Investment Policy. Of the potential investments, 43 per cent. of the assets are senior secured debt instruments and 78 per cent. are floating rate debt instruments. The Investment Adviser considers that the Pipeline comprises investments of a type described below. These potential investments have not been fully analysed by the Investment Adviser, the Investment Manager or the Board, and there can be no guarantee that the Group will ultimately pursue all, or any, of the potential investments described below. Further, there can be no assurance that any of these investments will remain available for purchase after the Initial Issue in a timely fashion, or at all or, if available, at what price (if a price can be agreed at all) the investments can be acquired by the Group. There is likely to be instances where alternative investments become available which the Investment Adviser considers preferable. The individual holdings within the portfolio, therefore, may be substantially different to the Pipeline described below. In relation to the Pipeline the Investment Adviser may prioritise investment opportunities that are especially attractive in terms of yield, credit quality or other specific terms, are advantageous to the overall composition of the portfolio or may only be available for a limited amount of time relative to other similar assets in the Pipeline. There can be no certainty to the order or timeframe in which the Investment Adviser will make any such investments.

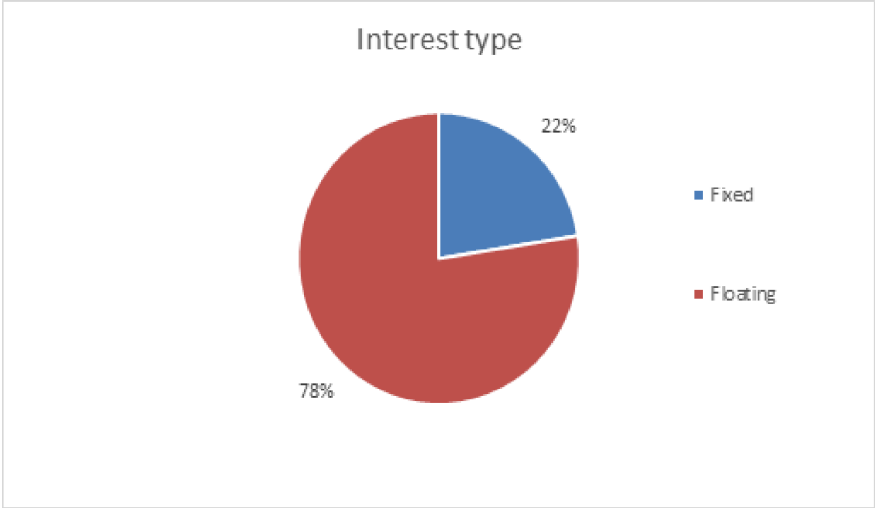
For the avoidance of doubt, the acquisition of these potential investments is subject, among other things, to the approval of the Directors, and the Investment Adviser completing satisfactory due diligence in relation to such potential investments, and any such acquisitions will be subject to agreement having been reached between the Investment Adviser and the relevant counterparty as to the terms of such acquisitions.

2 Pipeline analysis

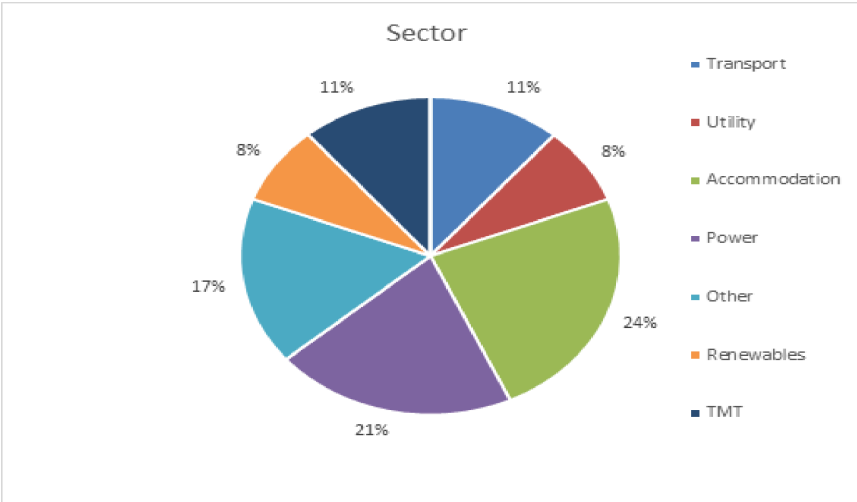
2.1 The chart below shows the anticipated composition of the Pipeline by asset type:



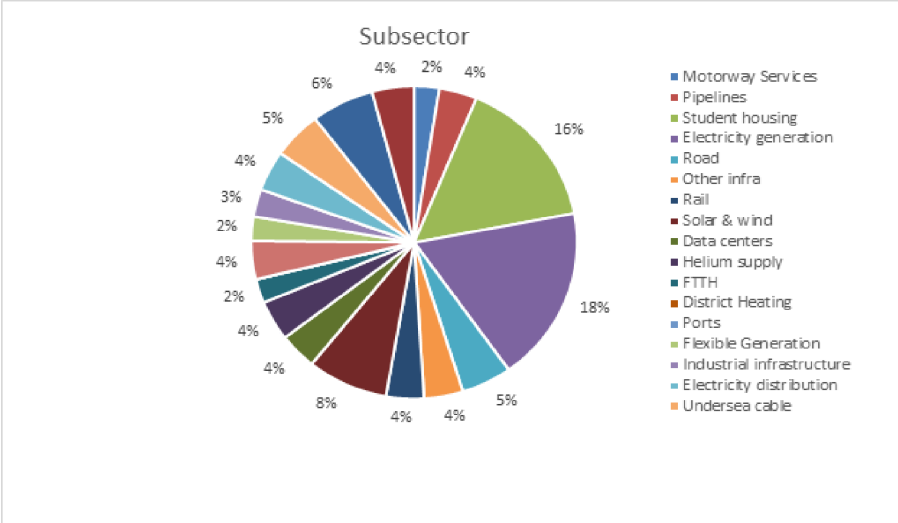
2.2 The chart below shows the anticipated composition of the Pipeline by interest type:



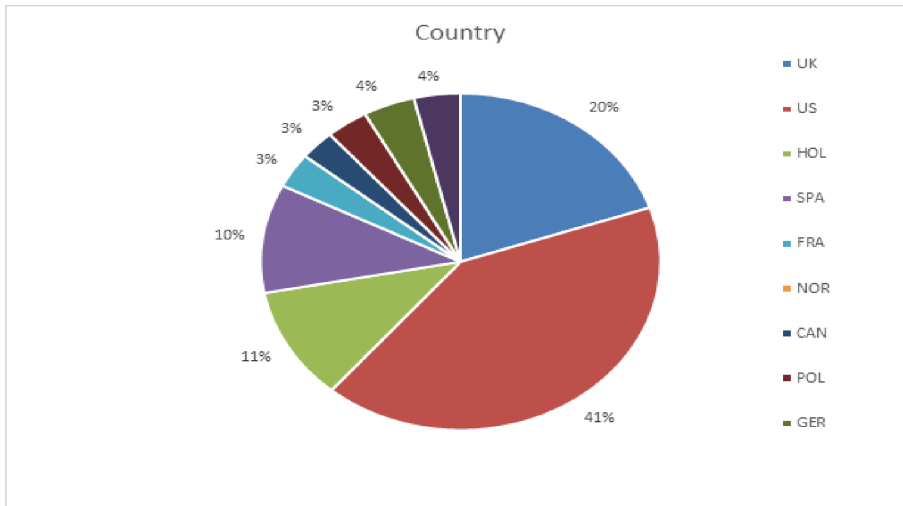
2.3 The chart below shows the anticipated composition of the Pipeline by sector:



2.4 The chart below shows the anticipated composition of the Pipeline by sub-sector:



2.5 The chart below shows the anticipated composition of the Pipeline by country:



PART 7 - TAXATION

1 General

The statements on taxation below are intended to be a general summary of certain tax consequences that may arise in relation to the Company and Shareholders. This is not a comprehensive summary of all technical aspects of the structure and is not intended to constitute legal or tax advice to investors. Potential investors should familiarise themselves with, and where appropriate should consult their own professional advisers on, the overall tax consequences of investing in the Company. The statements relate to investors acquiring and holding Shares for investment purposes only, and not for the purposes of any trade. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely. The tax consequences for each investor of investing in the Company may depend upon the investor's own tax position and upon the relevant laws of any jurisdiction to which the investor is subject. Potential investors in the Shares should consult their professional advisers on the implications of acquiring, buying, selling or otherwise disposing of Shares in the Company under the laws of any jurisdiction in which they may be liable to taxation.

2 Guernsey Taxation

The following summary of the anticipated treatment of the Company and holders of its Shares is based on Guernsey taxation law and practice as it is understood to apply at the date of this document. It does not constitute legal or tax advice and does not address all aspects of Guernsey tax law and practice (including such tax law and practice as it applies to any land or building situated in Guernsey).

2.1 Taxation of the Company

The Company is eligible for exemption from income tax in Guernsey under the provisions of the Ordinance. Under the provisions of the Ordinance, exemption is granted annually provided the Company continues to comply with the requirements of the Ordinance and upon the payment of an annual fee which is currently fixed at £1,200. Application will be made annually for exemption and it is the intention of the Directors to conduct the affairs of the Company so as to ensure that it retains such exempt status.

2.2 Holders of Shares

Payments made by the Company to non-Guernsey resident Shareholders, whether made during the life of the Company or by distribution on the liquidation of the Company, will not be subject to Guernsey income tax and will therefore be paid gross. Whilst exempt, the Company is not required to deduct Guernsey income tax from distributions paid on any Share to Guernsey residents, however the Company is required to make a return when renewing the Company's exempt tax status of the names, addresses and gross amounts of distributions paid to Guernsey resident Shareholders during the previous year.

2.3 Goods and Services Tax

Guernsey does not currently levy taxes upon goods and services.

2.4 Capital Gains and Stamp Duty

At present Guernsey does not levy taxes upon capital inheritances, capital gains gifts, capital transfer, wealth, sales or turnover (unless the varying of investments and turning of such investments to account is a business or part of a business) nor are there any estate duties save for registration fees and *an ad valorem* duty for a Guernsey grant of representation where the deceased dies leaving assets in Guernsey which require presentation of such a grant.

No stamp duty is chargeable in Guernsey on the issue, transfer, switching or redemption of Shares.

2.5 Foreign Account Tax Compliance Act and similar regimes

The Company and/or interests in the Company are subject to the application of the Foreign Account Tax Compliance Act ("**FATCA**") provisions of the U.S. Hiring Incentives to Restore Employment Act as well as other legislation implementing regimes similar to FATCA. FATCA is a U.S. law aimed at preventing tax evasion by U.S. citizens and residents through use of offshore accounts. FATCA generally imposes a 30 per cent. withholding tax with respect to certain U.S. source income (including dividends and interest)

and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends paid to foreign financial institutions ("**FFIs**") and other financial intermediaries that fail to undertake certain diligence and reporting obligations. As a general matter, the rules are designed to require certain U.S. persons' direct and indirect ownership of non-U.S. accounts and non-U.S. entities to be reported to the IRS. Generally, if the payee is an FFI, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertakes to identify accounts held by U.S. persons, annually report certain information about such accounts, and withhold 30 per cent. on certain payments to non-compliant account holders ("**FFI Agreement**"). If the country in which a payee is resident has entered into an "intergovernmental agreement" with the United States governing FATCA ("**IGA**"), that agreement may permit or require the payee to report to that country rather than to the IRS.

On 13 December 2013 an intergovernmental agreement was entered into between Guernsey and the US in respect of FATCA (the "**U.S.-Guernsey IGA**"), which agreement was enacted into Guernsey law as of 30 June 2014 by the Income Tax (Approved International Agreements) (Implementation) (United Kingdom and United States of America) Regulations, 2014, as amended. Guidance notes have been issued by the relevant Guernsey authority to provide practical assistance on the reporting obligations of affected businesses under the U.S.-Guernsey IGA.

The Organisation for Economic Co-operation and Development (the "**OECD**") has been actively engaged in working towards exchange of information on a global scale and has published a global Common Reporting Standard ("**CRS**") for multilateral exchange of information pursuant to which many governments have now signed multilateral agreements. A group of those governments, including Guernsey, has committed to a common implementation timetable which saw the first exchange of information in 2017 in respect of accounts open at the end of 2015 and new accounts from 2016, with further countries committed to implement the new global standard by 2018.

The Common Reporting Standard has been implemented in Guernsey by the Income Tax (Approved International Agreements) Implementation) (Common Reporting Standard) Regulations, 2015 which came into force on 1 December 2015. The Company may need to comply with the aforementioned exchange of information requirements as they progress and develop. Shareholders must satisfy any requests for information pursuant to such requirements.

FATCA AND SIMILAR REPORTING REGIMES ARE PARTICULARLY COMPLEX. EACH POTENTIAL INVESTOR SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND SIMILAR REPORTING REGIMES AND HOW THIS LEGISLATION MIGHT AFFECT EACH POTENTIAL INVESTOR IN ITS PARTICULAR CIRCUMSTANCE.

2.6 Request for Information

The Company complies with its obligations relating to FATCA and reserves the right to request from any investor or potential investor at any time such information as it deems necessary to comply with FATCA, any FFI Agreement from time to time in force, and other reporting regimes such as the CRS or any obligation arising under the implementation of any applicable intergovernmental agreement, including the U.S.-Guernsey IGA and similar relating to the CRS or similar regimes and any related legislation and/or regulations. If a Shareholder fails to provide the Company with information that is required by any of them to allow them to comply with any of the above reporting requirements, or any similar requirements, adverse consequences may apply.

Investors should consult with their respective tax advisers regarding the possible implications of FATCA, the U.S.-Guernsey IGA and similar relating to the CRS any related legislation and/or regulations on their investment in the Company.

2.7 EU Code of Conduct Group on Business Taxation

In December 2017 the EU Code of Conduct Group on Business Taxation (the "**Code Group**") determined Guernsey to be a cooperative tax jurisdiction and as such Guernsey was not included on its list of non-cooperative jurisdictions.

Guernsey has brought into force the Income Tax (Substance Requirements) (Implementation) Regulations, 2018 (the "**Substance Regulations**") to address concerns identified by the Code Group which relate to a perceived lack of substance for companies registering profits in Guernsey without demonstrating real economic activity in Guernsey.

The Substance Regulations impose economic substance requirements on companies that are tax resident in Guernsey and certain companies which are tax exempt and, in each case, which undertake specified relevant activities or business in respect of financial periods commencing on or after 1 January 2019. Essentially, such companies will have to demonstrate that they have substance in Guernsey by (i) being directed and managed in Guernsey, (ii) conducting core income generating activities in Guernsey and (iii) having adequate people, expenditure and premises in Guernsey. There are reduced substance requirements for Guernsey tax resident and certain tax exempt companies which, for the purpose of the Substance Regulations, are pure equity holding companies.

At the date of this document, the Substance Regulations will not apply to this Company as it is eligible for exemption from tax under paragraph 1 of Schedule 1 to, and has been granted tax exempt status by the Director of Revenue Service in Guernsey under section 3 of, the Ordinance.

3 United Kingdom

The statements below relate to the UK tax implications of a UK resident and domiciled individual investing in the Company (unless expressly stated otherwise). The tax consequences may differ for investors who are not resident in the UK or who are not domiciled in the UK for tax purposes. The statements are based on current tax legislation and HMRC practice, both of which are subject to change at any time, possibly with retrospective effect.

3.1 UK taxation of the Company

The Directors intend to conduct the affairs of the Company in such a manner as to minimise, so far as they consider reasonably practicable, taxation suffered by the Company. This will include conducting the affairs of the Company to seek to ensure that it does not become resident in the UK for income tax, corporation tax and capital gains tax purposes. Accordingly, and provided the Company does not carry on a trade in the UK (whether or not through a permanent establishment situated therein) and is not treated as resident in the UK for income tax, corporation tax or capital gains purposes, the Company should not be subject to UK income tax or corporation tax other than on UK source income.

3.2 UK taxation of individuals

This paragraph provides general guidance for individual investors who are UK resident and domiciled for UK tax purposes and who hold Shares as investments and not as trading stock.

Individual investors who are resident and domiciled in the UK will be liable to UK tax at their applicable marginal rates on dividends paid by the Company, and on any gain arising from a disposal or part disposal of the Ordinary Shares in the Company. Such individual investors will generally not pay UK income tax on the first £2,000 of dividend income in the 2019/2020 tax year (the "**nil rate band**"). Any dividend income received by such individual investors in excess of the nil rate band will be taxed (in the 2019/20 tax year) at rates of 7.5 per cent., 32.5 per cent. and 38.1 per cent. for basic rate, higher rate and additional rate taxpayers respectively.

The Directors consider that the Company should not constitute an "offshore fund" for the purposes of Part 8 TIOPA, as the Company is closed-ended with an unlimited life. The Directors will use reasonable endeavours (but without liability) to monitor the Company's status in this regard. If the Company were to be treated as an offshore fund, disposals of Shares would give rise to an offshore income gain taxable as income (rather than capital) unless the Company were to apply to be a "reporting fund" in accordance with the Offshore Funds (Tax) Regulations 2009, as amended.

The attention of investors is drawn to anti-avoidance legislation in Chapter 1, Part 13 of the Income Tax Act 2007 that could apply if Shareholders are seeking to obtain tax advantages in prescribed conditions.

Investors who are resident in the UK should be aware of the provisions of Chapter 2, Part 13 of the Income Tax Act 2007, which may in certain circumstances, and subject to certain exceptions, render them liable to UK income tax in respect of income of an asset of the Company which has been transferred to non-UK resident or non-UK domiciled persons where the UK resident investor continues to benefit from such income.

Individual investors who are resident in the UK should be aware that, subject to certain exceptions, if they hold or are treated as holding alone or together with "persons connected with them" (as defined in the relevant legislation) more than a 25 per cent. interest in the Company and the Company would be treated

as a "close" company if it were resident in the UK, and the gain accruing to the Company is connected to avoidance, gains which are capital gains for the purposes of UK tax accruing to the Company may be attributed to them if such gains are not distributed, pursuant to section 3 of TCGA.

3.3 UK taxation of UK companies

Investors who hold Shares (as applicable) that are companies resident in the UK for UK taxation purposes may be able to rely on legislation in Chapter 3, Part 9A of the Corporation Tax Act 2009 which exempts certain dividends from the charge to UK corporation tax where certain conditions are met. Where the conditions for exemption are not satisfied, a company resident in the UK for UK taxation purposes will be subject to UK corporation tax on dividends received from the Company at the current rate of 19 per cent. Such UK companies will, subject to certain exemptions, be subject to UK corporation tax on chargeable gains in respect of any gains arising on a disposal of Shares.

UK resident companies should note that where they (or they together with their connected persons) have a sufficient interest in the Company (generally 25 per cent. or more), then the controlled foreign company rules in Part 9A TIOPA could apply. Under these rules, a UK resident company with a sufficient interest in the Company may be liable to UK corporation tax in respect of its share of the relevant company's chargeable profits. These provisions will apply only if, broadly the Company is controlled by UK tax residents. The controlled foreign company rules contain a number of exemptions and safe harbours. However, the Directors cannot guarantee that any of these will apply. Accordingly, any UK resident company directly or indirectly acquiring a sufficient interest (as described above) in the Company may be affected by the rules.

The provisions of Part 8 of TIOPA and section 3 of TCGA as set out above apply equally to investors that are subject to UK corporation tax as they do to UK resident individuals. As stated above, the Directors do not consider the Company to constitute an "offshore fund".

3.4 Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

The following comments are intended as a guide to the current general stamp duty and SDRT position and do not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with depository arrangements or clearance services, to whom special rules apply.

No UK stamp duty or SDRT will be payable on the issue of the Shares.

UK stamp duty (at the rate of 0.5 per cent. of the amount of the value of the consideration for the transfer rounded up where necessary to the nearest £5) is payable on any instrument of transfer of Shares (i) executed within, or in certain cases brought into, the UK or (ii) relating wheresoever executed to any property situate, or to any matter or thing done or to be done in the UK. As the Company's Registrar is based in Guernsey, the Shares will not be registered in any register of the Company kept in the UK, and therefore, any agreement to transfer Shares should not be subject to UK stamp duty or SDRT.

3.5 ISAs and SSAS/SIPPs

ISAs and SSAS/SIPPs Investors resident in the United Kingdom who are considering acquiring Shares are recommended to consult their own tax and/or investment advisers in relation to the eligibility of the Shares for ISAs and SSAS/SIPPs. Shares acquired by an ISA account managed on behalf of an Investor pursuant to the Open Offer or the Offer for Subscription should be eligible for inclusion in a stocks and share ISA, subject to applicable subscription limits, whereas Ordinary Shares acquired pursuant to the Share Issuance Programme or Ordinary Share Placing will not be eligible for inclusion. The Ordinary Shares should be eligible for inclusion in a SSAS or SIPP, subject to the discretion of the trustees of the SSAS or SIPP, as the case may be.

PART 8 - ADDITIONAL INFORMATION ON THE COMPANY

1 Incorporation and Status of the Company

- 1.1 The Company is a non-cellular company which was incorporated in Guernsey on 30 December 2014 under the provisions of Guernsey Companies Law with registered number 59596 with the name Sequoia Economic Infrastructure Income Fund Limited. The Company's LEI is 2138006OW12FQHJ6PX91.
- 1.2 The principal legislation under which the Company operates, and under which the Ordinary Shares have been created, is the Guernsey Companies Law.
- 1.3 The Company's legal and commercial name is Sequoia Economic Infrastructure Income Fund Limited.
- 1.4 The registered and head office and the principal place of business of the Company is at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR. The Company is domiciled in Guernsey. The telephone number of the Company's registered office is +44 (0) 1481 737 600.
- 1.5 The Company's accounting period ends on 31 March of each year, with the next such financial period commencing on 1 April 2019 and ending on 31 March 2020. Audited historical financial information on the Company for the financial period ended 31 March 2019 is incorporated by reference into the Prospectus. These documents can be viewed online at <http://www.seqifund.com/downloads>.
- 1.6 The Company's accounts are and will be prepared following the conclusion of the accounting period in accordance with IFRS accounting standards. The accounts for the year ended 31 March 2019 were published and made available to Shareholders on 5 July 2019.
- 1.7 The audited annual accounts of the Company will be published within four months of the year end. Unaudited half-yearly reports, made up to 30 September in each year, will be published within three months thereof. The unaudited interim reports made up to 30 September 2019 were published and made available to Shareholders on 27 November 2019. The audited annual accounts and interim reports will also be available at the registered office of the Company and the Administrator and on the Company's Website at <https://www.seqifund.com/investors/financial-results-reports/>.
- 1.8 The Directors consider that the functional currency of the Company is Sterling, on the basis that it is (i) the currency of the primary economic environment in which the Company operates, (ii) the currency in which the Company's capital has been raised, (iii) the currency in which dividends are paid and (iv) the currency that would be returned to Shareholders were the Company to be wound up.
- 1.9 The Company is registered with the GFSC as a registered closed-ended collective investment scheme. The Company is not regulated by any other regulator.
- 1.10 For the purposes of the IRS under FATCA, the Company has registered with the U.S. Internal Revenue Service and obtained a Global Intermediary Identification Number of FAX322.00000.LE.831.
- 1.11 The Company's application to the BaFin pursuant to section 330 KAGB for distribution of Ordinary Shares issued by the Company in Germany to professional investors (as defined in 1 para 19 no 32 of the KAGB) was approved by the BaFin on 24 February 2016. No application was made for the distribution of Ordinary Shares to private individuals or semi-professional investors as defined in section 1 para 19 no 31 and 32 of the KAGB.
- 1.12 The Company's application to the Danish Financial Supervisory Authority for a marketing authorisation of the Company towards professional investors pursuant to Section 130 of the Danish AIFM Act was approved by the Danish Financial Supervisory Authority on 24 February 2017.
- 1.13 On 2 December 2016, the AIFM submitted a notification to the CSSF of the intention of the Investment Manager to market the Company to professional investors within the territory of Luxembourg in accordance with Article 45 of the AIFM Law. (Marketing in Luxemburg without a

passport of AIFs managed by a non-EU AIFM) and may so market subject to ongoing compliance with the applicable requirements of Article 45 of the AIFM Law (Article 42 of the AIFMD).

- 1.14 The Investment Manager's 1.13 application to the Swedish Financial Supervisory Authority for a marketing authorisation of the Company towards professional investors pursuant to Chapter 5 Section 10 of the Swedish AIFM Act was approved by the Swedish Financial Supervisory Authority on 12 April 2017.
- 1.15 In February 2015 the Company's application to the Central Bank of Ireland under regulation 43 of the European Union (Alternative Investment Fund Managers) Regulations 2013 was approved for marketing the Company to professional investors within the Republic of Ireland.

2 Share Capital of the Company

- 2.1 As at the date of incorporation of the Company, the issued share capital of the Company was £1 divided into one ordinary share of no par value, which was held by IASL Nominees Limited. The Company does not have an authorised share capital. The Company may issue an unlimited number of shares which, upon issue the Directors may designate as Ordinary Shares or shares of such other class or classes (and denominated in any currency or currencies) as the Directors may determine.
- 2.2 On 3 March 2015, 150 million Ordinary Shares were issued at 100 pence per share following a placing and offer for subscription by the Company.
- 2.3 On 2 November 2015, 146,853,627 C Shares were issued at 100 pence per share following an open offer, placing and offer for subscription by the Company. On 3 March 2016, the C Shares were converted into Ordinary Shares at a ratio of 1.0375 Ordinary Shares for every one C Share and admitted to the premium segment of the Official List.
- 2.4 On 10 June 2016, 175,171,834 C Shares were issued at 100 pence per share following an open offer, placing and offer for subscription by the Company. On 1 November 2016 the C Shares were converted into Ordinary Shares at a ratio of 0.9842 Ordinary Shares for every one C Share and admitted to the premium segment of the Official List.
- 2.5 On 9 December 2016, 120,000,000 Ordinary Shares were issued at 105 pence per share following a placing programme by the Company.
- 2.6 On 31 May 2017, 151,658,768 Ordinary Shares were issued at 105.5 pence per share following an open offer, placing, offer for subscription and placing programme.
- 2.7 On 9 May 2018, 72,800,000 Ordinary Shares were issued at 104 pence per share following a placing by the Company.
- 2.8 On 12 October 2018, 238,679,245 Ordinary Shares were issued at 106 pence per share following an open offer, placing and offer for subscription by the Company.
- 2.9 On 27 June 2019, 200,000,000 Ordinary Shares were issued at 108 pence per share following an open offer, placing and offer for subscription pursuant to the 2019 Share Issuance Programme by the Company.
- 2.10 On 24 September 2019, 125,000,000 Ordinary Shares were issued at 111 pence per share following a placing by the Company.
- 2.11 Since the IPO, the Investment Adviser has been issued a cumulative total of 3,911,536 Ordinary Shares on a quarterly basis for the period beginning 30 June 2015 up to and including the date of this document as it subscribed part of its management fee under the Investment Advisory Agreement for such Ordinary Shares. Ordinary Shares issued to the Investment Adviser are subject to a three year lock up period. Since the IPO, the Investment Adviser has sold 647,856 Ordinary Shares in the market and therefore as at 7 February 2020 the Investment Adviser holds 3,263,680 Ordinary Shares in the Company.
- 2.12 As at 7 February 2020 (being the latest practicable date prior to the date of this document), there were 1,386,814,306 Ordinary Shares in issue.
- 2.13 The Directors are expected to resolve to issue and allot, shortly prior to Admission, the New Ordinary Shares pursuant to the Initial Issue.

- 2.14 Since incorporation and up to the date of this document, the Company has paid an aggregate of 26.125 pence per Ordinary Share in dividends.
- 2.15 As at 7 February 2020 (being the latest practicable date prior to the date of this document), the Company did not hold any Treasury Shares and no Ordinary Shares are held by, or on behalf of, the Company itself or by the Subsidiary.
- 2.16 Other than the issue of Ordinary Shares pursuant to the Initial Issue and the Share Issuance Programme and the reinvestment by the Investment Adviser of part of its management fee in accordance with the Investment Advisory Agreement, the Company has no present intention to issue any additional shares in the capital of the Company.
- 2.17 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. The Company intends, by Special Resolutions to be passed at the EGM to be held on 25 February 2020, to disapply these pre-emption rights in relation to up to 223,214,285 New Ordinary Shares for the purposes of the Initial Issue and up to 300,000,000 Ordinary Shares for the purposes of the Share Issuance Programme at an issue price calculated by reference to the Net Asset Value per Ordinary Share at the time of allotment together with a premium intended to cover the costs and expenses of the relevant placing of Ordinary Shares (including, without limitation, any placing commissions) and the initial investment of the amounts raised.
- 2.18 The Directors intend to request that the authority to allot a specified amount of the Ordinary Shares from time to time in issue on a non-pre-emptive basis, is renewed at each annual general meeting of the Company.
- 2.19 As at 7 February 2020 (being the latest practicable date prior to the date of this document) the Company is aware of the following shareholders who were at such time interested directly or indirectly in three per cent. or more of the Company's issued share capital:

Name	Number of Ordinary Shares	Percentage of voting rights
Investec Wealth & Investment	105,310,317	7.59
Rathbones	73,384,082	5.29
Smith & Williamson Wealth Management	73,059,681	5.27
Danske Bank Asset Management	66,236,639	4.78
Quilter Cheviot Investment Management	65,030,699	4.69
BNP Paribas Asset Management	62,952,945	4.54
Fidelity International	55,119,004	3.98
Kleinwort Hambros	49,153,566	3.54
Baillie Gifford	42,120,920	3.04

- 2.20 As at 7 February 2020 (being the latest practicable date before publication of this document), the Directors and their beneficial holders hold 535,729 Ordinary Shares in the issued share capital of the Company. Further details of the Directors' interests in Ordinary Shares are set out in paragraph 4.1 below.
- 2.21 As at 7 February 2020 (being the latest practicable date before publication of this document), the Investment Adviser holds 3,263,680 Ordinary Shares and the directors of the Investment Adviser hold 681,643 Ordinary Shares in the issued share capital of the Company.
- 2.22 As at 7 February 2020 (being the latest practicable date before publication of this document), the Investment Manager holds 50,000 Ordinary Shares in the issued share capital of the Company.
- 2.23 The Company does not have in issue any securities not representing share capital.
- 2.24 No Shares are currently in issue with a fixed date on which entitlement to a dividend arises or with a time limit after which entitlement to a dividend lapses and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

- 2.25 Save as disclosed in this paragraph 2, there has been no issue of share or loan capital of the Company since the Company's incorporation.
- 2.26 Except pursuant to the Issue Agreement, no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital of the Company.
- 2.27 Save for the Ordinary Shares to be issued pursuant to the Investment Advisory Agreement, no share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option, nor will any such share or loan capital be under option or agreed, conditionally or unconditionally, to be put under option at Admission.
- 2.28 Other than pursuant to the Initial Issue and the Share Issuance Programme, no shares of the Company have been sold or are available, in whole or in part, to the public in conjunction with the application for the New Ordinary Shares or the Ordinary Shares issued under the Share Issuance Programme to be admitted to the Official List.
- 2.29 The New Ordinary Shares and the Ordinary Shares issued under the Share Issuance Programme are in registered form. No temporary documents of title will be issued and, prior to the issue of definitive certificates, transfers will be certified against the register. It is expected that definitive share certificates for the New Ordinary Shares issued pursuant to the Initial Issue and not to be held through CREST will be posted to allottees on or around 10 March 2020. Ordinary Shares issued pursuant to the Share Issuance Programme will be transferred to successful applicants through CREST. The New Ordinary Shares and Ordinary Shares issued pursuant to the Share Issuance Programme are to be held through CREST will be credited to CREST accounts on Initial Admission and any Admission, respectively.
- 2.30 No convertible securities, exchangeable securities or securities with warrants have been issued by the Company.
- 2.31 No person has voting rights that differ from those of other Shareholders.
- 2.32 As at the date of this document, there are no C Shares in issue.

3 Memorandum and Articles of Incorporation

- 3.1 The Articles contain, inter alia, the following material provisions. In this paragraph 3, references to the Directors and the Board are to the directors of the Company and the board of directors of the Company from time to time. Under the Memorandum the objects of the Company are unrestricted. The following is a brief summary of certain provisions of the Articles and Memorandum.

(a) **Ordinary Shares**

(i) *Dividends*

Holders of Ordinary Shares are entitled to participate in any dividends and other distributions of the Company other than in relation to assets attributable to any class of C Share. Subject to obtaining an Ordinary Resolution, the Directors may offer the Shareholders of Ordinary Shares the right to elect to receive further ordinary shares, credited as fully paid, instead of cash in respect of the whole or part of any dividend.

(ii) *Winding up*

In the event of a winding up of the Company the surplus assets of the Company available for distribution to holders after payment of all other debts and liabilities of the Company shall be applied in the following manner and order of priority:

- (A) first, in paying to each holder of Ordinary Shares in respect of each Ordinary Share of which it is the holder a sum equal to the amount paid up or credited as paid up thereon; and
- (B) second, the balance of such assets (if any) shall be distributed amongst the holders of the Ordinary Shares (in proportion to the number of Ordinary Shares held by them).

(iii) *Voting*

Holders of Ordinary Shares shall have the right to receive notice of and to attend, speak and vote at general meetings of the Company and each holder being present in person or by proxy shall upon a show of hands have one vote and upon a poll one vote in respect of every Ordinary Share held by him.

(b) **Share Capital**

- (i) The Company may issue an unlimited number of shares of par value and/or no par value or a combination of both. Shares may be denominated in any currency and different classes of shares may be denominated in different currencies (or no currency in the case of shares of no par value).
- (ii) Subject to the provisions of the Guernsey Companies Law and without prejudice to any rights attached to any existing shares or class of shares or to the provisions of the Articles, any share may be issued with such preferred deferred conversion or other rights or restrictions as the Company may by Ordinary Resolution direct or, subject to or in default of any such direction, as the Directors may determine.
- (iii) The Company may issue fractions of shares and any such fractional shares shall rank *pari passu* in all respects with the other shares of the same class issued by the Company.
- (iv) The Company may from time to time hold its own shares as Treasury Shares.
- (v) The Company may acquire its own shares. Any such shares acquired by the Company may be cancelled or may be held as Treasury Shares, subject to and in accordance with the Guernsey Companies Law.
- (vi) Subject to the provisions of the Guernsey Companies Law, the Company and any of its subsidiary companies, may give financial assistance, as defined in the Guernsey Companies Law, directly or indirectly for the purposes of, or in connection with the acquisition of its shares.
- (vii) The Company may issue shares which are, or at the option of the Company or the holder are, liable to be redeemed and convert all or any class of its shares into redeemable shares.
- (viii) The Company may issue shares which do not entitle the holder to voting rights in any general meeting or entitle the holder to restricted voting rights in any general meeting.
- (ix) Whenever the capital of the Company is divided into different classes of shares the rights attached to any class may (subject to the terms of issue of the shares of that class) be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding-up:
 - (A) with the consent in writing of the holders of at least 75 per cent. of the issued shares of that class; or
 - (B) with the sanction of a Special Resolution passed at a separate meeting of the holders of the shares of that class (excluding Treasury Shares).
- (x) All the provisions of the Articles relating to general meetings of the Company or to the proceedings thereat shall, *mutatis mutandis*, apply to every such separate meeting except that, in accordance with the Guernsey Companies Law:
 - (A) the necessary quorum shall be two persons present holding or representing by proxy at least one-third of the voting rights of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, one person present holding shares of the relevant class shall be a quorum) provided always that where the class has only one member, that member shall constitute the necessary quorum;
 - (B) any holder of shares of the class in question may demand a poll.
- (xi) The special rights conferred upon the holders of any shares or class of shares

issued with preferred, deferred or other rights shall (unless otherwise expressly provided by the terms of issue of such shares) be deemed not to be varied by the creation or issue of further shares ranking *pari passu* therewith and, for the avoidance of doubt, the issue of C Shares shall not be treated as varying the rights attaching to Ordinary Shares and the issue of Ordinary Shares shall not be treated as varying the rights attaching to C Shares or by the exercise of any power under the disclosure provisions requiring holders of shares to disclose an interest in the Company's shares pursuant to the Articles as summarised below.

- (xii) Subject to the provisions of the Guernsey Companies Law, the Articles, and any resolution of the Company, the Directors have general and unconditional authority:
 - (A) to allot, issue (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of unissued shares of the Company or rights to subscribe or convert any security into shares; or
 - (B) to sell, transfer or cancel any Treasury Shares held by the Company, in any such case to such persons, at such times and on such terms and conditions as the Directors may decide. Without limiting this article, the Directors may designate the unissued shares upon issue as Ordinary Shares or C Shares or such other class or classes of shares (and denominated in any currency or currencies as the Directors may determine) or as shares with special or other rights as the Directors may then determine.
- (xiii) Subject to the provisions of the Guernsey Companies Law, the authority of the Directors to issue shares or grant rights to subscribe for or convert any security into shares shall be unlimited; but to the extent that the authority of the Directors to issue shares is at any time limited by the Guernsey Companies Law, the Directors are generally and unconditionally authorised to exercise all powers of the Company to issue up to (or grant rights to subscribe for or convert any security into) a maximum aggregate amount of £1 billion shares including, without limitation, Shares and C Shares) or such other amount as may from time to time be authorised by the Company and such authority shall remain in force for a period of five years from the date of adoption of the Articles in force on IPO but may be revoked, varied or renewed from time to time by the Company in accordance with the Guernsey Companies Law provided always that the Company, before the authority expires, may make an offer or agreement which would or might require shares to be issued (or rights to subscribe for, or convert any security into, to be granted) after it expires and the Directors may issue (or grant rights to subscribe for, or convert any security into) such shares in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.
- (xiv) The Company may exercise the powers of paying commissions and in such an amount or at such a percentage rate as the Directors may determine. Subject to the provisions of the Guernsey Companies Law any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.
- (xv) Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise (even when having notice thereof) any interest in any share except an absolute right to the entirety thereof in the holder.
- (xvi) Subject to sub-paragraph 3.1(b)(xvii), the Company shall not issue equity securities, nor sell them from treasury, for cash on any terms to a person unless it has made an offer to each person who is a holder of equity securities of the same class in the Company to issue to him on the same or more favourable terms

a proportion of those equity securities which is as nearly as practicable equal to the proportion in value held by him of the shares of that class then in issue. The foregoing pre-emption rights can be disapplied by an authority of a Special Resolution either generally, or in respect of a specific issue or sale from treasury.

- (xvii) The pre-emption rights in sub-paragraph 3.1(b)(xvi) above shall not apply in relation to the issue of:
 - (A) bonus shares, shares issued in lieu of dividend or distribution, nor to a particular issue of equity securities if they are, or are to be, wholly or partially paid otherwise than in cash; or
 - (B) equity securities in connection with a rights issue, open offer or other offer of securities in favour of the holders of shares or a class of shares at such record date as the Directors may determine where the securities attributable to the interests of holders of shares of a class are proportionate (as near as may be practicable) to the respective numbers of shares of that class held by them on such record date, subject to such conditions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems arising under the laws of any jurisdiction or the requirements of any regulatory body or stock exchange or any other matter whatsoever.

(c) **Disclosure Notice**

- (i) The Company may, by notice in writing (a “**Disclosure Notice**”) require a person whom the Company knows to be or has reasonable cause to believe is or, at any time during the three years immediately preceding the date on which the Disclosure Notice is issued, to have been interested in any shares:
 - (A) to confirm that fact or (as the case may be) to indicate whether or not it is the case; and
 - (B) to give such further information as may be required in accordance with the Articles, as summarised in sub-paragraph 3.1(c)(ii) below.
- (ii) A Disclosure Notice may (without limitation) require the person to whom it is addressed:
 - (A) to give particulars of the person’s status (including whether such person constitutes or is acting on behalf of or for the benefit of a U.S. Plan Investor or is a U.S. Person), domicile, nationality and residency;
 - (B) to give particulars of his own past or present interest in any shares (held by him at any time during the three year period specified in the Articles, as summarised in sub-paragraph 3.1(c)(i) above) and the nature of such interest;
 - (C) to disclose the identity of any other person who has a present interest in the shares held by him (held by him at any time during the three year period specified in the Articles);
 - (D) where the interest is a present interest and any other interest in any shares subsisted during that three year period at any time when his own interest subsisted, to give (so far as is within his knowledge) such particulars with respect to that other interest as may be required by the Disclosure Notice; and
 - (E) where his interest is a past interest to give (so far as is within his knowledge) like particulars of the identity of the person who held that interest immediately upon his ceasing to hold it.
- (iii) Any Disclosure Notice shall require any information in response to such notice to be given within the prescribed period (which is 28 days after service of the notice

or 14 days if the shares concerned represent 0.25 per cent. or more in number of the issued shares of the relevant class) or such other reasonable period as the Directors may determine.

- (iv) If any member is in default in supplying to the Company the information required by the Company within the prescribed period or such other reasonable period as the Directors determine, the Directors in their absolute discretion may serve a direction notice on the member. The direction notice may direct that in respect of the shares in respect of which the default has occurred (the “**Default Shares**”) the member shall not be entitled to vote in general meetings or class meetings. Where the Default Shares represent at least 0.25 per cent. in number of the class of shares concerned, the direction notice may additionally direct that dividends on such shares will be retained by the Company (without interest) and that no transfer of the Default Shares (other than a transfer authorised under the Articles) shall be registered until the default is rectified. Subject always to the rules of the CREST UK system, any other relevant system from which transfers of shares are settled, the requirements of the FCA, the London Stock Exchange in respect of the Default Shares, where the Directors have any grounds to believe that such Default Shares, are held by or for the benefit of or by persons acting on behalf of a U.S. Plan Investor or U.S. Persons, the Directors may at their discretion deem the Default Shares to be held by, or on behalf of or for the benefit of, a U.S. Plan Investor or a U.S. Person (as the Directors may determine) and that the provisions of the Articles, as summarised in sub-paragraph 3.1(e)(vi) below, should apply to such Default Shares.

(d) ***Untraced Shareholders***

The Company may sell the share of a member or of a person entitled by transmission at the best price reasonably obtainable at the time of sale if, in accordance with the terms of the Articles, that person has not claimed or accepted dividends declared over a period of time and has not responded to advertisements of the Company.

(e) ***Transfer of Shares***

- (i) Subject to the terms of the Articles, any member may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the Directors may approve. An instrument of transfer of a certificated share shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. The Directors may, without assigning any reasons therefor, refuse to register the transfer of a certificated share (whether fully paid or not) unless the instrument of transfer is lodged at the office or at such other place as the Directors may appoint and is accompanied by any certificates for the shares to which it relates and such other evidence as the Directors may require to show the right of the transferor to make the transfer.
- (ii) Subject to the terms of the Articles, any member may transfer all or any of his uncertificated shares by means of a relevant system authorised by the Directors in such manner provided for, and subject as provided, in the Regulations or such as may otherwise from time to time be adopted by the Directors on behalf of the Company and the rules of any relevant system and accordingly no provision of the Articles shall apply in respect of an uncertificated share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the shares to be transferred. The Directors may decline to register a transfer of an uncertificated share in the circumstances set out in the Regulations or such as may otherwise from time to time be adopted by the Directors on behalf of the Company or the rules of any relevant system, or where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.
- (iii) The Directors shall have power to implement such arrangements as they may, in

their absolute discretion, think fit in order for any class of shares to be admitted to settlement by means of the CREST UK system.

- (iv) Subject to the CREST Guernsey Requirements and/or the rules of any other relevant system, the registration of transfers may be suspended by giving such notices as may be required by the rules of any relevant system at such times and for such periods (not exceeding 30 days in any year) as the Directors may determine.
- (v) No fee shall be charged for the registration of any instrument of transfer or, subject as otherwise provided in the Articles, any other document relating to or affecting the title to any share.
- (vi) If it shall come to the notice of the Directors that any shares:
 - (A) are or may be owned or held directly or beneficially by any person whose ownership or holding or continued ownership or holding of those shares (whether on its own or in conjunction with any other circumstance appearing to the Directors to be relevant) might in the reasonable opinion of the Directors cause or be likely to cause the assets of the Company to be considered plan assets for the purposes of ERISA or the United States Internal Revenue Code of 1986 (as amended); or
 - (B) are or may be owned or held directly or beneficially by any person to whom a transfer of shares or whose ownership or holding of any shares might in the opinion of the Directors:
 - (aa) cause the Company to be required to register as an investment company under the U.S. Investment Company Act (including because the holder of the shares in the Company is not a “qualified purchaser” as defined in the U.S. Investment Company Act) or to lose an exemption or status thereunder to which it might otherwise be entitled;
 - (bb) cause the Company to be required to register under the U.S. Exchange Act or any similar legislation;
 - (cc) cause the Company not to be considered as “foreign private issuer” as such term is defined in rule 3b-4(c) under the U.S. Exchange Act;
 - (dd) result in a person holding shares in the Company in violation of the transfer restrictions set forth in any offering memorandum or prospectus published by the Company from time to time; or
 - (ee) otherwise result in the Company incurring a liability to taxation or suffering any pecuniary, fiscal, administrative or regulatory or similar disadvantage,

the Directors may (i) refuse to register a transfer of shares which would result in those shares being subject to the provisions of the Articles summarised in sub-paragraphs 3.1(e)(vi)(A) or 3.1(e)(vi)(B) above and/or (ii) serve a notice (a “**Transfer Notice**”) upon the person (or any one of such persons where shares are registered in joint names) appearing in the register as the holder (the “**Vendor**”) of any of the shares concerned (the “**Relevant Shares**”) requiring the Vendor within twenty-one days (or such extended time as in all the circumstances the Directors consider reasonable) to transfer (and/or procure the disposal of interests in) the Relevant Shares to another person who, in the sole and conclusive determination of the Directors, would not fall within the provisions of the Articles summarised in sub-paragraphs 3.1(e)(vi)(A) or 3.1(e)(vi)(B) above (such a person being hereinafter called an “**Eligible Transferee**”). On and after the date of such Transfer Notice, and until registration of a transfer of

the Relevant Share to which it relates pursuant to the provisions referred to in this sub-paragraph or sub-paragraph 3.1(e)(vii) below, the rights and privileges attaching to the Relevant Shares will be suspended and not capable of exercise.

- (vii) If within 21 days after the giving of a Transfer Notice (or such extended time as in all the circumstances the Directors consider reasonable) the Transfer Notice has not been complied with to the satisfaction of the Directors, the Company may sell the Relevant Shares on behalf of the holder of them by instructing a member of the London Stock Exchange to sell them on arm's length terms to any Eligible Transferee or Eligible Transferees. For this purpose, the Directors may authorise in writing any officer or employee of the Company or any officer or employee of the secretary of the Company or of any manager that may be appointed to transfer the Relevant Shares on behalf of the holder of them to the purchaser or purchasers and an instrument of transfer executed by that person will be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the Relevant Shares. The purchaser will not be bound to see the application of the purchase monies nor will its title to the Relevant Shares be affected by an irregularity or invalidity in the proceedings relating to the sale or by the price at which the Relevant Shares are sold. The net proceeds of the sale of the Relevant Shares will be received by the Company, whose receipt will be a good discharge for the purchase moneys, and will belong to the Company and, upon their receipt, the Company will become indebted to the former holder of, or person entitled by transmission to, the Relevant Shares for an amount equal to the net proceeds of transfer upon surrender by it or them, in the case of certificated Shares, of the certificate for the Relevant Shares which the Vendor shall immediately be obliged to deliver to the Company. No trust will be created in respect of the debt and no interest will be payable in respect of it. The Company will pay to the Vendor at its discretion or on demand by the Vendor the proceeds of transferring the Relevant Shares (less costs and expenses) but otherwise the Company will not be required to account for any money secured from the net proceeds of transfer which may be employed in the business of the Company or as it thinks fit. The Company may register the transferee as holder or holders of the Relevant Shares at which time the transferee will become absolutely entitled to them.
- (viii) A person who becomes aware that it falls within either the provisions of the Articles summarised in sub-paragraphs 3.1(e)(vi)(A) or 3.1(e)(vi)(B) above shall forthwith, unless it has already received a Transfer Notice pursuant to the provisions of the Articles summarised in sub-paragraph 3.1(e)(vi) above either transfer the shares to one or more Eligible Transferees or give a request in writing to the Directors for the issue of a Transfer Notice in accordance with the provisions of the Articles summarised in sub- paragraph 3.1(e)(vi) above. Every such request shall, in the case of certificated shares, be accompanied by the certificate(s) for the shares to which it relates.
- (ix) Subject to the provisions of the Articles, the Directors will, unless any Director has reason to believe otherwise, be entitled to assume without enquiry that none of the shares are held in such a way as to entitle the Directors to serve a Transfer Notice in respect thereof. The Directors may, however, at any time and from time to time call upon any holder (or any one of joint holders) of shares by notice in writing to provide such information and evidence as they require upon any matter connected with or in relation to such holder of shares. In the event of such information and evidence not being so provided within such reasonable period (not being less than twenty-one days after service of the notice requiring the same) as may be specified by the Directors in the said notice, the Directors may, in their absolute discretion, treat any share held by such a holder or joint holders as being held in such a way as to entitle them to serve a Transfer Notice in respect of such share.

- (x) The Directors will not be required to give any reasons for any decision, determination or declaration taken or made in accordance with these provisions. The exercise of the powers conferred by the provisions of the Articles summarised in sub-paragraphs 3.1(e)(vi) and/or 3.1(e)(vii) and/or 3.1(e)(viii) and/or 3.1(e)(ix) above may not be questioned or invalidated in any case on the grounds that there was insufficient evidence of direct or beneficial ownership or holding of shares by any person or that the true direct or beneficial owner or holder of any shares was otherwise than as appeared to the Directors at the relevant date provided that the said powers have been exercised in good faith.
 - (xi) Uncertificated shares of a class are not to be regarded as forming a separate class from certificated shares of that class.
- (f) ***Alteration of Capital***
- The Company may, by Ordinary Resolution, alter its share capital, including, inter alia, consolidating share capital, sub-dividing shares, cancelling untaken shares, converting shares into shares of a different currency and denominating or redenominating the currency of share capital.
- (g) ***Notice of General Meetings***
- Any general meeting shall be called by at least ten days' notice. A general meeting may be deemed to have been duly called by shorter notice if it is so agreed by all the members entitled to attend and vote thereat. The accidental omission to give notice of a meeting to, or the non- receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.
- (h) ***Votes of Members***
- (i) Subject to any rights or restrictions attached to any shares, on a show of hands every member present in person or by proxy (or in the case of corporations, present by a duly authorised representative) shall have one vote and on a poll every member present in person or by proxy (or in the case of corporations, present by a duly authorised representative) shall have one vote for every share of which he is the holder.
 - (ii) Unless the Board otherwise decides, no member shall be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all calls and other sums presently payable by him in respect of that share have been paid.
 - (iii) No person shall be entitled to vote in respect of any shares that he has acquired unless he has been registered in the register as their holder.
 - (iv) No member of the Company shall, if the Directors so determine, be entitled in respect of any share held by him to attend or vote (either personally or by representative or by proxy) at any general meeting or separate class meeting of the Company or to exercise any other right conferred by membership in relation to any such meeting if he or any other person appearing to be interested in such shares has failed to comply with a Disclosure Notice within 14 days, in a case where the shares in question represent at least 0.25 per cent. of their class, or within 28 days, in any other case, from the date of such Disclosure Notice. These restrictions will continue until the information required by the notice is supplied to the Company or until the shares in question are transferred or sold in circumstances specified for this purpose in the Articles.
- (i) ***Dividends and Distributions***
- (i) The Company may reduce its share capital by way of distribution of amounts standing to any capital account of the Company or otherwise as the Directors may determine.

- (ii) Subject to the provisions of the Guernsey Companies Law and the Articles, the Company may by Ordinary Resolution declare dividends and/or make distributions in accordance with the respective rights of the members and subject to provisions of the Articles summarised in sub-paragraph 3.1(i)(v) below and to any special rights to dividends or other relevant rights or remedies set out in the terms of issue of any class of shares.
 - (iii) No dividend or other distribution shall exceed the amount recommended by the Directors.
 - (iv) Subject to the provisions of the Guernsey Companies Law, and the Articles, the Directors may from time to time pay interim dividends and/or distributions if it appears to them that they are justified by the assets of the Company.
 - (v) Except as otherwise provided by the rights attached to shares, all dividends or other distributions shall be declared and paid according to the amounts paid up on shares on which the dividend or other distribution is paid. All dividends or other distributions shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend or other distribution is paid, but, if any share is issued on terms providing that it shall rank for dividend or other distribution as from a particular date, that share shall rank for dividend or other distribution accordingly. Any resolution declaring a dividend or a distribution on a share, whether a resolution of the Company in general meeting or a resolution of the Directors, may specify that the same shall be payable to the person registered as the holders of the shares at the close of business on a particular date notwithstanding that it may be a date prior to that on which the resolution is passed and thereupon the dividend or distribution shall be payable to such persons in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend or distribution of transferors and transferees of any such shares.
 - (vi) A general meeting declaring a dividend or other distribution may, upon the recommendation of the Directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the Directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
 - (vii) The Directors may deduct from any dividend or other distribution, or other moneys payable to any member on or in respect of a share, all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
 - (viii) All unclaimed dividends or other distributions may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee thereof. Any dividend or other distribution which has remained unclaimed for twelve years from the date when it became due for payment shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company. No dividend or other distribution or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.
 - (ix) The Directors are empowered to create reserves before recommending or declaring any dividend. The Directors may also carry forward any profits which they think prudent not to divide.
- (j) **Winding Up**
- (i) Upon a winding up of the Company, the assets available for distribution to members, shall, subject to the rights attaching to any class of shares and the provisions of the

Articles, be distributed according to the number of shares held by that member.

- (ii) Within 18 months of the IPO and within every three years thereafter, the Directors must propose an Ordinary Resolution that the Company continues its business as a closed- ended investment company (the "Continuation Resolution"). If a Continuation Resolution is not passed, the Directors must put forward proposals to the shareholders of the Company within six months thereof for the reconstruction or reorganisation of the Company. Such proposals may or may not involve winding up the Company.

(k) **Certain U.S. and U.S.-related Tax Matters**

- (i) The Company is authorised to take any action it determines is desirable to comply with FATCA, and may enter into an agreement with the U.S. Internal Revenue Service or the taxing and revenue services of any other country. The Company shall not pay any additional amounts to any person in respect of any withholding of taxes, including those relating to FATCA.
- (ii) The Company is not required to make available the information necessary for any person to make a so-called "qualified electing fund" election under U.S. tax law.

4 Directors' Interests

- 4.1 As at the date of this Registration Document, 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	240,000*	0.017
Jan Pethick	263,820*	0.019
Jonathan Bridel	10,452*	0.001
Sandra Platts	21,457*	0.002

*Note: These figures include Ordinary Shares held by family members of the relevant Directors.

- 4.2 The following table sets out details of all companies and partnerships of which the Directors have been directors or partners in the last five years (disregarding any subsidiaries of companies listed).

Name	Name of company/partnership	Name of company/partnership
	Current	Former
Robert Jennings	3i Infrastructure plc Chapter Zero Limited Safeguard Finance Limited	Crossrail Limited Friends of Brook Green Greensands Holdings Limited Southern Water Services Limited
Jan Pethick	Current Launch It Trust (formerly London Youth Support Trust) Kew Foundation Troy Asset Management	Former Chariot Innovations Limited Luthy Baillie Pethick Moody's UK

Name	Name of company/partnership	Name of company/partnership
	Current	Former
		Moody's Deutschland GmbH
		Moody's France SAS
		Moody's Investors Service Limited
		Moody's Investors Service EMEA Limited
		Opera Novella Ltd
		Salus Limited
		Trustee Merrill Lynch Pension Fund
Jonathan Bridel	Current	Former
	Aubrey Walk Asset Management Limited	AFE Spain Limited (formerly AnaCap Credit Income Fund GP Limited)
	DP Aircraft I Limited	Alcentra European Floating Rate Income Fund Limited
	DP Aircraft Guernsey I Limited	Altus Global Gold Limited (Liquidated 13 November 2015)
	DP Aircraft Guernsey II Limited	AnaCap Credit Opportunities GP II Limited
	DP Aircraft Guernsey III Limited	AnaCap Credit Opportunities GP III Limited
	DP Aircraft Guernsey IV Limited	AnaCap Credit Opportunities II Limited
	Fair Oaks Income Limited (formerly Fair Oaks Income Fund Limited)	AnaCap Credit Opportunities III Limited
	SME Credit Realisation Fund Limited (previously Funding Circle SME Income Fund Limited)	AnaCap Investment Manager Limited
	Starfin Public Holdco 1 Limited	Aurora Russia Limited
	Starfin Public Holdco 2 Limited	BWE GP Limited
	Starwood European Real Estate Finance Limited	Phaunos Timber Fund Limited
	The Renewables Infrastructure Group Limited	Starfin Public GP Limited
	Vision Capital Management Limited	
Sandra Platts	Current	Former
	Altair Guernsey Limited	Crosslane Student Accommodation PLC
	AOC Investments Limited	LX Investments Limited
	AO Investments Limited	Tamar European Industrial Fund Limited (In Voluntary Liquidation)
	CA Investments Limited	
	CEDH Investments Limited	
	CHA Investments Limited	
	CHB Investments Limited	
	CHC Investments Limited	

Name	Name of company/partnership	Name of company/partnership Former
	Current	
	DS Investments Limited	
	DSA Investments Limited	
	GHS Investments Limited	
	GS Investments Limited	
	GSA Investments Limited	
	HAMG Investments Limited	
	HILLS Investments Limited	
	IH Investments Limited	
	InnKapp 4 CIP Limited	
	Investec Bank (Channel Islands) Limited	
	Marble Point Loan Financing Limited	
	MS Investments Limited	
	NB Global Floating Rate Income Fund Limited	
	POWT Investments Limited	
	Prime Acquisitions Limited	
	Prime London Resi Acquisitions Limited	
	Prime London Resi Investments Limited	
	Prime London Ventures Assets Limited	
	Prime London Ventures Investments Limited	
	Prime London Ventures Limited	
	Prime London Ventures Partnership Limited	
	PW Investments Limited	
	PWW Investments Ltd	
	Revetas GP Limited	
	Revetas GP II Limited	
	Revetas Holdings Limited	
	RPV GP Limited	
	SOC Investments Limited	
	Starfin GP Limited	
	Starwood European Finance Partners Limited	
	STC Investments Limited	
	TCT Investments Limited	
	TP Investments Limited	
	TPEL Investments Limited	
	TRD Investments Limited	
	UK Commercial Property REIT Limited	

- 4.3 The business address of all of the Directors is the registered office of the Company: Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR.
- 4.4 Save as disclosed above, none of the Directors has at any time within the last five years preceding the date of this document:
- (a) been a member of the administrative, management or supervisory bodies or a partner of any company or partnership;
 - (b) had any convictions (whether spent or unspent) in relation to offences involving fraud or dishonesty;
 - (c) been the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
 - (d) been a director or senior manager of a company which has been put into receivership, compulsory liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors; or
 - (e) been the subject of any bankruptcy or been subject to an individual voluntary arrangement or a bankruptcy restrictions order.
- 4.5 There are no arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which any Director was selected.
- 4.6 There are no restrictions agreed by any Director on the disposal within a certain period of time of his holdings in the Company's securities.
- 4.7 There are no outstanding loans or guarantees provided by the Company for the benefit of any of the Directors nor are there any loans or any guarantees provided by any of the Directors for the Company.
- 4.8 No Director or principal has any potential conflicts of interests between any duties such Director or principal owes to the Company and any private interests and/or other duties.
- 4.9 The Company will maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company to the extent that the Company is able to obtain such insurance.

5 ***Directors' remuneration and service agreements***

All of the Directors are non-executive directors.

All of the Directors have served as directors of the Company since 6 January 2015.

Each of the Directors has entered into a letter of appointment with the Company dated 1 July 2019, 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:

<i>Name</i>	<i>Remuneration (£) (as at 1 July 2019)</i>
Robert Jennings	£66,800
Sandra Platts	£44,300 £12,000 for role as Audit Committee Chair and Senior Independent Director
Jan Pethick	£44,300 £7,000 for role as Management and Engagement Committee Chairman
Jonathan Bridel	£44,300 £7,000 for role as Risk Committee Chairman

Each Director received a listing fee of £7,500 in respect of the IPO, a listing fee of £5,000 in respect of the 2015 C Share Issue, a listing fee of £5,000 in respect of the 2016 C Share Issue, a listing fee of £6,000 in respect of the 2017 Placing Programme and a listing fee of £6,000 in respect of the 2018 Issue and 2018

Share Issuance Programme.

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

- (a) Following the IPO, 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 Committee that reflects market rates. Recognising that their contractual entitlement to the aforementioned fee would, unlike the position in all prior years, result in the payment of a second listing fee within a single year, the Directors have agreed to waive their fee which would have otherwise been payable on Initial Admission.
- (b) If exceptional or unusual situations require (i) Jan Pethick or Jonathan Bridel to devote more than 25 Business Days per year; (ii) Sandra Platts to devote more than 30 Business Days per year; or (iii) Robert Jennings to devote more than 35 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 The City Code

The City Code applies to all takeover and merger transactions in relation to the Company and operates principally to ensure that shareholders are treated fairly, are not denied an opportunity to decide on the merits of a takeover and to ensure that shareholders of the same class are afforded equivalent treatment.

The City Code provides an orderly framework within which takeovers are conducted and the Panel on Takeovers and Mergers has now been placed on a statutory footing.

The City Code is based upon a number of general principles which are essentially statements of standards of commercial behaviour. General Principle One states that all holders of securities of an offeree company of the same class must be afforded equivalent treatment and if a person acquires control of a company, the other holders of securities must be protected. This is reinforced by Rule 9 of the City Code which requires a person, together with persons acting in concert with him, who acquires shares carrying voting rights which amount to 30 per cent. or more of the voting rights to make a general offer. "Voting rights" for these purposes means all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting. A general offer will also be required where a person who, together with persons acting in concert with him, holds not less than 30 per cent. but not more than 50 per cent. of the voting rights, acquires additional shares which increase his percentage of the voting rights. Unless the Panel consents, the offer must be made to all other shareholders, be in cash (or have a cash alternative) and cannot be conditional on anything other than the securing of acceptances which will result in the offeror and persons acting in concert with him holding shares carrying more than 50 per cent. of the voting rights.

Shares may be subject to compulsory acquisition in the event of a takeover offer which satisfies the requirements of Part XVIII of the Guernsey Companies Law or, in the event of a scheme of arrangement, under Part VIII of the Guernsey Companies Law.

Guernsey Companies Law provides that if an offer is made for the shares or any class of shares in the capital of a company and if, within four months after the date of such offer, the offer is approved by shareholders comprising not less than 90 per cent. in value of the shares affected (excluding any shares held as treasury shares or shares otherwise excluded pursuant to Guernsey Companies Law) then the offeror may, within a period of two months immediately after the last day on which the offer can be approved or accepted, send an acquisition notice to any dissenting shareholders informing them that it wishes to acquire their shares (an "**Acquisition Notice**"). Where an Acquisition Notice is given, the offeror is then entitled and bound to acquire those shares on the terms on which the original offer, approved by the shareholders comprising not less than 90 per cent. in value of the shares affected, was made.

A scheme of arrangement is a proposal made to the court by the Company in order to effect an "arrangement" or reconstruction, which may include a corporate takeover in which the Shares are acquired in consideration for cash or shares in another company. A scheme of arrangement is subject to the approval of a majority in number representing at least 75 per cent. (in value) of the members (or any class of them) present and voting in person or by proxy at a meeting convened by the court and subject to the approval of the court. If approved, the scheme of arrangement is binding on all Shareholders.

In addition, the Guernsey Companies Law permits the Company to effect an amalgamation, in which the Company amalgamates with another company to form one combined entity. The Company's Shares would then be shares in the capital of the combined entity.

7 **Principal Subsidiaries**

The Company is the parent company of the Group which holds 100 per cent. of the entire issued share capital of Sequoia IDF Asset Holdings S.A., a *société anonyme* incorporated on 12 December 2011 under the laws of the Grand Duchy of Luxembourg and 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 under number B-165.989. As an unregulated securitisation entity, the Subsidiary is subject to the Securitisation Act 2004.

8 **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:

8.1 **Issue Agreement**

The Company, the Investment Adviser and Jefferies have entered into an Issue Agreement dated 10 February 2020 ("**Issue Agreement**") pursuant to which, subject to certain conditions, Jefferies has agreed to use reasonable endeavours to procure subscribers for the New Ordinary Shares to be issued pursuant to the Placing and to use reasonable endeavours to procure subscribers for the Ordinary Shares to be issued pursuant to the Share Issuance Programme. Neither the Placing nor the Share Issuance Programme is being underwritten by Jefferies.

The Issue Agreement is conditional upon, amongst other things, Initial Admission occurring by 8.00 a.m. on 3 March 2020 (or such later date, not being later than 8.30 a.m. on 24 March 2020, as the Company and Jefferies may agree) and the Initial Issue raising the Minimum Net Proceeds. Jefferies will earn a commission of 1.1 per cent. of the Gross Issue Proceeds of the Initial Issue and 1.05 per cent. of any proceeds in the Share Issuance Programme.

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

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

8.2 **2019 Placing Agreement**

The Company, the Investment Adviser and Stifel Nicolaus Europe Limited ("**Stifel**"), entered into a Placing Agreement dated 2 September 2019 pursuant to which, subject to certain conditions, Stifel agreed to use reasonable endeavours to procure subscribers for the Ordinary Shares to be issued pursuant to the Ordinary Share tap issue placing (the "**2019 Placing**") and to use reasonable endeavours to procure subscribers for the placing shares to be issued pursuant to the 2019 Placing. The 2019 Placing was not underwritten by Stifel.

The 2019 Placing Agreement was conditional upon, amongst other things, Admission occurring by 8.30 a.m. on 24 September 2019 (or such later date, not being later than 8.30 a.m. on 31 October 2019, as the Company and Stifel may agree).

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

8.3 **2018 Issue Agreement**

The Company, the Investment Adviser and Stifel entered into an Issue Agreement dated 19 September 2018 ("**2018 Issue Agreement**") pursuant to which, subject to certain conditions, Stifel agreed to use reasonable endeavours to procure subscribers for the Ordinary Shares to be issued pursuant to the 2018 Issue and to use reasonable endeavours to procure subscribers for the placing programme shares to

be issued pursuant to the 2018 Share Issuance Programme. Neither the Ordinary Share placing nor the placing programme was being underwritten by Stifel.

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

The 2018 Issue Agreement was conditional upon, amongst other things, Admission occurring by 8.30 a.m. on 12 October 2018 (or such later date, not being later than 8.30 a.m. on 30 November 2017, as the Company and Stifel may agree) and the 2018 Issue raising minimum net proceeds of £50 million.

8.4 2018 Placing Agreement

The Company, the Investment Adviser and Stifel, entered into a Placing Agreement dated 17 April 2018 pursuant to which, subject to certain conditions, Stifel agreed to use reasonable endeavours to procure subscribers for the Ordinary Shares to be issued pursuant to the Ordinary Share tap issue placing (the "**2018 Placing**") and to use reasonable endeavours to procure subscribers for the placing shares to be issued pursuant to the 2018 Placing. The 2018 Placing was not underwritten by Stifel.

The 2018 Placing Agreement was conditional upon, amongst other things, Admission occurring by 8.30 a.m. on 9 May 2018 (or such later date, not being later than 8.30 a.m. on 15 June 2018, as the Company and Stifel may agree).

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

8.5 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.

(a) 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.

(b) *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 at a minimum, in line with the Guernsey Retail Price Index, the first review having occurred in 2016. The investment management fees are payable monthly in arrears.

(c) *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 30 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.

(d) *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.

(e) *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.

(f) *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.

(g) *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.

(h) *Governing Law*

The Investment Management Agreement is governed by English law.

8.6 ***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.

(a) *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.

(b) *Fees*

At the AGM held on 16 August 2018, the Shareholders approved a revised fee structure in relation

to the services provided by the Investment Adviser under the Investment Advisory Agreement effective from 1 September 2018. The Investment Adviser is entitled to receive from the Company a base fee of (a) 0.74 per. cent of the market value of the Group's investments for all invested assets up to £1 billion (other than cash holdings and any committed investments which remain undrawn) plus (b) 0.56 per. cent of the market value of the Group's investments for all invested assets in excess of £1 billion (other than cash holdings and any committed investments which remain undrawn) which is charged quarterly by the Investment Adviser to the Company. No performance fees or acquisition fees are charged.

One tenth of the Investment Adviser's fee will be applied in subscribing for Ordinary Shares. This formed part of the revised fee structure as previously (prior to 1 September 2018) the Investment Adviser was required to apply one quarter of the Investment Adviser's fee in subscribing for Ordinary Shares. 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 written consent of the Company before the third anniversary of the date of issue of the relevant Ordinary Shares). This three-year rolling lock-up formed part of both the previous fee structure and the existing fee structure.

(c) *Term and termination*

The initial term was for a period of 18 months from 28 January 2015 and 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 or C 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 six months' 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.

(d) *Fees and expenses on termination*

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 0.5 per cent. per annum of the value of

listed bonds owned by the Group; plus 0.9 per cent. of the value of the Group's other investments (other than cash holdings), as such percentage fee may be reduced in accordance with the table set out below:

Group NAV	Fee payable on other investments
Less than £250 million	0.9%
Between £250 million and £500 million	As above plus 0.8% on the total value of assets (excluding bonds and cash) not included above
Between £500 million and £750 million	As above plus 0.7% on the total value of assets (excluding bonds and cash) not included above
In excess of £750 million	As above plus 0.6% on the total value of assets (excluding bonds and cash) not included above

(e) *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.

(f) *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.

(g) *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.

(h) *Conflicts of Interest*

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

(i) *Governing Law*

The Investment Advisory Agreement is governed by English law.

8.7 **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. In addition, the Administrator is entitled to receive a fee for company secretarial services based on time costs. The administration fee is subject to annual review on 1 May of each year and as a minimum may include a minimum inflation increase based upon the Guernsey Retail Price Index.

The Administration Agreement contains provisions whereby the Company indemnifies and holds harmless the Administrator from and against any and all claims against the Administrator 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 or dishonesty) 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).

8.8 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 and maintaining the necessary books and records (such as the Company's register of Shareholders), which can be found at the Company's registered office. 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 howsoever arising as a result of, or in connection with, the performance by the Registrar of its obligations under the Share Registration Services Agreement, except to the extent such losses are determined to have resulted solely from the negligence, fraud or wilful default of the Registrar or as a result of a breach by the Registrar of a term of the Share Registration Services Agreement.

The Share Registration Services Agreement is terminable, *inter alia*, (a) upon six 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.

8.9 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 Initial Issue will be capped at £25,000.

The Receiving Agent Agreement contains provisions whereby the Company indemnifies the Receiving Agent 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.

8.10 The Valuation Agent Engagement Letter

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

- (a) providing a monthly valuation review report to the Company in relation to the Company's Investments; and
- (b) performing a valuation review of private in-scope investments upon acquisition, as instructed by the Investment Manager.

The Valuation Agent will be paid 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 the current portfolio of 26 in scope assets is expected to be £343,200 for independent valuation services.

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

8.11 *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 Subsidiary 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 £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) except where such losses result from the Custodian's, the Account Bank's or the Portfolio Administrator's fraud, gross negligence or wilful misconduct.

8.12 **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 cash flow 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) 2.50 bps per sub fund per annum where there are portfolio assets of €0 up to €300 million; (b) 1.75 bps per sub fund per annum where there are portfolio assets of €300 million to €600 million; (c) 1.25 bps per sub fund per annum where there are portfolio assets of €600 million to €900 million; and (d) 1.00 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 £1.6 billion is expected to be approximately £250,000 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 or 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.

8.13 **Revolving Credit Facility**

On 6 December 2017, the Company (as borrower) and The Royal Bank of Scotland International Limited, ING Bank and Investec (as lenders) entered into the Revolving Credit Facility pursuant to which the lenders agreed to make available to the Company a £100 million term loan facility for a term of 3 years. Additionally, the Company was granted the flexibility to increase the amount of the Revolving Credit Facility by a further £50 million if the Company elects to utilise an incremental accordion tranche. The Revolving Credit Facility was extended by £50 million on 10 May 2019 and £80 million on 13 December 2019 resulting in a combined facility of £280 million. As at 7 February 2020 the Company has drawn down £225 million under the Revolving Credit Facility.

On 10 May 2019 the term of the loan was extended by a further year from December 2020 to December 2021.

The proceeds of the loan are to be used for working capital purposes to fund Investments in accordance with the Company's Investment Policy.

Interest on the loan is charged at 210 basis points over LIBOR. An arrangement fee was payable in addition to a commitment fee payable on the undrawn portion of the loan facility.

The loan imposes an interest cover test and a loan to value 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 Revolving Credit Facility is governed by English law.

9 **Auditors**

KPMG Channel Islands Limited has been the only auditor of the Company since its incorporation. KPMG Channel Islands Limited is a member of the Institute of Chartered Accountants of England & Wales.

10 **Rights of Shareholders**

Absent a direct contractual relationship between a Shareholder and any service provide to the Company, Shareholders will have no direct rights against the service providers described above.

11 **Property, Plant and Equipment**

The Group has no existing or planned material tangible fixed assets.

12 **Litigation**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during the 12 month period prior to the date of publication of this document, which may have, or have had in the recent past, a significant effect on the Group's financial position or profitability.

13 **Related Party Transactions**

There are no related party transactions that the Group has entered into from its incorporation to the date of this document.

14 **Investment restrictions**

The Company is required to manage and invest its assets in accordance with its Investment Policy. Further investment restrictions are set out in paragraphs 10 and 11 of Part 2 of this Registration Document. The Company is not subject to any other investment restrictions.

15 **Third party information**

15.1 Where third party information has been referenced in this document, the source of that third party information has been disclosed. The Company and Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

15.2 Both Moody's Investor Services and Standard & Poor's are registered in accordance with Regulation (EC) 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

16 **No significant change**

Save in respect of:

- (a) the extension of the facilities made available under, and drawdowns by the Company under, the Revolving Credit Facility; and
- (b) dividends declared by the Board in respect of the quarter ending 31 December 2019, as described in paragraph 9 of Part 2 of this Registration Document;

there has been no significant change in the financial performance or financial position of the Group since 30 September 2019, being the date to which the latest unaudited interim reports of the Company were drawn up.

17 **Documents Available For Inspection**

Copies of the following documents will be available for inspection during normal business hours on any day (except Saturdays, Sundays, bank and public holidays in Guernsey) free of charge to the public at the offices of the Company and at the offices of Praxis Fund Services Limited from the date of this document until the first anniversary of Admission:

- (a) the material contracts summarised in paragraph 7 of Part 8 of this Registration Document;
- (b) Memorandum and the Articles; and
- (c) the documents incorporated by reference set out in Part 10 of this Registration Document.

PART 9 - FINANCIAL INFORMATION ON THE COMPANY

Audited financial information relating to the Company for the financial period from 1 April 2018 to 31 March 2019 is incorporated into this document by reference to the 2019 Annual Report and Accounts, as set out in Part 10 of this Registration Document.

Unaudited interim report, relating to the Company for the period from 1 April 2019 to 30 September 2019 is incorporated into this document by reference to the 2019 Interim Report, as set out in Part 10 of this Registration Document.

PART 10 - DOCUMENTATION INCORPORATED BY REFERENCE

The following information, available free of charge in electronic format on the Company's Website at www.seqifund.com/downloads or in printed format from the Company's registered address at Praxis Fund Services Limited, Sarnia House, Le Truchot, St Peter Port, GY1 1GR, Guernsey, is incorporated by reference in the Prospectus.

<i>Reference Document</i>	<i>Information incorporated by reference</i>	<i>Page number in reference document</i>	
2019 Annual Report and Accounts	Chairman's Statement	4 – 7	
	Investment Adviser's Report	8 – 15	
	Directors' Report	18 – 21	
	Directors' Remuneration Report	28 – 29	
	Report of the Audit Committee	30 – 32	
	Independent Auditor's report	33 – 35	
	Statement of Comprehensive Income	36	
	Statement of Changes in Shareholders' Equity	37	
	Statement of Financial Position	38	
	Statement of Cash Flows	39	
	Notes to the Financial Statements	40 – 69	
	2019 Interim Report	Chairman's Statement	4 – 7
		Investment Adviser's Report	8 – 15
Statement of Directors' Responsibilities		19	
Independent Auditor's Review Report		20	
Unaudited Condensed Interim Statement of Comprehensive Income		21	
Unaudited Condensed Interim Statement of Changes in Shareholders' Equity		22	
Unaudited Condensed Interim Statement of Financial Position		23	
Unaudited Condensed Interim Statement of Cash Flows		24	
Notes to the Unaudited Condensed Interim Financial Statements		25 – 41	

Where these documents make reference to other documents, such other documents are not incorporated into and do not form part of the Prospectus. Where parts of these documents are not incorporated by reference, these parts are either not relevant for an investor or are covered elsewhere in the Prospectus.

Investors should note that statements regarding current circumstances and forward-looking statements made in the documents referred to above speak as at the date of the relevant document and therefore such statements do not necessarily remain up-to-date as at the date of this Registration Document.

DEFINITIONS

The following definitions apply throughout this Registration Document unless the context otherwise requires:

"£" and "p"	respectively pounds and pence Sterling
"2015 C Share Issue"	the issue 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 pursuant to an open offer, placing and offer for subscription
"2016 C Share Issue"	the issue 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 pursuant to an open offer, placing and offer for subscription
"2016 Placing Programme"	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 pursuant to a placing
"2017 Placing Programme"	the admission of 151,658,768 Ordinary Shares to the premium segment of the Official List and admission to trading on the Main Market which took place on 31 May 2017
"2018 Issue"	the admission of 238,679,245 Ordinary Shares to the premium segment of the Official List and admission to trading on the Main Market which took place on 12 October 2018
"2018 Issue Agreement"	the issue agreement dated 19 September 2018 between the Company, the Investment Adviser and Stifel, a summary of which is set out in paragraph 8.3 of Part 8 of this Registration Document
"2018 Placing"	the admission of 72,800,000 Ordinary Shares to the premium segment of the Official List and admission to trading on the Main Market which took place on 4 May 2018
"2018 Placing Agreement"	the placing agreement dated 17 April 2018 between the Company, the Investment Adviser and Stifel, a summary of which is set out in paragraph 8.4 of Part 8 of this Registration Document
"2019 Annual Report and Accounts"	the audited accounts of the Company for the period ending 31 March 2019
"2019 Interim Report"	the unaudited interim reports, relating to the Company for the period from 1 April 2019 to 30 September 2019
"2019 Placing"	the admission of 125,000,000 Ordinary Shares to the premium segment of the Official List and admission to trading on the Main Market which took place on 24 September 2019
"2019 Placing Agreement"	the placing agreement dated 2 September 2019 between the Company, the Investment Adviser and Stifel, a summary of which is set out in paragraph 8.2 of Part 8 of this Registration Document
"2019 Share Issuance Programme"	the admission of 200,000,000 Ordinary Shares to the premium segment of the Official List and admission to trading on the Main Market which took place on 27 June 2019
"Account Bank"	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"	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, details of which are set out in paragraph 7.7 of Part 8 of this Registration Document
"Administrator"	Praxis Fund Services Limited or such administrator as may be appointed from time to time by the Company
"Admission"	admission of any further Ordinary Shares to be issued pursuant to the Share Issuance Programme to the Premium Listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities
"AGM"	an annual general meeting of the Company
"AIC"	the Association of Investment Companies
"AIC Code"	the AIC's Code of Corporate Governance, as amended from time to time
"AIF"	an alternative investment fund within the meaning of UK AIFMD
"AIFM"	an alternative investment fund manager within the meaning of UK AIFMD
"AIFM Regulations"	the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773)
"AIFMD"	the Alternative Investment Fund Managers Directive 2011/61/EU
"Applicant"	a person or persons (in the case of joint applicants) whose name(s) appear(s) on the registration details of an Offer for Subscription Application Form
"Application"	the offer made by an Applicant under the Offer for Subscription by completing an Offer for Subscription Application Form and posting, or delivering it by hand during normal business hours only, it to the Receiving Agent at The Pavilions, Bridgwater Road, Bristol, BS13 8AE, United Kingdom
"Articles of Incorporation" or "Articles"	the articles of incorporation of the Company as amended from time to time
"Associates"	has the meaning given in the Listing Rules
"Auditors"	KPMG Channel Islands Limited or such auditor (who shall be suitably qualified under Guernsey Companies Law) as may be appointed from time to time by the Company
"BaFin"	the German Federal Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i>)
"Board" or "Board of Directors"	the board of directors of the Company
"Borrower"	has the meaning given in paragraph 10 of Part 2 of this Registration Document
"Borrowing Limit"	a maximum of 20 per cent. of the Company's Net Asset Value immediately after any draw down of debt
"Business Day"	any day (other than a Saturday or a Sunday) on which commercial banks are open for business in London and Guernsey
"C Shares"	the shares of no par value each in the capital of the Company, issued as C Shares and having the rights and being subject to the restrictions set out in the Articles
"certificated" or "in certificated form"	in certificated form, that is, not in CREST
"Circular"	the circular to shareholders which accompanies this Registration Document and sets out the terms of the Resolutions and

	contains the Notice of Meeting
"City Code"	the City Code on Takeovers and Mergers
"Company"	Sequoia Economic Infrastructure Income Fund Limited
"Company's Website"	the website of the Company, namely: www.seqifund.com
"Continuation Resolution"	has the meaning given in paragraph 19.2 of Part 2 of this Registration Document
"CREST"	the computerised settlement system operated by Euroclear UK and Ireland Limited which facilitates the transfer of title to shares in uncertificated form
"CREST Manual"	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, the CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
"CREST Guernsey Requirements"	such rules and requirements of Euroclear as may be applicable to issuers as from time to time specified in the CREST Manual
"Custodian"	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
"Danish AIFM Act"	means the Danish Alternative Investment Fund Managers etc. Act no. 598 of 12 June 2013
"Default Shares"	has the meaning given in paragraph 3.1(c)(iv) of Part 8 of this Registration Document
"Depository"	The Bank of New York Mellon SA/NV, a public limited company (societe 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
"Depository Agreement"	means the agreement between the Investment Manager, the Company and the Depository dated 21 December 2015, as amended details of which are set out in paragraph 8.12 of Part 8 of this Registration Document
"Director"	a director of the Company whose name is set out in the section entitled "Directors, Agents and Advisers" of this Registration Document
"Disclosure Guidance and Transparency Rules"	the Disclosure Guidance and Transparency Rules (as amended from time to time) made by the FCA under Part VI of the FSMA
"Disclosure Notice"	has the meaning given in paragraph 3.1(c)(i) of Part 8 of this Registration Document
"EEA"	the European Economic Area being the countries included as such in the Agreement on European Economic Area, dated 1 January 1994, among Iceland, Liechtenstein, Norway, the European Community and the Member States, as may be modified, supplemented or replaced
"EGM"	the extraordinary general meeting of the Company convened for 25 February 2020 at which the Resolutions shall be voted upon
"Eligible Jurisdiction"	has the meaning given in paragraph 2 of Part 1 of this Registration Document
"Eligible Transferee"	has the meaning given in paragraph 3.1(c)(e)(vi)(B) of Part 8 of

	this Registration Document
"equity securities"	has the meaning given to that expression in the Articles
"ERISA"	the U.S. Employee Retirement Income Security Act of 1974, as amended from time to time
"ESG"	has the meaning given in paragraph 13.4 of Part 2 of this Registration Document
"EU"	the European Union
"Euro" or "€"	the lawful currency of the member states of the EU (where adopted)
"Euroclear"	Euroclear UK & Ireland Limited
"Excluded Shareholders"	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
"Excluded Territory"	Canada, Japan, Australia, New Zealand, the Republic of South Africa and the U.S. and any jurisdiction where the extension or availability of the Initial Issue (and any other transaction contemplated thereby) would breach any applicable laws or regulations, and "Excluded Territories" shall mean any of them
"Existing Portfolio"	the Group's current investment portfolio described in Part 5 of this Registration Document
"FATCA"	has the meaning given in paragraph 2.5 of Part 7 of this Registration Document
"FCA" or "Financial Conduct Authority"	the Financial Conduct Authority of the United Kingdom in its capacity as the competent authority for the purposes of FSMA
"FCA Handbook"	the handbook of rules and guidance published by the FCA, as amended from time to time
"Fitch"	Fitch Ratings Inc.
"FSMA"	the Financial Services and Markets Act 2000 of the United Kingdom, as amended
"Further Placing"	a placing (other than the Placing) which is made pursuant to a Placing-Only Issue
"Future Securities Note"	a securities note to be issued in the future by the Company in respect of each issue, if any, of Ordinary Shares (other than pursuant to the Initial Issue and a Placing-Only Issue under the Share Issuance Programme) pursuant to the Share Issuance Programme made pursuant to this Registration Document and subject to separate approval by the FCA
"Future Summary"	a summary to be issued in the future by the Company in respect of each issue, if any, of Ordinary Shares (other than pursuant to the Initial Issue and a Placing-Only Issue under the Share Issuance Programme) pursuant to the Share Issuance Programme made pursuant to this Registration Document and subject to separate approval by the FCA
"general meeting"	a meeting of the Shareholders, convened in accordance with the Articles
"GFSC Code"	the Guernsey Financial Services Commission's Finance Sector Code of Corporate Governance
"Gross Issue Proceeds"	the aggregate value of the Ordinary Shares issued under the Initial Issue at the Issue Price
"Group"	the Company and the Subsidiary
"Guernsey Companies Law"	the Companies (Guernsey) Law, 2008, as amended, extended or replaced and any ordinance, statutory instrument or regulation

	thereunder
"Guernsey Financial Services Commission" or "GFSC"	the regulatory body for the finance sector in Guernsey
"HMRC"	HM Revenue & Customs
"Holdco Debt"	has the meaning given in paragraph 11.1 of Part 2 of this Registration Document
"IFRS"	the body of pronouncements issued by the International Accounting Standards Board (IASB), including International Financial Reporting Standards and interpretations approved by the IASB, International Accounting Standards and Standing Interpretations Committee interpretations approved by the predecessor International Accounting Standards Committee
"Independent Consultants"	as defined in paragraph 2 of Part 3 of this Registration Document
"Initial Admission"	admission of the New Ordinary Shares issued pursuant to the Initial Issue;
"Initial Issue"	the Open Offer, Placing and Offer for Subscription in respect of the New Ordinary Shares
"Investment Adviser"	Sequoia Investment Management Company Limited, a limited liability company incorporated in England and Wales (registered number: 05902847) with registered address Kent House 14-17 Market Place, London, W1W 8AH
"Investment Advisory Agreement"	the investment advisory agreement dated 28 January 2015, as amended pursuant to amendment agreements dated 6 October 2015, 5 May 2016 and 7 September 2018 between the Investment Manager, the Company, the subsidiary and the Investment Adviser, details of which are set out in paragraph 8.6 of Part 8 of this Registration Document
"Investment Concentration Limits"	has the meaning given in paragraph 3 of Part 1 of this Registration Document
"Investment Criteria"	has the meaning given in paragraph 2 of Part 1 of this Registration Document
"Investment Management Agreement"	the management agreement dated 28 January 2015, as amended pursuant to amendment agreements dated 6 October 2015, 6 December 2016 and 2 May 2017 between the Company and the Investment Manager, a summary of which is set out in paragraph 8.5 of Part 8 of this Registration Document
"Investment Manager"	International Fund Management Limited, a limited liability company incorporated on 3 September 1987 in Guernsey (registered number 17484) with registered address Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 4NA
"Investment Objective"	the investment objective as set out in paragraph 1 of Part 1 of this Registration Document
"Investment Policy"	the investment policy substantially in the form set out in Part 1 of this Registration Document
"Investment Strategy"	the investment strategy as set out in paragraph 10.1 to 10.6 of Part 2 of this Registration Document
"Investments"	investments made by the Group in accordance with the Investment Policy
"IPO"	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
"IRS"	U.S. Internal Revenue Service

"Issue Agreement"	the Issue Agreement dated 10 February 2020 between the Company, the Investment Adviser and Jefferies, a summary of which is set out in paragraph 8.1 of Part 8 of this Registration Document
"Issue Price"	112.0 pence per New Ordinary Share
"Jefferies"	Jefferies International Limited
"KAGB"	the German Capital Investment Act (<i>Kapitalanlagegesetzbuch</i>)
"Key Information Document"	the key information document dated 30 August 2019 relating to the Company produced pursuant to the PRIIPs Regulation, as amended and updated from time to time
"LEI"	legal entity identifier
"Libor"	the London Interbank Offered Rate, being the average rate of interest that leading banks in London charge when lending to other banks
"Listing Rules"	the listing rules made by the FCA under section 73A of FSMA
"London Stock Exchange"	London Stock Exchange Plc, the Main Market of which is a regulated market for the purposes of MiFID
"Main Market"	the London Stock Exchange's Main Market for listed securities
"Major Sub-Sector"	has the meaning given in paragraph 2 of Part 1 of this Registration Document
"Member State"	a sovereign state which is a member of the EU
"Memorandum"	the memorandum of incorporation of the Company in force from time to time
"MiFID"	the European Parliament and Council Directive on markets in financial instruments (No. 2004/39/EC)
"MiFID II"	the Markets in Financial Instruments Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments as implemented by applicable national laws, statute and regulations including the provisions of the FCA Handbook
"MiFID II Product Governance Requirements"	has the meaning given to it on page 24 of this Registration Document
"Minimum Net Proceeds"	£100 million (or such other amount as the Company and Jefferies may determine and notify to investors via publication of a RIS announcement)
"Moody's"	Moody's Investors Service
"Moody's Study"	has the meaning given in paragraph 2.2 of Part 4 of this Registration Document
"NAV" or "Net Asset Value"	the value of the assets of the Company less its liabilities as determined in accordance with the procedure set out in paragraph 14 of Part 2 of this Registration Document 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. Unless otherwise provided, any reference to "NAV" or "Net Asset Value" shall be to unaudited "NAV" or "Net Asset Value"
"Net Asset Value per Ordinary Share"	at any time, the Net Asset Value attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue. Unless otherwise provided, any reference to "NAV" or "Net Asset Value" shall be to unaudited "NAV" or "Net Asset Value"
"Net Issue Proceeds"	the net cash proceeds of the Initial Issue (after deduction of all expenses and commissions relating to the Initial Issue and

	payable by the Company)
"New Ordinary Shares"	the Ordinary Shares to be issued in connection with the Initial Issue
"NMPIs"	non-mainstream pooled investments
"non-U.S. Person"	any person other than a U.S. Person
"Notice of Meeting"	the Company's notice of the EGM which is appended to the Circular
"Offer for Subscription"	the offer for subscription to the public in the UK of New Ordinary Shares at the Issue Price on the terms set out in the Securities Note
"Offer for Subscription Application Form"	the application form forming part of the Securities Note for use in connection with the Offer for Subscription
"Official List"	the official list of the FCA
"offshore transaction"	has the meaning given in Regulation S
"Open Offer"	the conditional offer to Qualifying Shareholders, constituting an invitation to apply for New Ordinary Shares, on the terms and subject to the conditions set out in the Securities Note and, in the case of Qualifying Non-CREST Shareholders only, the Open Offer Application Form
"Open Offer Application Form"	the personalised application form on which Qualifying Non-CREST Shareholders may apply for New Ordinary Shares under the Open Offer
"Ordinance"	Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989
"Ordinary Resolution"	a resolution of the Company passed by a simple majority in accordance with Guernsey Companies Law
"Ordinary Shares"	ordinary shares of no par value in the capital of the Company having the rights and obligations set out in the Articles
"Panel"	the Panel on Takeovers and Mergers
"PFI"	private finance initiative
"Pipeline"	the Group's near-term pipeline of investment opportunities described in Part 6 of this Registration Document;
"Placing"	the placing of New Ordinary Shares at the Issue Price, as described in Part 1 of the Securities Note
"Placing-Only Issue"	an issue under the Share Issuance Programme which comprises only a placing and does not include an offer for subscription or an open offer component
"POI Law"	the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended
"Portfolio"	at any time, the portfolio of Investments in which the assets of the Group are directly and/or indirectly invested
"Portfolio Administrator"	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 Date"	means 31 December 2019
"Premium Listing"	a listing on the Official List which complies with the requirements of the Listing Rules for a premium listing

"PRIIPs Regulation"	Regulation EU No.1286/2014 on key information documents for packaged retail and insurance-based investment products
"project agreement"	the agreement or group of agreements entered into by a Borrower which regulates its rights and obligations with regard to the relevant infrastructure project
"Prospectus"	this Registration Document, the Securities Note, the Summary or this Registration Document, a Future Securities Note and Future Summary which constitutes a Prospectus relating to the Company in accordance with the Prospectus Regulation Rules
"Prospectus Regulation"	Regulation (EU) 2017/1129 as amended and includes any relevant implementing measure in each Member State
"Prospectus Regulation Rules"	the rules made for the purposes of Part VI of FSMA in relation to offers of securities to the public and admission of securities to trading on a regulated market
"Qualifying Shareholders"	holders of Ordinary Shares on the register of members of the Company at the Record Date with the exclusion of Excluded Shareholders
"Qualifying Non-CREST Shareholder"	an existing Qualifying Shareholder holding Ordinary Shares in certificate form and "Qualifying Non-CREST Shareholders" shall be construed accordingly
"Receiving Agent"	Computershare Investor Services PLC
"Receiving Agent Agreement"	the receiving agent agreement dated 10 February 2020 between the Company and the Receiving Agent of the Company, details of which are set out in paragraph 8.9 of Part 8 of this Registration Document
"Record Date"	6 p.m. on 6 February 2020
"Registrar"	Computershare Investor Services (Guernsey) Limited or such other person or persons from time to time appointed by the Company
"Regulation S"	Regulation S promulgated under the U.S. Securities Act
"Regulatory Information Service" or "RIS"	a regulated information service approved by the FCA and on the list of Regulatory Information Services maintained by the FCA
"Relevant Shares"	has the meaning given in paragraph 3.1(e)(vi)(B) of Part 8 of this Registration Document
"Renewables Obligation"	a requirement for electricity suppliers to supply minimum levels of renewable source electricity or make buy-out payments into a central fund
"Renewables Obligation Certificate" or "ROC"	a certificate evidencing compliance with a Renewables Obligation
"Resolution 1"	has the meaning given in paragraph 7 of Part 2 of this Registration Document
"Resolution 2"	has the meaning given in paragraph 7 of Part 2 of this Registration Document
"Resolution 3"	has the meaning given in paragraph 7 of Part 2 of this Registration Document
"Resolutions"	the proposed resolutions of the Company which will be voted on by the Shareholders at the EGM in order to approve, <i>inter alia</i> , the matters set out in paragraph 7 of Part 2 of this Registration Document
"Revolving Credit Facility"	the multi-currency revolving credit facility dated 6 December 2017 (as subsequently amended) pursuant to which the Royal Bank of Scotland Limited, ING Bank and Investec as lenders

	have made an aggregate of £280,000,000 available to the Company for a term of three years , details of which are set out in paragraph 8.13 of Part 8 of this Registration Document
"S&P"	Standard & Poor's Financial Services LLC
"Scheme Rules"	the Registered Collective Investment Scheme Rules 2018 issued by the GFSC
"Securities Note"	the securities note dated 10 February 2020 issued by the Company in respect of the New Ordinary Shares made available pursuant to the Initial Issue and any Further Placings and approved by the FCA
"Share Issuance Programme"	the share issuance programme of up to 300,000,000 Ordinary Shares as described in the Securities Note
"Share Registration Services Agreement"	the company share registration services agreement dated 28 January 2015 between the Company and the Registrar (as amended from time to time), details of which are set out in paragraph 8.8 of Part 8 of this Registration Document
"Sharedealing Code"	the sharedealing code adopted by the Company for the purpose of complying with UK legislation and the Market Abuse Regulation (EU) No. 596/2014
"Shareholder/s"	any holders of Shares in the Company from time to time
"Shares"	any shares issued by the Company from time to time
"Similar Law"	any federal, state, local or non-U.S. law that regulates the investments of a governmental plan, church plan or non-U.S. plan in a manner similar to ERISA and the U.S. Tax Code
"Special Resolution"	a resolution of the Company passed by a majority of not less than 75 per cent. in accordance with the Guernsey Companies Law
"SPV"	special purpose vehicle
"Sterling"	the lawful currency of the United Kingdom
"Stifel"	Stifel Nicolaus Europe Limited
"Subsidiary"	Sequoia IDF Asset Holdings S.A., a <i>société anonyme</i> 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 under number B-165.989.
"Subsidiary Portfolio Administration and Agency Agreement"	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, details of which are set out in paragraph 8.11 of Part 8 of this Registration Document
"Summary"	the summary dated 10 February 2020 issued by the Company pursuant to the Initial Issue and any Further Placing and approved by the FCA
"Target Market Assessment"	has the meaning given to on page 23 of this Registration Document
"TCGA"	the Taxation of Chargeable Gains Act 1992
"TIOPA"	the Taxation (International and Other Provisions) Act 2010
"TMF"	TMF Luxembourg S.A., is a public limited liability company (<i>société anonyme</i>), incorporated and governed in compliance

"Transfer Notice"	with the laws of the Grand Duchy of Luxembourg, registered with the Luxembourg Register of Commerce and Companies under number B-15.302, having its registered office at 46A, Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg has the meaning given in paragraph 3.1(e)(vi)(B) of Part 8 of this Registration Document
"Treasury Shares"	the Ordinary Shares repurchased and not cancelled but held in treasury
"UK AIFMD"	AIFMD as implemented in the UK
"UK Corporate Governance Code"	the UK Corporate Governance Code in the latest form issued by the Financial Reporting Council from time to time
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland
"UNPRI"	has the meaning given in paragraph 13.4 of Part 2 of this Registration Document
"U.S." or "United States"	as defined in Regulation S
"U.S. Dollar" or "US\$"	the lawful currency of the United States
"U.S. Exchange Act"	the U.S. Securities Exchange Act of 1934, as amended
"U.S.-Guernsey IGA"	has the meaning given in paragraph 2.6 of Part 7 of this Registration Document
"U.S. Investment Advisers Act"	the U.S. Investment Advisers Act of 1940, as amended
"U.S. Investment Company Act"	the U.S. Investment Company Act of 1940, as amended
"U.S. Person"	has the meaning given in Regulation S
"U.S. Plan Asset Regulations"	the regulations promulgated by the U.S. Department of Labour at 29 CFR 2510.3-101, as modified by section 3(42) of ERISA
"U.S. Plan Investor"	(i) an "employee benefit plan" that is subject to Part 4 of Title I of ERISA; (ii) a "plan" to which Section 4975 of the U.S. Tax Code applies; or (iii) an entity whose underlying assets are considered to include "plan assets" within the meaning given thereto by the U.S. Plan Asset Regulations by reason of investment by an "employee benefit plan" or "plan" described in the preceding clauses (i) or (ii) in such entity
"U.S. Securities Act"	the U.S. Securities Act of 1933, as amended
"U.S. Tax Code"	the U.S. Internal Revenue Code of 1986, as amended
"Valuation Agent"	PricewaterhouseCoopers LLP (telephone number: 020 7583 5000) or such valuation agent as may be appointed from time to time by the Company
"Valuation Agent Engagement Letter"	the valuation engagement letter dated 18 April 2017 between the Company and the Valuation Agent, details of which are set out in paragraph 8.10 of Part 8 of this Registration Document
"VAT"	value added tax or any similar or replacement tax
"Vendor"	has the meaning given in paragraph 3.1(e)(vi)(B) of Part 8 of this Registration Document
"Yield to Worst"	for bonds with call dates, the lowest of the yield-to-call rates for each call date and the yield to maturity