

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the contents of this circular or the action that you should take, you should seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other appropriate professional adviser authorised under the Financial Services and Markets Act 2000 or, if you are not in the United Kingdom, another appropriately authorised professional adviser. If you receive this circular in any country or jurisdiction outside the United Kingdom you may not treat it as an invitation to elect to receive Scrip Shares (as defined below) unless such an invitation could lawfully be made to you without Sequoia Economic Infrastructure Income Fund Limited (the Company) being required to comply with any registration or other legal requirements.

If you have sold or transferred all of your Ordinary Shares prior to 9 July 2020, please forward this circular without delay to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee except that this circular should not be sent or distributed into any jurisdiction where to do so might constitute a violation of local securities law. If you sell or have sold or otherwise have transferred only part of your holding of Ordinary Shares, you should retain this circular and consult the bank, stockbroker or other agent through whom the sale or transfer will be, or was effected.

SEQUOIA ECONOMIC INFRASTRUCTURE INCOME FUND LIMITED

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

SCRIP DIVIDEND CIRCULAR

**Offer of a Scrip Dividend Alternative for the Proposed Quarterly Interim Dividends for
the financial year ending 31 March 2021**

Scrip Dividend Mandate

This circular sets out the process for offering Shareholders (i) the opportunity to elect to receive Scrip Shares instead of cash, in respect of all or part of the proposed dividend for the 2021 Dividend Cycle (the **Scrip Dividend Alternative**) and, (ii) if you hold share certificates for your Ordinary Shares, the opportunity to elect to receive Scrip Shares on an ongoing basis in respect of future dividend cycles if such a scrip dividend alternative is offered in respect of future dividends (if any).

If you wish to receive the proposed four quarterly interim dividends for the 2021 Dividend Cycle in cash in relation to the whole of your holding of Ordinary Shares, you should take no action.

If you hold share certificates for your Ordinary Shares and wish to elect for the Scrip Dividend Alternative in respect of the Ordinary Shares that you hold, please complete the accompanying standing election (a **Scrip Dividend Mandate Form**) and return it as soon as possible, but in any case so as to reach the Registrar, Computershare Investor Services (Guernsey) Limited, at c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, by no later than the Relevant Quarterly Dividend Deadline Date (see details on page 3). If the Scrip Dividend Mandate Form is not received by the Registrar before the Relevant Quarterly Dividend Deadline Date, the full cash dividend entitlement will be paid in respect of all the Ordinary Shares for which you hold share certificates. The Scrip Dividend Mandate will then be applied in respect of the next and all future quarterly interim dividends.

If you hold your Ordinary Shares in CREST and wish to elect for the Scrip Dividend Alternative in respect of the Ordinary Shares that you hold, you should refer to paragraph 6 of Part 2 of this circular.

If the Company's directors (the **Directors**) decide not to offer a scrip dividend alternative in respect of any future dividend, a cash dividend will be paid to you in the usual way.

DATE 9 July 2020

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EXPECTED QUARTERLY DIVIDEND TIMETABLE FOR 2021 DIVIDEND CYCLE

	1st Quarterly Interim Dividend	2nd Quarterly Interim Dividend	3rd Quarterly Interim Dividend	4th Quarterly Interim Dividend
Relevant Quarterly Declaration Date	16 July 2020	15 October 2020	19 January 2021	20 April 2021
Relevant Quarterly Ex-Dividend Date	23 July 2020	22 October 2020	28 January 2021	29 April 2021
Relevant Quarterly Record Date	24 July 2020	23 October 2020	29 January 2021	30 April 2021
Relevant Quarterly Scrip Share Reference Price	30 July 2020	29 October 2020	4 February 2021	7 May 2021
Relevant Quarterly Dividend Deadline Date	14 August 2020	13 November 2020	19 February 2021	24 May 2021
Relevant Quarterly Dispatch Date				
BACS vouchers	26 August 2020	25 November 2020	3 March 2021	4 June 2021
Cheques	27 August 2020	26 November 2020	4 March 2021	7 June 2021
Certificates	27 August 2020	26 November 2020	4 March 2021	7 June 2021
Relevant Quarterly Dividend Payment Date	28 August 2020	27 November 2020	5 March 2021	8 June 2021
Relevant Admission Date	28 August 2020	27 November 2020	5 March 2021	8 June 2021

Notes:

- (1) These times and dates are indicative only. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement through a regulatory information service.
- (2) All references in this circular to time are to London times unless otherwise stated.

SEQUOIA ECONOMIC INFRASTRUCTURE INCOME FUND LIMITED

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

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9 July 2020

To holders of Ordinary Shares

Dear Sir or Madam

Scrip Dividend Alternative and Scrip Dividend Mandate

1 INTRODUCTION

I am writing to you as a holder of Ordinary Shares in Sequoia Economic Infrastructure Income Fund Limited (the **Company**) in respect of the proposed Scrip Dividend Alternative and the forthcoming quarterly dividend cycle, (payable at the end of August, and November 2020, and March and June 2021) (the **2021 Dividend Cycle**), that the Company intends to deliver for the financial year ending 31 March 2021.

Scrip Dividend Alternative

The Directors were granted the authority on 25 February 2020 by an ordinary resolution of the Shareholders to offer Shareholders (excluding any member holding Ordinary Shares as treasury shares) the right to receive further Ordinary Shares instead of cash in respect of all or part of any dividend that may be declared with such authority expiring prior to the date of the annual general meeting of the Company to be held in 2022. This circular explains how Shareholders can take up this Scrip Dividend Alternative and elect to receive Scrip Shares instead of cash dividends in respect of future dividends when a scrip dividend alternative is offered to holders of Ordinary Shares.

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. Shareholders who qualify can also increase their shareholdings in the Company without incurring dealing costs or paying stamp duty reserve tax. Furthermore, the Company's board of Directors (the **Board**) has been advised that under current UK law and HM Revenue & Customs practice, certain UK-resident Shareholders may be able to treat Scrip Dividend Shares as capital for tax purposes. Further details of this are set out in paragraph 11 of Part 2 of this circular.

Quarterly Dividend Cycle

Each proposed quarterly interim dividend will be declared following the scheduled meetings of the Board in January, April, July and October each year. As usual, the Company will formally announce dividend declarations through the Regulatory News Service of the London Stock Exchange and in the 'Regulatory News & Alerts' section of the Investors part of the Company's website (www.seqifund.com), with the announcements anticipated to be on the Relevant Quarterly Declaration Dates set out on page 3 of this circular.

It is expected that the quantum of each quarterly interim dividend will be one-quarter of the target aggregate dividend for the financial year in question. In respect of the financial year ending 31 March 2021, the Company is targeting an aggregate dividend for 6.25p, payable as four equal quarterly interim dividends of 1.5625p per share (each a **Relevant Quarterly Interim Dividend**). Any

changes to the target aggregate dividend will be notified to Shareholders by announcement through a regulatory information service.

The Company aims to declare its first quarterly interim dividend for the financial year to 31 March 2021 on 16 July 2020. The target dividend is 1.5625p per share to be paid on 28 August 2020 to Shareholders who hold shares on the Relevant Quarterly Record Date (being 24 July 2020).

2 CASH DIVIDENDS

If you currently receive your dividends in cash and wish to continue to do so, you need take no action. The full cash dividend entitlement will continue to be paid to you in the usual manner on the Relevant Quarterly Dividend Payment Dates.

3 SCRIP DIVIDEND ALTERNATIVE

The Company intends to continue to offer the Scrip Dividend Alternative (subject to on-going shareholder approval at future Annual General Meetings in 2022 and thereafter) but, in the interests of efficiency and the environment, the Company does not intend to provide the option to make a one-off scrip election each quarter. Instead, each year, Shareholders will be reminded of the option to make a standing election for all future dividends (a **Scrip Dividend Mandate**). You may make or revoke a Scrip Dividend Mandate at any point in time. Further details are set out in paragraph 5 of Part 2 of this circular and the Scrip Dividend Mandate Form accompanying this circular.

The Company intends to publish its annual scrip circular once a year, in July (the **Scrip Circular**). The Scrip Circular will set out the general terms and indicative timetable for the quarterly interim dividends for that financial year. The Scrip Circular will be available from the Company's website and will be sent to all Shareholders. Shareholders should refer to the Company's website on or around the indicative publication dates to obtain information relating to the Relevant Quarterly Declaration Date, Relevant Quarterly Ex-Dividend Date, Relevant Quarterly Record Date and Relevant Quarterly Scrip Share Reference Price. The indicative timetable for the first Relevant Quarterly Interim Dividend and for the remaining quarterly interim dividends for the financial year ending 31 March 2021 is set out on page 3 of this circular.

Action to be taken

If you hold your Ordinary Shares in CREST and you wish to elect to receive Scrip Shares, you should submit a Dividend Election Input Message (as defined in the CREST Manual) by 5.00 p.m. on the Relevant Quarterly Dividend Deadline Date (14 August 2020 in the case of the first Relevant Quarterly Interim Dividend), as set out in paragraph 6 of Part 2 of this circular.

As explained in more detail in the Part 2 of this circular, the Scrip Dividend Alternative and the proposals described in this circular are conditional upon: (a) the admission of the relevant Scrip Shares to the premium segment of the official list of the Financial Conduct Authority of the United Kingdom and to trading on the main market for listed securities of the London Stock Exchange (**Admission**), (b) the Board not deciding to revoke their decision to offer Scrip Shares; (c) the Board remaining satisfied on reasonable grounds that the Company will, immediately after issuing the Scrip Shares, satisfy the solvency test pursuant to section 304, and as set out in section 527, of The Companies (Guernsey) Law, 2008, as amended (the **Companies Law**) and (d) the Board being satisfied that the Company will comply or be able to comply with the general requirements of the Companies Law and the articles of incorporation of the Company (the **Articles**) in connection with the issue of any Scrip Shares.

Part 2 of this circular provides more information on the Scrip Dividend Alternative, the Scrip Dividend Mandate and on some of the UK taxation consequences as at the date of this circular. **Only if you would like to consider taking all future quarterly interim dividends in the form of Scrip Shares should you read the rest of this circular.** When considering what action to take, you are recommended to obtain appropriate professional advice.

You may change your mind in relation to your scrip election at any time. If you wish to revoke your Scrip Dividend Mandate you may do so at any time by writing to the Company's Registrar, Computershare Investor Services (Guernsey) Limited at the address below or by revoking your election via their web portal (<https://www-uk.computershare.com/investor/>). If you wish to set

up a Scrip Dividend Mandate you may do so at any time by downloading and completing the Scrip Dividend Mandate Form accompanying this circular from the Company's website (www.seqifund.com) under 'Documents & Circulars' in the Investors section, and sending it to Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgewater Road, Bristol, BS99 6ZY. Any changes, if received later than 5.00 p.m. on the next Relevant Quarterly Dividend Deadline Date (see page 2 of this circular for details), will only become effective from the following quarterly interim dividend. Please quote your name, address and investor code (located on your share certificate/dividend tax voucher) in all correspondence.

Should you require any assistance in relation to your shareholding in the Company, please contact Computershare Investor Services (Guernsey) Limited on +44 (0)370 707 4040 or email info@computershare.co.je. Calls will be charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Computershare cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. Please quote your name, address and Shareholder Reference Number (located on your share certificate/dividend tax voucher) in all correspondence.

Yours faithfully

Robert Jennings

Chairman

TERMS AND EXPLANATORY NOTES

1 TERMS OF ELECTION

Shareholders with Ordinary Shares registered in their names at the close of business on the Relevant Quarterly Record Date may elect to receive their entitlement to the Relevant Quarterly Interim Dividend (the **Full Cash Dividend**) in the form of Scrip Shares credited as fully paid at the Relevant Quarterly Scrip Share Reference Price per Ordinary Share, instead of in cash. No fraction of a Scrip Share can be allotted and the cash representing any fractional entitlement to a Scrip Share will be dealt with as described in paragraph 3 below. All elections will be subject to fulfilment of the conditions specified in paragraph 2 below. If the conditions are not satisfied, an election will automatically become void and the relevant Shareholder will receive the Full Cash Dividend in the usual way. The entitlement to receive Scrip Shares under the Scrip Dividend Alternative is personal and non-transferable.

This election may only be made by a Shareholder in respect of all or part of the holding of Ordinary Shares registered in his/her name at the close of business on the Relevant Quarterly Record Date. Note, only CREST holders will be eligible to make partial elections and this facility is not available to certificated holders. Further details are provided under paragraph 6.

If the Directors decide to offer Scrip Shares instead of a cash dividend for the financial year ending 31 March 2022 or other future periods you will be informed separately. If you already have a Scrip Dividend Mandate in place at that time you will continue to receive Scrip Shares.

2 CONDITIONS

The Scrip Dividend Alternative is conditional on:

- (a) Admission (see paragraph 10 below);
- (b) the Directors not revoking their decision to offer Scrip Shares instead of the Full Cash Dividend;
- (c) the Directors remaining satisfied, on reasonable grounds, that the Company will, immediately after issuing the Scrip Shares, satisfy the solvency test pursuant to section 304, and as set out in section 527, of the Companies Law; and
- (d) the Directors being satisfied that the Company will comply or be able to comply with the general requirements of the Companies Law and the Articles in connection with the issue of any Scrip Shares.

The Directors have the power at any time up to 5.00 p.m. on the Relevant Quarterly Dividend Deadline Date to revoke their decision to offer Scrip Shares instead of the Full Cash Dividend. It is envisaged that the Directors would only revoke this decision in the event of a change in market conditions or a significant fall in the price of the Ordinary Shares, such that the Directors consider that the Scrip Dividend Alternative would be substantially less beneficial to Shareholders electing for the Scrip Dividend Alternative or that it would breach regulatory requirements.

3 FRACTIONAL ENTITLEMENTS

Fractions of Scrip Shares cannot be issued. Any residual cash amount representing a fraction of a Scrip Share arising as a result of an election for the Scrip Dividend Alternative in respect of all or part of a holding will never exceed the value of one Ordinary Share at the Relevant Quarterly Scrip Share Reference Price (as calculated in paragraph 4 below). Rather than incur the administrative inconvenience and cost of paying such small amounts to individual Shareholders, any residual cash amount will be retained by the Company in accordance with the Articles. No residual entitlements will be carried forward to future scrip dividends, nor will they be paid or payable to the relevant Shareholders.

4 BASIS OF ENTITLEMENT

Shareholders' entitlements to Scrip Shares under the Scrip Dividend Alternative in respect of the Relevant Quarterly Interim Dividend are based on the Relevant Quarterly Scrip Share Reference Price for each Scrip Share calculated as the average of the middle market quotations for a fully paid Ordinary Share on the London Stock Exchange's main market for listed securities derived from the Daily Official List for the Relevant Quarterly Ex-Dividend Date and the four subsequent dealing days, and the Relevant Quarterly Interim Dividend. The formulae used for calculating Scrip Share entitlements are as follows:

$$\begin{array}{l} \text{Number of Ordinary Shares} \\ \text{held at the Relevant} \\ \text{Quarterly Record Date} \end{array} \quad \times \quad \begin{array}{l} \text{Relevant Quarterly Interim} \\ \text{Dividend per Ordinary Share} \end{array} \quad = \quad \begin{array}{l} \text{aggregate dividend available} \\ \text{for share election} \end{array}$$

and

$$\begin{array}{l} \text{Aggregate dividend available for share election} \\ \text{Relevant Quarterly Scrip Share Reference Price} \end{array} \quad = \quad \begin{array}{l} \text{number of Scrip Shares} \\ \text{(rounded down to the} \\ \text{nearest whole number)} \end{array}$$

5 HOW TO MAKE A STANDING ELECTION FOR THE SCRIP DIVIDEND ALTERNATIVE: CERTIFICATED HOLDERS ONLY

This paragraph 5 applies only to Shareholders who hold share certificates in respect of their Ordinary Shares.

To receive the maximum number of Scrip Shares to which you are entitled in respect of the Relevant Quarterly Interim Dividend and all subsequent Relevant Quarterly Interim Dividends for which a Scrip Dividend Alternative is offered via a standing election (a **Scrip Dividend Mandate**), please complete the Scrip Dividend Mandate Form accompanying this circular and send it to the Registrar to reach them by no later than 5.00 p.m. on the Relevant Quarterly Dividend Deadline Date. You can also apply on-line at <https://www-uk.computershare.com/investor/>.

A Scrip Dividend Mandate, until revoked, instructs the Company to treat you as having elected to take the maximum whole number of Scrip Shares available instead of cash in respect of all future dividends for which a Scrip Dividend Alternative is offered. Unless you hold your Ordinary Shares in CREST and have made a partial election, the Scrip Dividend Mandate will apply to your entire holding of Ordinary Shares on the Relevant Quarterly Record Date for the Relevant Quarterly Interim Dividend. If you acquire or dispose of any Ordinary Shares, the Scrip Dividend Mandate will continue to apply (until revoked) to such increased or decreased shareholding.

Your Scrip Dividend Mandate may be cancelled by the Company at any time, or by you giving written notice to the Registrar so as to be received before 5.00 p.m. on the Relevant Quarterly Dividend Deadline Date. Your Scrip Dividend Mandate will be revoked automatically if the Company registers a transfer of all your Ordinary Shares or if the Company receives notice of your death.

The continuance of a Scrip Dividend Mandate is subject to the subsequent renewal in general meeting of the Directors' authority to offer a Scrip Dividend Alternative, which is expected to be proposed at the Company's annual general meeting in 2022. It will only apply in respect of any future dividend if the Directors decide to offer a Scrip Dividend Alternative in respect of that dividend. If the Directors' authority is not renewed, or the Directors decide not to offer a Scrip Dividend Alternative in respect of any particular dividend, you will receive the Full Cash Dividend in the usual way from the expiry of the authority or in respect of the particular dividend.

6 HOW TO MAKE THE ELECTION FOR THE SCRIP DIVIDEND ALTERNATIVE: CREST SHAREHOLDERS ONLY

This paragraph 6 applies only to Shareholders who hold their Ordinary Shares in CREST. Terms defined in the CREST Manual and not re-defined herein shall bear the meanings attributed to them in the CREST Manual unless the context otherwise requires.

6.1 Election for Scrip Shares

You can only elect to receive your Relevant Quarterly Interim Dividend in the form of Scrip Shares by means of the CREST procedures to effect such an election. **No other form of election will be permitted and if received will be rejected and returned to you.** If you are a CREST Personal Member, or other CREST Sponsored Member, you should consult your CREST sponsor, who will be able to take appropriate action on your behalf.

The CREST procedures require the submission of a Dividend Election Input Message in accordance with the CREST Manual. The Dividend Election Input Message submitted must contain the number of Ordinary Shares for which the election is being made, whether this is all or part of your holding at the Relevant Quarterly Record Date. **An election by way of a Scrip Dividend Mandate will not be permitted.** The Dividend Election Input Message includes a number of fields which, for a valid election to be made, must be input correctly as indicated below:

- (a) Dividend Election Reference – You must indicate here a reference for the dividend election which is unique to your CREST participant ID;
- (b) Your participant I.D.;
- (c) Your member account I.D. – If you have more than one member account, you must indicate the member account I.D. to which the election relates;
- (d) ISIN – This is GG00BV54HY67;
- (e) Distribution type – You must enter "SCRIP";
- (f) Corporate Action – You must enter the Corporate Action number for the dividend on which your election is being made. This can be found by reviewing the relevant corporate action details in CREST. A Scrip Dividend Mandate cannot be made;
- (g) Number of shares – You must enter here the number of Ordinary Shares over which your election is made whether this is all or part of your holding. If you leave this field blank or enter zero, your election will be rejected. If you enter a number of Ordinary Shares greater than your holding in CREST on the Relevant Quarterly Record Date, the election will be applied to the total holding in the relevant CREST member account at the Relevant Quarterly Record Date; and
- (h) Contact details – This field is optional, although you are asked to include details of whom to contact in the event of a query relating to your election.

The Company and/or the Registrar reserve the right to treat as valid an election which is not complete in all respects.

By inputting a Dividend Election Input Message as described above, you confirm your election to participate in the Scrip Dividend Alternative in accordance with the details input and the terms and conditions of the Scrip Dividend Alternative as amended from time to time.

There is no facility to amend an election which has been made by a Dividend Election Input Message. If you wish to change your election details, you must first cancel the existing election as described in paragraph 6.4 below and then input a new Dividend Election Input Message with the required new details.

6.2 Partial elections

You can elect to receive Scrip Shares in respect of part of your holding. You will receive a cash dividend on the balance of your holding.

6.3 Timing

If you wish to receive Scrip Shares in respect of some or all of your holding, you must make your election by 5.00 p.m. on the Relevant Quarterly Dividend Deadline Date.

6.4 Cancelling an election

You may only cancel an election by utilising the CREST procedures for deletions described in the CREST Manual. Your deletion must be received and, in accordance with CREST procedures, accepted by 5.00 p.m. on the Relevant Quarterly Dividend Deadline Date for it to be valid for the Relevant Quarterly Interim Dividend. It is recommended that you input any deletion message 24 hours in advance of the above deadline to give the Company and the Registrar sufficient time to accept the deletion.

6.5 Basis of entitlement

Your entitlement to Scrip Shares is calculated as set out in paragraph 4 above. Once your Scrip Shares have been allotted, a dividend confirmation will be sent to you showing the number of Scrip Shares allotted, the Relevant Quarterly Scrip Share Reference Price and the total cash equivalent of the Scrip Shares for tax purposes.

6.6 Residual cash balance

Fractions of Scrip Shares cannot be issued. Any residual cash amount representing a fraction of a Scrip Share arising as a result of an election for the Scrip Dividend Alternative will never exceed the value of one Ordinary Share at the Relevant Quarterly Scrip Share Reference Price (as defined in paragraph 4). Rather than incur the administrative inconvenience and cost of paying such small amounts to individual Shareholders, any residual cash amount will be retained by the Company for the benefit of all Shareholders in accordance with the Articles. No residual entitlements will be carried forward to future scrip dividends nor will they be paid or be payable to the relevant Shareholders.

6.7 Future dividends

If you wish to receive Scrip Shares for future dividends for which a Scrip Dividend Alternative is offered, you must complete a Dividend Election Input Message either for the Relevant Quarterly Interim Dividend, or have in place a standing (or 'evergreen') election for Scrip Shares. If you do not complete a Dividend Election Input Message or you do not have a standing election in place, you will receive your dividend in cash.

If the Directors decide not to offer a Scrip Dividend Alternative in respect of any dividend in the future, a cash dividend will be paid to you in the usual way.

7 SHAREHOLDERS OUTSIDE THE UNITED KINGDOM

If you receive this circular in any country or jurisdiction outside the United Kingdom, you may not treat it as an invitation to elect to receive Scrip Shares unless such an invitation could lawfully be made to you without the Company being required to comply with any registration or other legal requirements.

It is the responsibility of any person resident outside the UK wishing to elect to receive Scrip Shares to be satisfied as to the full observance of the laws of the relevant territory, including obtaining any government or other consents which may be required and observing any other formalities in such territories.

8 IF YOU HAVE MORE THAN ONE REGISTERED HOLDING

If for any reason your Ordinary Shares are, on the Relevant Quarterly Record Date, registered in more than one holding and as a result you have received more than one Scrip Dividend Mandate then, unless you are able to make arrangements with the Registrar to have your holdings consolidated before the Relevant Quarterly Dividend Deadline Date, they will be treated for all purposes as separate and you should complete separate Scrip Dividend Mandates or, in the case of holdings in CREST, submit separate Dividend Election Input Messages.

9 LISTING AND RANKING OF THE SCRIP SHARES

Applications will be made for Admission. The Scrip Shares will, on issue, be credited as fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares thereafter, and will rank for all future dividends declared after Admission.

10 GENERAL

No acknowledgement of Scrip Dividend Mandates or Dividend Election Input Messages will be issued. Subject to satisfaction of the conditions set out in Part 2 of this circular, definitive share certificates for the Scrip Shares held outside CREST will be posted, at the risk of the persons entitled thereto, on the Relevant Quarterly Dispatch Date, while CREST members should have their accounts credited with their Scrip Shares on Relevant Quarterly Payment Date. Dealings in the Scrip Shares are expected to begin on the Relevant Quarterly Admission Date. In the unlikely event that the Financial Conduct Authority does not agree, before the Relevant Quarterly Admission Date, to admit the Scrip Shares to the premium segment of the Official List, or if any of the other conditions are not fulfilled, Scrip Dividend Mandates and Dividend Election Input Messages will be disregarded and the Company will pay the Relevant Quarterly Interim Dividend in cash in the usual way as soon as practicable on or after the Relevant Quarterly Payment Date.

Further copies of this circular and/or Scrip Dividend Mandate Form are available to download from the Company's website (www.seqifund.com) under 'Documents & Circulars' in the Investor Relations section. They may also be obtained free of charge during normal business hours from the following:

Computershare Investor Services
(Guernsey) Limited
c/o The Pavilions,
Bridgwater Road,
Bristol BS99 6ZY

All enquiries in respect of the Scrip Dividend Alternative and completing the Scrip Dividend Mandate Form should be addressed to the Registrar, Computershare Investor Services (Guernsey) Limited, on +44 (0)370 707 4040 or by email to info@computershare.co.je. Calls will be charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Computershare Investor Services (Guernsey) Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Completed Scrip Dividend Mandate Forms should be posted to Computershare Investor Services (Guernsey) Limited at the address set out above.

11 UNITED KINGDOM TAXATION

The following is a general summary of the UK tax consequences of electing to receive Scrip Shares pursuant to the Scrip Dividend Alternative instead of the cash dividend and is based on current UK law and published HMRC practice as at the date of this circular (which are subject to change, possibly with retrospective effect) and applies only to UK tax resident Shareholders who hold their shares as an investment. In particular, the following does not address the position of certain classes of Shareholders, such as dealers in securities.

Any decision to elect to receive Scrip Shares will be a matter for individual determination by each Shareholder and will depend upon their circumstances, as will the precise tax consequences of such an election. The summary set out below is not exhaustive and only relates to the position of UK tax resident Shareholders who are the beneficial owners of their shares. **Investors should consult their own professional tax advisors, however, in relation to the tax consequences of electing to receive Scrip Shares.**

Shareholders who are in any doubt as to what action to take, or who are subject to tax in a jurisdiction other than the UK, should consult an independent professional advisor.

11.1 **UK taxation of receipt of scrip issue of new shares by UK resident Shareholders**

A scrip dividend is a scrip issue of new shares made in lieu of a cash dividend. Shareholders can choose whether to receive a cash dividend or the equivalent dividend in shares. The shares issued under a scrip dividend arrangement have an equivalent cash value to the cash dividend.

A UK resident corporate Shareholder should not be liable to UK corporation tax where it elects to receive new shares instead of a cash dividend. UK resident corporate Shareholders may be subject to UK corporation tax on chargeable gains in respect of capital gains arising on a subsequent disposal. For the purposes of computing any future liability to UK corporation tax on chargeable gains, no consideration will be treated as having been paid for the new shares. The new shares will be added to the corporate Shareholder's existing holding of shares in the Company and treated as though they had been acquired when the corporate Shareholder's existing holding was acquired.

Where a UK resident individual Shareholder elects to receive new shares from the Company in place of a cash dividend, the individual should not be liable to UK income tax in this respect. For capital gains tax purposes, where the election to receive new shares instead of a cash dividend is made then no consideration will be treated as having been paid for the new shares and the new shares are treated, along with the original shareholding, as the same asset acquired at the same time as the existing holding of shares in the Company (as is the case for a UK resident corporate Shareholder). UK resident individual Shareholders may be subject to UK capital gains tax in respect of capital gains arising on a subsequent disposal depending on their individual circumstances.

11.2 **UK Stamp duty**

No UK stamp duty or stamp duty reserve tax will be payable on the issue of the Scrip Shares.

DEFINITIONS

The following definitions apply through this circular unless the context otherwise requires:

"2021 Dividend Cycle"	has the meaning given to it in paragraph 1 of Part 1 of this circular;
"Admission"	means the admission of Scrip Shares to be issued pursuant to a Scrip Dividend Alternative to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities;
"Articles"	means the articles of incorporation of the Company as amended from time to time;
"Board"	means the board of Directors of the Company;
"Companies Law"	means the Companies (Guernsey) Law, 2008, as amended, extended or replaced and any ordinance, statutory instrument or regulation thereunder;
"Company"	means Sequoia Economic Infrastructure Income Fund Limited;
"CREST"	means the computerised settlement system operated by Euroclear UK and Ireland Limited which facilitates the transfer of title to shares in uncertificated form;
"Directors"	means a director of the Company from time to time;
"London Stock Exchange"	means London Stock Exchange plc;
"FCA"	means the Financial Conduct Authority of the United Kingdom in its capacity as the competent authority for the purposes of FSMA;
"FSMA"	the Financial Services and Markets Act 2000 of the United Kingdom, as amended;
"Full Cash Dividend"	has the meaning given to it in paragraph 1 of Part 2 of this circular;
"Official List"	means the official list of the FCA;
"Ordinary Shares"	means the ordinary shares of no par value in the capital of the Company having the rights and obligations set out in the Articles;
"Registrar"	means the Company's registrars, Computershare Investor Services (Guernsey) Limited;
"Relevant Admission Date"	means the expected date for Admission for the 2021 Dividend Cycle as set out on page 3 of this circular;
"Relevant Quarterly Declaration Date"	means the date of the Directors' declaration of the applicable quarterly interim dividend for the 2021 Dividend Cycle as set out on page 3 of this circular;
"Relevant Quarterly Dispatch Date"	means the applicable date on which the share certificates for Scrip Shares are expected to be dispatched for the 2021 Dividend Cycle as set out on page 3 of this circular;
"Relevant Quarterly Interim Dividend"	means the relevant quarterly interim dividend, expected to be 1.5625p per Ordinary Share;

"Relevant Quarterly Dividend Deadline Date"	means the final date for receipt of Scrip Dividend Mandates and election input messages for a Relevant Quarterly Interim Dividend, as set out on page 3 of this circular;
"Relevant Quarterly Dividend Payment Date"	means the date (i) cash dividend payments are credited to the relevant Shareholders' bank accounts (when mandated) and (ii) (where applicable) CREST member accounts are credited with Scrip Shares for the 2021 Dividend Cycle as set out on page 3 of this circular;
"Relevant Quarterly Ex-Dividend Date"	means the date the Ordinary Shares are quoted as ex-dividend for any Relevant Quarterly Dividend as set out on page 3 of this circular;
"Relevant Quarterly Record Date"	means the record dates for the quarterly interim dividends for the 2021 Dividend Cycle as set out on page 3 of this circular;
"Relevant Quarterly Scrip Share Reference Price"	means the reference share price of Scrip Shares calculated and published for each Relevant Quarterly Interim Dividend as set out on page 3 of this circular;
"Scrip Circular"	has the meaning given to it in paragraph 3 of Part 1 of this circular;
"Scrip Dividend Alternative"	has the meaning given to it on page 1 of this circular;
"Scrip Dividend Mandate"	has the meaning given to it in paragraph 5 of Part 2 of this circular;
"Scrip Dividend Mandate Form"	means the Scrip Dividend Mandate Form accompanying this circular;
"Scrip Shares"	means the new Ordinary Shares issued to Shareholders who have elected to receive a Scrip Dividend Alternative in accordance with a Scrip Dividend Mandate;
"Shareholders"	means any holders of Ordinary Shares in the Company from time to time;

