

THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take or the contents of this document, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank, solicitor, accountant, or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000, as amended (“FSMA”) if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

This document comprises a prospectus (the “Prospectus”) relating to RM Secured Direct Lending PLC (the “Company”) and RM ZDP plc (the “ZDP Subsidiary”) (the Company and the ZDP Subsidiary together being the “Issuers”), prepared in accordance with the prospectus rules of the Financial Conduct Authority (the “FCA”) made pursuant to section 73A of FSMA (the “Prospectus Rules”). This Prospectus has been approved by the FCA and has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

Application will be made to the UK Listing Authority and the London Stock Exchange for all the C Shares and New Ordinary Shares issued and to be issued in connection with the Company Offerings to be admitted to the premium listing segment of the Official List and to trading on the Premium Segment. It is expected that Admission in respect of the C Shares to be issued under the Initial Company Offerings will become effective and that unconditional dealings will commence at 8.00 a.m. on 3 April 2018. It is expected that any subsequent Admissions pursuant to the Share Issuance Programme will become effective and dealings will commence between 3 April 2018 and 11 March 2019.

Application will be made to the UK Listing Authority and the London Stock Exchange for all the ZDP Shares issued and to be issued in connection with the ZDP Offerings to be admitted to the standard listing segment of the Official List and to trading on the Standard Segment. It is expected that Admission in respect of the ZDP Shares to be issued under the Initial ZDP Placing will become effective and that unconditional dealing will commence at 8.00 a.m. on 3 April 2018. It is expected that any subsequent Admissions pursuant to the ZDP Placing Programme will become effective and dealings will commence between 3 April 2018 and 11 March 2019.

It is not intended that any class of shares in the Company or the ZDP Subsidiary will be admitted to listing or trading in any other jurisdiction or on any other stock exchange.

RM SECURED DIRECT LENDING PLC

(incorporated in England and Wales with registered no. 10449530 and registered as an investment company under section 833 of the Companies Act)

Offer for Subscription, Initial Placing and Initial Intermediaries Offer of C Shares at the Issue Price

and

Share Issuance Programme of New Ordinary Shares and/or C Shares

and

Admission to the premium segment of the Official List and to trading on the Premium Segment

RM ZDP PLC

(incorporated in England and Wales with registered no. 11217952 as a public limited company under section 4(2) of the Companies Act)

Initial ZDP Placing of ZDP Shares at the Issue Price

and

ZDP Placing Programme of ZDP Shares

and

Admission to the standard segment of the Official List and to trading on the Standard Segment

Sponsor, Corporate Broker and Bookrunner

Nplus1 Singer Advisory LLP

Investment Manager

RM Capital Markets Limited

The Company, the ZDP Subsidiary and each of the Directors (acting in their capacity as directors of the Company and the ZDP Subsidiary, and whose names appear on page 55 of this Prospectus), accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company, the ZDP Subsidiary and the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

RM Capital Markets Limited (the “Investment Manager”) accepts responsibility for the information and opinions contained in Parts 2 (*Information in the Company and the ZDP Subsidiary*) and 3 (*Directors, Management and Administration*) (where relevant to the Investment Manager) of this Prospectus and any other information or opinion related to or attributed to it. To the best of the Investment Manager’s knowledge, which has taken all reasonable care to ensure that such is the case, the information and opinions contained in this Prospectus related to or attributed to it are in accordance with the facts and do not omit anything likely to affect the import of such information or opinions.

N+1 Singer Advisory LLP (“N+1 Singer”) is authorised and regulated by the FCA and is acting exclusively for the Issuers and for no one else in connection with the Offerings, the Admissions and the contents of this Prospectus and will not be responsible to anyone (whether or not a recipient of this Prospectus) other than the Issuers for providing the protections afforded to customers of N+1 Singer or for affording advice in relation to the Offerings and the Admissions, the contents of this Prospectus or any matters referred to in this Prospectus. N+1 Singer is not responsible for the contents of this Prospectus. This does not exclude any responsibilities which N+1 Singer may have under FSMA or the regulatory regime established thereunder.

Apart from the liabilities and responsibilities (if any) which may be imposed on N+1 Singer by FSMA or the regulatory regime established thereunder, N+1 Singer makes no representations, express or implied, or accepts any responsibility whatsoever for the contents of this Prospectus nor for any other statement made or purported to be made by it or on its behalf in connection with the Issuers, the Investment Manager the AIFM, the Shares, the Offerings or the Admissions. N+1 Singer and its Affiliates accordingly disclaim all and any liability (save for any statutory liability) whether arising in tort or contract or otherwise which it or they might otherwise have in respect of this Prospectus or any such statement.

The Offer for Subscription will remain open until 11.00 a.m. on 23 March 2018. Persons wishing to participate in the Offer for Subscription should complete the Application Form set out in the Appendix to this Prospectus. To be valid, Application Forms must be completed and returned with the appropriate remittance by post to Computershare Investor Services PLC at Corporate Actions Projects, Bristol, BS99 6AH or by hand (during business hours only) to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS13 8AE so as to be received no later than 11.00 a.m. on 23 March 2018.

The Initial Placing and the Initial ZDP Placing will remain open until 5.00 p.m. on 26 March 2018.

The Company and the ZDP Subsidiary have not been and will not be registered under the United States Investment Company Act of 1940, as amended (the "**Investment Company Act**") and, as such, investors will not be entitled to the benefits of the Investment Company Act. The Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, transferred or delivered, directly or indirectly, into or within the United States or to, or for the account or benefit of, any "U.S. persons" as defined in Regulation S under the Securities Act ("**US Persons**"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner which would not require the Company or the ZDP Subsidiary to register under the Investment Company Act. There will be no public offer of the Shares in the United States.

This Prospectus does not constitute or form part of any offer or invitation to sell, or the solicitation of an offer to acquire or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for such securities by any person in any circumstances in which such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the ZDP Subsidiary, the Investment Manager, the AIFM or N+1 Singer. No offer or sale of securities has been or will be registered under the applicable securities law of any member state of the EEA (other than the United Kingdom), Canada, Japan, Australia or the Republic of South Africa. Subject to certain exemptions the securities to which this prospectus relates may not be offered to or sold within any member state of the EEA (other than the United Kingdom), Canada, Japan, Australia or the Republic of South Africa or to any national resident or citizen of any member state of the EEA (other than the United Kingdom), Canada, Japan, Australia or the Republic of South Africa.

Prospective investors should read this entire Prospectus and, in particular, the section headed "Risk Factors" beginning on page 26 of this Prospectus when considering an investment in the Company and/or the ZDP Subsidiary.

This Prospectus is dated 12 March 2018.

CONTENTS

	<i>Page</i>
SUMMARY	4
PART A – THE COMPANY	4
PART B – THE ZDP SUBSIDIARY	18
RISK FACTORS	26
IMPORTANT NOTICES	43
CONSEQUENCES OF A STANDARD LISTING OF THE ZDP SHARES	50
EXPECTED TIMETABLE	51
OFFERINGS STATISTICS	53
DEALING CODES	54
DIRECTORS, ADVISERS AND OTHER SERVICE PROVIDERS	55
PART 1 OVERVIEW OF THE ISSUERS	57
PART 2 INFORMATION ON THE COMPANY AND THE ZDP SUBSIDIARY	60
PART 3 DIRECTORS, MANAGEMENT AND ADMINISTRATION	74
PART 4 INITIAL COMPANY OFFERINGS AND SHARE ISSUANCE PROGRAMME	84
PART 5 INITIAL ZDP PLACING AND ZDP PLACING PROGRAMME	89
PART 6 THE ZDP SHARES AND PRINCIPAL BASES AND ASSUMPTIONS	93
PART 7 FINANCIAL INFORMATION OF THE COMPANY	100
PART 8 UK TAXATION	103
PART 9 ADDITIONAL INFORMATION ON THE COMPANY	108
PART 10 ADDITIONAL INFORMATION ON THE ZDP SUBSIDIARY	138
PART 11 ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE	152
PART 12 TERMS AND CONDITIONS	161
SECTION A – TERMS AND CONDITIONS OF THE OFFER FOR SUBSCRIPTION	161
SECTION B – TERMS AND CONDITIONS OF THE PLACINGS	169
PART 13 INVESTMENT POLICY	177
PART 14 DEFINITIONS	179
NOTES ON HOW TO COMPLETE THE APPLICATION FORM	189
APPENDIX – APPLICATION FORM	194

SUMMARY

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A – E (A1 – E7). This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “not applicable”.

PART A – THE COMPANY

Section A – Introduction and warnings		
A.	Warning:	This summary should be read as an introduction to this Prospectus. Any decision to invest in the C Shares or New Ordinary Shares should be based on consideration of this Prospectus as a whole by the investor. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Union, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the C Shares or New Ordinary Shares.
A.2	Use of prospectus by financial intermediaries	The Company consents to the use of the Prospectus by Intermediaries in connection with the subsequent resale or final placement of C Shares or New Ordinary Shares by Intermediaries. The offer period within which any subsequent resale or final placement of C Shares or New Ordinary Shares by Intermediaries can be made and for which consent to use the Prospectus is given commences on 12 March 2018 and closes at 3.00 p.m. on 1 March 2019. Information on the terms and conditions of any subsequent resale or final placement of C Shares or New Ordinary Shares by any Intermediary is to be provided at the time of the offer by the Intermediary.

Section B – Issuers		
B.	Legal and commercial name	RM Secured Direct Lending PLC (the “ Company ”).
B.2	Domicile and legal form	The Company was incorporated in England and Wales on 27 October 2016 with registered number 10449530 as a public company limited by shares under the Companies Act. The principal legislation under which the Company operates is the Companies Act.
B.5	Group description	The Company is the holding company of a group consisting of the Company and the ZDP Subsidiary. The principal activity of the Company and the Group is to invest in accordance with the Investment Policy, as set out in B.34 below.

B.6	Notifiable interests/voting rights	<p>As at 9 March 2018, the latest practicable date prior to the publication of this Prospectus, insofar as is known to the Company, the following persons were interested, directly or indirectly, in 3 per cent. or more of the voting rights in the Company as a Shareholder or through a direct or indirect holding of financial instruments:</p> <table data-bbox="564 331 1394 660"> <thead> <tr> <th data-bbox="564 365 1043 394"><i>Name</i></th> <th data-bbox="1070 331 1219 394"><i>Total voting rights</i></th> <th data-bbox="1246 331 1394 394"><i>% of voting rights</i></th> </tr> </thead> <tbody> <tr> <td data-bbox="564 409 1043 472">Funds managed by CCLA Investment Management Limited</td> <td data-bbox="1070 443 1219 472">17,426,746</td> <td data-bbox="1321 443 1394 472">19.96</td> </tr> <tr> <td data-bbox="564 472 1043 501">Funds managed by Old Mutual Plc</td> <td data-bbox="1070 472 1219 501">15,000,000</td> <td data-bbox="1321 472 1394 501">17.18</td> </tr> <tr> <td data-bbox="564 501 1043 530">CG Asset Management</td> <td data-bbox="1070 501 1219 530">5,705,000</td> <td data-bbox="1332 501 1394 530">6.53</td> </tr> <tr> <td data-bbox="564 530 1043 560">Charles Taylor Investment Management Ltd</td> <td data-bbox="1070 530 1219 560">3,680,000</td> <td data-bbox="1332 530 1394 560">4.22</td> </tr> <tr> <td data-bbox="564 560 1043 589">Seneca Investment Managers</td> <td data-bbox="1070 560 1219 589">3,500,000</td> <td data-bbox="1332 560 1394 589">4.01</td> </tr> <tr> <td data-bbox="564 589 1043 651">Hawksmoor Investment Management Limited</td> <td data-bbox="1070 622 1219 651">3,400,000</td> <td data-bbox="1332 622 1394 651">3.89</td> </tr> </tbody> </table> <p>All Shareholders have the same voting rights in respect of the share capital of the Company.</p>	<i>Name</i>	<i>Total voting rights</i>	<i>% of voting rights</i>	Funds managed by CCLA Investment Management Limited	17,426,746	19.96	Funds managed by Old Mutual Plc	15,000,000	17.18	CG Asset Management	5,705,000	6.53	Charles Taylor Investment Management Ltd	3,680,000	4.22	Seneca Investment Managers	3,500,000	4.01	Hawksmoor Investment Management Limited	3,400,000	3.89																																					
<i>Name</i>	<i>Total voting rights</i>	<i>% of voting rights</i>																																																										
Funds managed by CCLA Investment Management Limited	17,426,746	19.96																																																										
Funds managed by Old Mutual Plc	15,000,000	17.18																																																										
CG Asset Management	5,705,000	6.53																																																										
Charles Taylor Investment Management Ltd	3,680,000	4.22																																																										
Seneca Investment Managers	3,500,000	4.01																																																										
Hawksmoor Investment Management Limited	3,400,000	3.89																																																										
B.7	Key financial	<p>The key audited figures that summarise the financial condition of the Company in respect of the period from incorporation to 31 December 2017, which have been extracted without material adjustment from the Company's historical financial information, are set out in the following tables. Investors should read the whole of such report and not rely solely on the key or summarised information set out below.</p> <p><i>Statement of Comprehensive Income</i></p> <table data-bbox="564 981 1394 1346"> <thead> <tr> <th></th> <th data-bbox="1246 981 1394 1077"><i>PE2017 Total Return £'000</i></th> </tr> </thead> <tbody> <tr> <td data-bbox="564 1093 804 1122">Loss on investments</td> <td data-bbox="1332 1093 1394 1122">(853)</td> </tr> <tr> <td data-bbox="564 1122 788 1151">Investment income</td> <td data-bbox="1321 1122 1394 1151">3,586</td> </tr> <tr> <td data-bbox="564 1151 895 1180">Investment management fee</td> <td data-bbox="1332 1151 1394 1180">(370)</td> </tr> <tr> <td data-bbox="564 1180 751 1209">Other expenses</td> <td data-bbox="1332 1180 1394 1209">(777)</td> </tr> <tr> <td data-bbox="564 1209 1034 1238">Return before finance costs and taxation</td> <td data-bbox="1321 1209 1394 1238">1,586</td> </tr> <tr> <td data-bbox="564 1238 730 1267">Finance costs</td> <td data-bbox="1332 1238 1394 1267">(206)</td> </tr> <tr> <td data-bbox="564 1267 1043 1296">Return on ordinary activities after taxation</td> <td data-bbox="1321 1267 1394 1296">1,380</td> </tr> <tr> <td data-bbox="564 1296 963 1326">Return per Ordinary Share (pence)</td> <td data-bbox="1321 1296 1394 1326">2.54p</td> </tr> </tbody> </table> <p><i>Statement of financial position</i></p> <table data-bbox="564 1384 1394 2065"> <thead> <tr> <th></th> <th data-bbox="1289 1384 1394 1447"><i>PE2017 £'000</i></th> </tr> </thead> <tbody> <tr> <td data-bbox="564 1462 730 1491">Fixed assets</td> <td></td> </tr> <tr> <td data-bbox="564 1491 1091 1520">Investments at fair value through profit or loss</td> <td data-bbox="1300 1491 1394 1520">76,957</td> </tr> <tr> <td data-bbox="564 1520 756 1550">Current assets</td> <td></td> </tr> <tr> <td data-bbox="564 1550 708 1579">Receivables</td> <td data-bbox="1321 1550 1394 1579">1,069</td> </tr> <tr> <td data-bbox="564 1579 879 1608">Cash and cash equivalents</td> <td data-bbox="1300 1579 1394 1608">15,441</td> </tr> <tr> <td data-bbox="564 1608 724 1637">Total Assets</td> <td data-bbox="1300 1608 1394 1637">16,510</td> </tr> <tr> <td data-bbox="564 1637 794 1666">Current Liabilities</td> <td></td> </tr> <tr> <td data-bbox="564 1666 676 1695">Payables</td> <td data-bbox="1321 1666 1394 1695">(7,624)</td> </tr> <tr> <td data-bbox="564 1695 767 1724">C shares in issue</td> <td data-bbox="1300 1695 1394 1724">(29,574)</td> </tr> <tr> <td data-bbox="564 1724 708 1753">Net assets</td> <td data-bbox="1300 1724 1394 1753">56,269</td> </tr> <tr> <td data-bbox="564 1753 922 1783">Capital and reserves: equity</td> <td></td> </tr> <tr> <td data-bbox="564 1783 719 1812">Share capital</td> <td data-bbox="1332 1783 1394 1812">573</td> </tr> <tr> <td data-bbox="564 1812 746 1841">Share premium</td> <td data-bbox="1321 1812 1394 1841">6,845</td> </tr> <tr> <td data-bbox="564 1841 746 1870">Special reserve</td> <td data-bbox="1300 1841 1394 1870">48,502</td> </tr> <tr> <td data-bbox="564 1870 746 1899">Capital reserve</td> <td data-bbox="1332 1870 1394 1899">(983)</td> </tr> <tr> <td data-bbox="564 1899 762 1928">Revenue reserve</td> <td data-bbox="1332 1899 1394 1928">1,332</td> </tr> <tr> <td data-bbox="564 1928 719 1957">Total equity</td> <td data-bbox="1300 1928 1394 1957">56,269</td> </tr> <tr> <td data-bbox="564 1957 1187 1986">Net asset value per Ordinary Share – adjusted (pence)</td> <td data-bbox="1321 1957 1394 1986">98.59p</td> </tr> <tr> <td data-bbox="564 1986 1273 2016">Net asset value per Ordinary Share – IFRS calculation (pence)</td> <td data-bbox="1321 1986 1394 2016">98.20p</td> </tr> </tbody> </table>		<i>PE2017 Total Return £'000</i>	Loss on investments	(853)	Investment income	3,586	Investment management fee	(370)	Other expenses	(777)	Return before finance costs and taxation	1,586	Finance costs	(206)	Return on ordinary activities after taxation	1,380	Return per Ordinary Share (pence)	2.54p		<i>PE2017 £'000</i>	Fixed assets		Investments at fair value through profit or loss	76,957	Current assets		Receivables	1,069	Cash and cash equivalents	15,441	Total Assets	16,510	Current Liabilities		Payables	(7,624)	C shares in issue	(29,574)	Net assets	56,269	Capital and reserves: equity		Share capital	573	Share premium	6,845	Special reserve	48,502	Capital reserve	(983)	Revenue reserve	1,332	Total equity	56,269	Net asset value per Ordinary Share – adjusted (pence)	98.59p	Net asset value per Ordinary Share – IFRS calculation (pence)	98.20p
	<i>PE2017 Total Return £'000</i>																																																											
Loss on investments	(853)																																																											
Investment income	3,586																																																											
Investment management fee	(370)																																																											
Other expenses	(777)																																																											
Return before finance costs and taxation	1,586																																																											
Finance costs	(206)																																																											
Return on ordinary activities after taxation	1,380																																																											
Return per Ordinary Share (pence)	2.54p																																																											
	<i>PE2017 £'000</i>																																																											
Fixed assets																																																												
Investments at fair value through profit or loss	76,957																																																											
Current assets																																																												
Receivables	1,069																																																											
Cash and cash equivalents	15,441																																																											
Total Assets	16,510																																																											
Current Liabilities																																																												
Payables	(7,624)																																																											
C shares in issue	(29,574)																																																											
Net assets	56,269																																																											
Capital and reserves: equity																																																												
Share capital	573																																																											
Share premium	6,845																																																											
Special reserve	48,502																																																											
Capital reserve	(983)																																																											
Revenue reserve	1,332																																																											
Total equity	56,269																																																											
Net asset value per Ordinary Share – adjusted (pence)	98.59p																																																											
Net asset value per Ordinary Share – IFRS calculation (pence)	98.20p																																																											

		<p>Save for the (i) the Company carrying out a placing and offer for subscription of Ordinary Shares which raised gross proceeds of £50.3 million in December 2016; (ii) the Company carrying out a placing of Ordinary Shares which raised, in aggregate, gross proceeds of £7.1 million in May 2017 (iii) the Company carrying out a placing of C Shares which raised, in aggregate, gross proceeds of £30 million in October 2017; (iii) aggregate dividends of 4.2 pence per Ordinary Share paid or declared between 15 December 2016 and 31 December 2017, (iv) the Company entering into a £10 million revolving credit facility with OakNorth in November 2017 and (v) the Company completing 24 debt investments with £70 million deployed on a cash basis, there has been no significant change in the financial condition or operating results of the Company during the period covered by the historical financial information (being the date of incorporation to 31 December 2017).</p> <p>Save for (i) the Company declaring an interim dividend of 2 pence per Ordinary Share in respect of the quarter to 31 December 2017 (included in (iii) above) and (ii) the Company announcing its intention to convert the Existing C Shares into new Ordinary Shares, there has been no significant change in the financial condition or operating results of the Company since 31 December 2017, being the date to which the Company's latest audited annual financial statements were prepared.</p>
B.8	Key pro forma financial information	Not applicable. No pro forma information is included in this Prospectus in relation to the Company.
B.9	Profit forecast	Not applicable. No profit forecast or estimate is included in this Prospectus.
B.10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. No qualifications are included in any audit report on the historical financial information of the Company included in this Prospectus.
B.11	Explanation if working capital not sufficient for present requirements	The Directors are of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, that is for at least 12 months from the date of this Prospectus.
B.18	Guarantee	<p>Immediately following Admission, the ZDP Subsidiary will advance the Gross ZDP Placing Proceeds to the Company pursuant to the ZDP Loan Agreement. The ZDP Loan Agreement and supporting documentation contain certain provisions to protect the interests of the ZDP Subsidiary and the ZDP Shareholders. The ZDP Loan (and the interest accrued thereon) will be repayable in full, <i>inter alia</i>, on the ZDP Repayment Date.</p> <p>The Company will, immediately prior to Admission, also grant the Undertaking to the ZDP Subsidiary. Pursuant to the Undertaking, the Company will undertake to subscribe for such number of Subsidiary Ordinary Shares, or to otherwise contribute (by way of gift, capital contribution or otherwise pay) such funds to the ZDP Subsidiary, as will ensure that the ZDP Subsidiary has sufficient assets on the ZDP Repayment Date to satisfy the ZDP Capital Entitlement then due and to pay any operational costs or expenses incurred by the ZDP Subsidiary from time to time.</p>

		<p>Dividends and other payments to Shareholders will be restricted while the ZDP Shares are in issue unless Cover is at least 3 times immediately following any such payment or if such payment is required in order for the Company to maintain its investment trust status.</p>
<p>B.34</p>	<p>Investment objective and policy</p>	<p>Investment Objective and Policy</p> <p>The Company currently aims to generate attractive and regular dividends through investment in secured debt instruments of UK SMEs and mid-market corporates and/or individuals including any loan, promissory notes, lease, bond, or preference share (such debt instruments, as further described below, being “Loans”) sourced or originated by the Investment Manager with a degree of inflation protection through index-linked returns where appropriate.</p> <p>Investment Policy</p> <p>The Company will seek to meet its investment objective by making investments in a diversified portfolio of Loans to UK SMEs and mid-market corporates, special purpose vehicles and/or individuals. These Loans will generally be, but not limited to, senior, subordinated, unitranche and mezzanine debt instruments, documented as loans, notes, leases, bonds or convertible bonds. Such Loans shall typically have a life of 2 – 10 years. In certain limited cases Loans in which the Company invests may have equity instruments attached, ordinarily any such equity interests would come in the form of warrants or options attached to a Loan. Typically the Loans will have coupons which may be fixed, index-linked or LIBOR linked.</p> <p>For the purposes of this investment policy, UK SMEs include entities incorporated outside of the UK provided their assets and/or principal operations are within the UK. The Company is permitted to make investments outside of the UK to mid-market corporates.</p> <p>Loans will be directly originated or sourced by the Investment Manager who will not invest in Loans sourced via or participations through, peer to peer lending platforms.</p> <p>Loans in which the Company invests will be predominantly secured against assets such as real estate or plant and machinery and/or income streams such as account receivables.</p> <p>The Company will make Loans to borrowers in a range of Market Sectors within certain exposure limits which will vary from time to time, according to market conditions and as determined by the Board, subject to the Investment Restrictions set out below.</p> <p>The Company will at all times invest and manage its assets in a manner which is consistent to the spreading of investment risk.</p> <p>The following investment limits and restrictions will apply to the Company’s Loans and business which, where appropriate, shall be measured at the time of investment or once the Company is fully invested:</p> <ul style="list-style-type: none"> ● the amount of no single Loan shall exceed 10 per cent. of Gross Assets; ● exposure to a single borrower shall not exceed 10 per cent. of Gross Assets; ● Loans will be made across not less than four Market Sectors; ● not less than 70 per cent. of Gross Assets will be represented by Loans denominated in Sterling or hedged back to Sterling;

		<ul style="list-style-type: none"> ● Loans made to borrowers in any one Market Sector shall not exceed 40 per cent. of Gross Assets; ● Loans with exposure to project development/construction assets shall not exceed 20 per cent. of Gross Assets; ● the Company will not provide Loans to borrowers whose principal business is defence, weapons, munitions or gambling; ● the Company will not provide Loans to borrowers which generate their annual turnover predominantly from tobacco, alcohol or pornography; and ● the Company will not invest in other listed closed-ended funds. <p>In the event of a breach of the investment guidelines and restrictions set out above, the Investment Manager shall inform the Board upon becoming aware of the same and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service and the Investment Manager will look to resolve the breach with the agreement of the Board.</p> <p>The Company intends to conduct its affairs so as to qualify as an investment trust for the purposes of section 1158 of the CTA 2010, and its investment activities will therefore be subject to the restrictions set out above.</p> <p>Borrowing and gearing</p> <p>Currently the Company may utilise borrowings for share buybacks and short term liquidity purposes. The Company may also, from time to time, use borrowing for investment purposes on a short term basis where it expects to raise additional equity. Gearing represented by borrowings will not exceed 20 per cent. of Net Asset Value calculated at the time of drawdown.</p> <p>Should the relevant Resolution be passed at the General Meeting, the existing Investment Policy will be amended by the adopting of a new policy on borrowing and gearing as follows:</p> <p>The Company intends to utilise borrowings for investment purposes as well as for share buybacks and short term liquidity purposes. Gearing represented by borrowings, including any obligations owed by the Company in respect of an issue of zero dividend preference shares (whether issued by the Company or any other member of its group) or any third-party borrowings, will not, in aggregate, exceed 20 per cent. of Net Asset Value calculated at the time of drawdown.</p> <p>Hedging and derivatives</p> <p>The Company may invest in derivatives for efficient portfolio management purposes. In particular the Company can engage in interest rate hedging. Loans will primarily be denominated in Sterling, however the Company may make limited Loans denominated in currencies other than Sterling and the Board, at the recommendation of the Investment Manager, may look to hedge any other currency back to Sterling should they see fit.</p> <p>In accordance with the requirements of the UK Listing Authority, any material change to the Investment Policy will require the approval of Shareholders by way of an ordinary resolution at a general meeting.</p>
B.35	Borrowing limits	<p>Currently the Company may utilise borrowings for share buybacks and short term liquidity purposes. The Company may also, from time to time, use borrowing for investment purposes on a short term basis where it expects to raise additional equity. Gearing represented by borrowings will not exceed 20 per cent. of Net Asset Value calculated at the time of drawdown.</p>

		<p>Should the relevant Resolution be passed at the General Meeting, the existing Investment Policy will be amended by the adopting of a new policy on borrowing and gearing as follows:</p> <p>The Company intends to utilise borrowings for investment purposes as well as for share buybacks and short term liquidity purposes. Gearing represented by borrowings, including any obligations owed by the Company in respect of an issue of zero dividend preference shares (whether issued by the Company or any other member of its group) or any third-party borrowings, will not, in aggregate, exceed 20 per cent. of Net Asset Value calculated at the time of drawdown.</p>
B.36	Regulatory status	The Company operates under the Companies Act and is not regulated as a collective investment scheme by the FCA. The Company intends to conduct its affairs so as to qualify, at all times, as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010. The Company is subject to the Listing Rules, Prospectus Rules, the Disclosure Guidance and Transparency Rules and MAR.
B.37	Typical investors	An investment in the C Shares and/or New Ordinary Shares is suitable for institutional investors, professional investors and retail investors who understand, and 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 equal the whole amount invested) that may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in the Company Offerings. Furthermore, an investment in the C Shares and/or New Ordinary Shares should constitute part of a diversified investment portfolio. It should be remembered that the price of securities and the income from them can go down as well as up.
B.38	Investment of more than 20 per cent. in single underlying asset or investment company	Not applicable. No investment will represent 20 per cent. or more of the Gross Assets at the time of investment.
B.39	Investment of more than 40 per cent. in single underlying asset or investment company	Not applicable. No investment will represent 40 per cent. or more of the Gross Assets at the time of investment.
B.40	Applicant's service providers	<p>Investment Manager</p> <p>The Company, through the AIFM, has appointed RM Capital Markets Limited to manage the Portfolio pursuant to the Investment Management Agreement which is summarised in paragraph 6.7 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus.</p> <p>In addition, pursuant to the terms of the Investment Management Agreement entered into between the Company, the AIFM and the Investment Manager, the AIFM has delegated to the Investment Manager the Portfolio management duties which it has assumed under the terms of the AIFM Agreement. Accordingly, pursuant to the terms of the Investment Management Agreement, the Investment Manager is responsible, subject to the overall supervision of the Directors and subject</p>

to the Investment Policy for the discretionary investment of the Gross Offering Proceeds and the management of the Portfolio.

The Investment Manager is entitled to receive from the Company in respect of its services provided under the Investment Management Agreement, a management fee payable monthly in arrears. Where the prevailing Net Asset Value is equal to or in excess of £75 million, the Investment Manager shall be entitled to a fee calculated at the rate of 0.875 per cent. per annum of the prevailing Net Asset Value. Where the prevailing Net Asset Value is less than £75 million, the Investment Manager shall be entitled to a fee calculated at the rate of 0.50 per cent. per annum of the Net Asset Value, together with reimbursement of reasonable expenses properly incurred by it in the performance of its duties. No performance fee will be payable by the Company to the Investment Manager. In calculating Net Asset Value for these purposes all assets referable to the issue of ZDP Shares shall be counted as though they were assets of the Company but, for the avoidance of doubt, no liabilities referable to the issue of any ZDP Shares shall be deducted.

50 per cent. of the management fee received by the Investment Manager will be reinvested into Ordinary Shares in the period to 15 December 2019. The Investment Manager has irrevocably agreed and undertaken to subscribe for the allotment of new Ordinary Shares (to the value of 50 per cent. of the management fee). Such new Ordinary Shares shall be issued by the Company to the Investment Manager on a quarterly basis in arrears and credited as fully paid at a price equal to the Net Asset Value per Ordinary Share calculated at the end of the relevant quarter. In circumstances where the Ordinary Shares are trading at a discount to Net Asset Value at a time when a management fee is payable, the Investment Manager is obliged, provided it is lawful to do so, to use its reasonable endeavours to purchase Ordinary Shares in the market. Any such Ordinary Shares allotted or purchased by the Investment Manager shall be subject to the Lock-in Deed.

The Investment Manager is also entitled to retain an arrangement fee if, on the making of any Loan, the arrangement fee charged to a borrower is equal to or lower than 1.25 per cent. of the principal amount of the Loan as well as any documentation fee charged to a borrower in a hire purchase transaction and/or any security agent fee charged to a borrower where the Investment Manager acts as security and payment agent (provided that any amounts fall within the relevant exemptions of the Listing Rules so as not to be classified as a related party transaction).

AIFM

The Company has appointed International Fund Management Limited as the Company's external non-EEA AIFM. The AIFM is responsible, *inter alia*, for the Company's risk management in accordance with the terms of the AIFM Agreement, details of which are set out in Part 9 (*Additional Information on the Company*) of this Prospectus. The AIFM will act as the Company's manager for the purposes of AIFMD. Pursuant to the Investment Management Agreement, the AIFM has delegated portfolio management to the Investment Manager but will maintain responsibility for implementing appropriate risk measurement and management standards and procedures for the Company. The AIFM carries out the on-going oversight functions and supervision and ensure compliance with the applicable requirements of the AIFM Rules. The AIFM is legally and operationally independent of the Company and the Investment Manager.

The AIFM shall be entitled to receive from the Company a fee to be calculated and accrue at a rate equivalent to 0.125 per cent. of the Company's Net Asset Value subject to an annualised minimum of £85,000 applied on a monthly basis. The AIFM will also be entitled to

reimbursement of certain expenses properly and reasonably incurred. In calculating Net Asset Value for these purposes all assets referable to the issue of ZDP Shares shall be counted as though they were assets of the Company but, for the avoidance of doubt, no liabilities referable to the issue of any ZDP Shares shall be deducted.

Administrator and Company Secretary

PraxisIFM Fund Services (UK) Limited provides administration services and company secretarial services to the Company in accordance with the Administration Agreement. The Administrator provides certain administrative services to the Company which includes reporting the Net Asset Value, bookkeeping and accounts preparation. PraxisIFM Fund Services (UK) Limited is the company secretary of the Company and provides company secretarial support to the Board including the provision of meeting agendas, supporting papers and minutes for Board and shareholder meetings and co-ordination of the production of annual reports and half yearly reports.

An administration fee is charged for the provision of the administration services. The administration fee is payable monthly and is calculated at the rate of 0.085 per cent. of Net Asset Value per annum subject to a minimum fee of £75,000 (exclusive of VAT) per annum plus disbursements. A company secretarial fee is charged for the company secretarial services which is calculated on a time spent basis. In calculating Net Asset Value for these purposes all assets referable to the issue of ZDP Shares shall be counted as though they were assets of the Company but, for the avoidance of doubt, no liabilities referable to the issue of any ZDP Shares shall be deducted.

Registrar

Link Market Services Limited has been appointed as the Company's Registrar pursuant to the Registrar Agreement. The Registrar is entitled to a fee calculated on the basis of the number of Shareholders and the number of transfers processed (exclusive of any VAT).

Receiving Agent

The Company has appointed Computershare Investor Services PLC to provide receiving agent services in connection with the Offer for Subscription.

Broker

N+1 Singer is appointed as corporate broker to the Company. Under the terms of the N+1 Singer Engagement Letter, N+1 Singer is entitled to a fee of £75,000 per annum except in certain limited circumstances, payable quarterly in advance (exclusive of VAT).

Valuation Agent

Mazars LLP is appointed as valuation agent to the Company pursuant to the Valuation Agent Engagement Letter. The Valuation Agent is responsible for: (a) providing a monthly valuation report to the Company which gives a valuation of the Company's portfolio of Loans at each date; and (b) valuing individual Loans acquired as at the date of their acquisition. In both cases the valuation will be prepared in accordance with IFRS.

Under the terms of the Valuation Agent Engagement Letter on each illiquid investment, the Valuation Agent is entitled to an initial fee of an amount equal to 0.08 per cent. of the nominal value of the investment made subject to a minimum amount of £1,000 and, a maximum amount of £5,000. In addition, the Valuation Agent shall receive an annual fee of 0.04 per cent. of the aggregate nominal value of the investments held by the Company up to an aggregate nominal value of £200 million and to the

		extent that the aggregate nominal value of the investments held by the Company is more than £200 million an additional 0.03 per cent. of the aggregate nominal value of the investments above £200 million. The Valuation Agent Engagement Letter may be terminated on 90 days' notice.										
B.41	Regulatory status of investment manager and investment adviser	The Investment Manager is authorised and regulated by the FCA.										
B.42	Calculation of Net Asset Value	<p>The Net Asset Value (and Net Asset Value per Existing C Share (prior to conversion), Net Asset Value per Ordinary Share and, where applicable, Net Asset Value per C Share) is calculated monthly by the Administrator. Calculations are made in accordance with IFRS or as otherwise determined by the Board.</p> <p>Details of each monthly valuation, and of any suspension in the making of such valuations, are announced by the Company through a Regulatory Information Service as soon as practicable after the end of the relevant month. The Valuation Agent is responsible for carrying out the fair market valuation of the Loans on a monthly basis in accordance with IFRS.</p> <p>The calculation of the Net Asset Value will only be suspended in circumstances where the underlying data necessary to value the Loans cannot readily, or without undue expenditure, be obtained or in other circumstances (such as a system's failure of the Administrator) which prevents the Company from making such calculations. Details of any suspension in making such calculations will be announced through a Regulatory Information Service as soon as practicable after any such suspension occurs.</p>										
B.43	Cross liability	Not applicable. The Company is not an umbrella collective investment undertaking.										
B.44	No financial statements have been made up	The Company has commenced operations and historical financial information is incorporated by reference in this Prospectus. Please see the key financial information at B.7.										
B.45	Portfolio	<p>Since 15 December 2016, the Investment Manager has adhered to the original investment mandate and administered the Portfolio.</p> <p>As at 31 January 2018, the Company has grown the Portfolio to 23 debt investments across 13 sectors. Over 75 per cent. of the Portfolio is in private bi-lateral or private club investments with the remainder in public debt transactions. The Portfolio has £86.5 million of commitments across the Ordinary Share and Existing C Share classes of which approximately £70 million has been deployed on a cash basis.</p> <p>Key Portfolio statistics</p> <table> <tr> <td><i>Weighted Average Life</i></td> <td>3.66 years</td> </tr> <tr> <td><i>Average Yield on Investments</i></td> <td>8.4% – Ordinary Shares 10.29% – Existing C Shares</td> </tr> <tr> <td><i>% of Portfolio with coupons linked to LIBOR</i></td> <td>43%</td> </tr> <tr> <td><i>Investments in senior secured part of capital structure</i></td> <td>64%</td> </tr> <tr> <td><i>Investments in junior secured part of capital structure</i></td> <td>36%</td> </tr> </table> <p>The above figures are unaudited.</p>	<i>Weighted Average Life</i>	3.66 years	<i>Average Yield on Investments</i>	8.4% – Ordinary Shares 10.29% – Existing C Shares	<i>% of Portfolio with coupons linked to LIBOR</i>	43%	<i>Investments in senior secured part of capital structure</i>	64%	<i>Investments in junior secured part of capital structure</i>	36%
<i>Weighted Average Life</i>	3.66 years											
<i>Average Yield on Investments</i>	8.4% – Ordinary Shares 10.29% – Existing C Shares											
<i>% of Portfolio with coupons linked to LIBOR</i>	43%											
<i>Investments in senior secured part of capital structure</i>	64%											
<i>Investments in junior secured part of capital structure</i>	36%											

B.46	Net Asset Value	As at 31 January 2018 the unaudited NAV per Ordinary Share was 99.26 pence.
-------------	------------------------	---

Section C – Securities											
C.1	Type and class of securities	<p>The Existing C Shares and the C Shares being offered under the Company Offerings are shares with a nominal value of ten pence in the capital of the Company. The Ordinary Shares currently in issue and the New Ordinary Shares which may be issued pursuant to the Share Issuance Programme are shares with a nominal value of one pence in the capital of the Company.</p> <p>The ISIN of the C Shares is GB00BFX12M00 and the SEDOL of the C Shares is BFX12M0. The ticker for the C Shares is RMDL.</p> <p>The ISIN of the Ordinary Shares is GB00BYMTBG55 and the SEDOL of the Ordinary Shares is BYMTBG5. The ticker for the Ordinary Shares is RMDL.</p> <p>The ISIN of the Existing C Shares is GB00BD884W63 and the SEDOL of the Existing C Shares is BD884W6. The ticker for the Existing C Shares is RMCC</p>									
C.2	Currency of the securities issue	Sterling.									
C.3	Number of securities in issue	<p>The following tables shows the issued share capital (excluding treasury shares) of the Company as at the date of this Prospectus:</p> <table border="1"> <thead> <tr> <th><i>The Company</i></th> <th><i>Nominal Value (£)</i></th> <th><i>Number</i></th> </tr> </thead> <tbody> <tr> <td>Ordinary Shares</td> <td>573,000</td> <td>57,300,000</td> </tr> <tr> <td>Existing C Shares</td> <td>3,000,000</td> <td>30,000,000</td> </tr> </tbody> </table> <p>As announced on 15 February 2018, the Company intends to convert the Existing C Shares into Ordinary Shares at the Conversion Ratio. It is expected that cancellation of the Existing C Shares and Admission and dealings in the new Ordinary Shares created pursuant to the Existing C Share conversion will take place on 19 March 2018.</p>	<i>The Company</i>	<i>Nominal Value (£)</i>	<i>Number</i>	Ordinary Shares	573,000	57,300,000	Existing C Shares	3,000,000	30,000,000
<i>The Company</i>	<i>Nominal Value (£)</i>	<i>Number</i>									
Ordinary Shares	573,000	57,300,000									
Existing C Shares	3,000,000	30,000,000									
C.4	Description of the rights attaching to the securities	<p>The holders of the Ordinary Shares and C Shares shall only be entitled to receive, and to participate in, any dividends declared in relation to the relevant class of shares that they hold.</p> <p>On a winding-up or a return of capital by the Company, if there are C Shares in issue, the net assets of the Company attributable to the C Shares shall be divided pro rata among the holders of the C Shares. For so long as C Shares are in issue, and without prejudice to the Company's obligations under the Companies Act, the assets attributable to the C Shares shall, at all times, be separately identified and shall have allocated to them such proportion of the expenses or liabilities of the Company as the Directors fairly consider to be attributable to any C Shares in issue.</p> <p>The holders of Ordinary Shares shall be entitled to all of the Company's remaining net assets after taking into account any net assets attributable to any C Shares in issue.</p> <p>The Ordinary Shares and the C Shares shall carry the right to receive notice of, attend and vote at general meetings of the Company.</p> <p>The consent of either the holders of Ordinary Shares or the holders of C Shares will be required for the variation of any rights attached to the relevant class of shares.</p> <p>The Ordinary Shares and the C Shares rank behind the Company's obligations under the ZDP Loan Agreement.</p>									

C.5	Restrictions on the free transferability of the securities	There are no restrictions on the free transferability of the C Shares or the Ordinary Shares, subject to compliance with applicable securities laws and regulations and the Articles.
C.6	Admission to trading on a regulated market	<p>Applications will be made to the UK Listing Authority and the London Stock Exchange for (i) all the C Shares issued pursuant to the Company Offerings, (ii) all the new Ordinary Shares created pursuant to the conversion of Existing C Shares and (iii) any New Ordinary Shares, created pursuant to the conversion of C Shares and issued pursuant to the Share Issuance Programme to be admitted to the premium listing segment of the Official List and to trading on the Premium Segment.</p> <p>It is expected that Admission of the C Shares offered pursuant to the Initial Company Offerings will become effective, and that dealings in the C Shares will commence on 3 April 2018.</p> <p>It is anticipated that Admission in respect of the new Ordinary Shares arising on the conversion of the Existing C Shares will become effective and that dealings in the new Ordinary Shares will commence on 19 March 2018.</p> <p>It is expected that any subsequent Admissions under the Share Issuance Programme will become effective and dealings will commence between 3 April 2018 and 11 March 2019. All C Shares and/or New Ordinary Shares to be issued pursuant to the Share Issuance Programme will be issued conditional upon Admission occurring.</p>
C.7	Dividend policy	<p>To date the Company has paid or declared dividends of 4.2 pence per Ordinary Share. The Company will target an annualised dividend yield of 6.5 per cent. (on the IPO issue price of 100 pence per Ordinary Share) in the financial year to 31 December 2018 and thereafter. Dividends are expected to be declared in May, August, November and March of each year in respect of the preceding quarter.</p> <p>The target dividend yield is expressed in respect of the Ordinary Shares only. Holders of C Shares will not receive a dividend in respect of their C Shares (unless payment is necessary to preserve the Company's investment trust status) but the income attributable to the pool of assets represented by the C Shares will be reflected in the Net Asset Value of the C Shares and will be taken into account when the C Shares convert into Ordinary Shares. Once the C Shares have converted, the Ordinary Shares arising on conversion will rank <i>pari passu</i> in all respects with the existing Ordinary Shares including as to dividends.</p> <p>Investors should note that the targeted annualised dividend yields are targets only and not profit forecasts and there can be no assurance that either will be met or that any dividend growth will be achieved.</p>

Section D – Risks		
D.1 and D.2	Key information on the key risks specific to the issuer or its industry	<p>The key risk factors relating to the Company and its investment strategy are:</p> <ul style="list-style-type: none"> ● an economic slowdown in the UK or globally could adversely affect the Company's ability to invest the Net Offering Proceeds and the proceeds generated by the Share Issuance Programme and the ZDP Placing Programme as quickly as it would like to if such conditions result in businesses reducing their demand for capital in the short term. Depending on the severity and duration of any economic slowdown, the creditworthiness of the Company's end-users may become impaired which would cause an increased risk

		<p>of default on their repayment obligations and cause the Company to incur a loss;</p> <ul style="list-style-type: none"> ● past performance of the Investment Manager cannot be relied upon as an indicator of future performance and the Company can offer no assurance that investments will generate gains or income or that any gains or income that may be generated on particular investments will be sufficient to offset any losses that may be sustained; ● investor returns will be dependent upon the performance of the Portfolio and the Company may experience fluctuations in its operating results; ● the Investment Policy involves the use of leverage, which exposes the Company to risks associated with borrowings; <p>The key risk factors relating to the Investment Manager are:</p> <ul style="list-style-type: none"> ● the Company will depend on the managerial expertise available to the Investment Manager and investors will be highly dependent on the financial and managerial experience of certain investment professionals associated with the Investment Manager and any delegate of the Investment Manager, none of whom is under any contractual obligation to the Company to continue to be associated with the Investment Manager or any delegate of the Investment Manager. The loss of one or more of these individuals could have a material adverse effect on the performance of the Company. <p>The key taxation and regulation risks relating to the Company are:</p> <ul style="list-style-type: none"> ● the Company may not be able to maintain its investment trust status; and ● changes in taxation legislation or practices may adversely affect the Company and the tax treatment for Shareholders.
D.3	Key information on the key risks specific to the securities	<p>The key risk factors relating to the Ordinary Shares and the C Shares are:</p> <ul style="list-style-type: none"> ● the market price of the Ordinary Shares and/or the C Shares may fluctuate independently of their underlying Net Asset Value and may trade at a discount or premium at different times, depending on factors such as supply and demand for the Ordinary Shares and/or the C Shares, market conditions and general investor sentiment; ● it may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Ordinary Shares and/or the C Shares; ● the Company may issue additional securities that dilute existing Shareholders; and ● the Company may not have adequate distributable profits to allow the Company to return capital to Shareholders. Changes in tax law may reduce any return for investors in the Company.

Section E – Offer		
E.1	Net proceeds and costs of the Issue	<p>The costs and expenses of and incidental to the Company Offerings (including the expenses incurred in connection with the formation of the ZDP Subsidiary) and to be borne by the Group are expected to be 2 per cent. of the gross proceeds of the Company Offerings.</p> <p>In the event that the Initial Company Offerings do not proceed all costs and expenses of and incidental to the Initial Company Offerings shall be paid by the Company.</p> <p>On the basis that the estimated gross proceeds of the Initial Company Offerings are £20 million, the net proceeds of the Initial Company Offerings will be £19.6 million.</p>

		The net proceeds of the Share Issuance Programme are dependent, <i>inter alia</i> , on the Directors resolving to proceed with a subsequent issue and the price at which any C Shares or New Ordinary Shares are issued.
E.2a	Reasons for the offer and use of proceeds	<p>The Directors intend to invest the Net Offering Proceeds in accordance with the Investment Policy.</p> <p>If Shareholders do not approve all the Resolutions to be proposed at the General Meeting (which include the proposed changes to the Investment Policy), the Offerings will not proceed and no associated proceeds will be raised. Consequently, the Company will continue to comply with its existing Investment Policy.</p>
E.3	Terms and Conditions of the Offer	<p>The Initial Company Offerings, which are not underwritten, are conditional upon, <i>inter alia</i>:</p> <ul style="list-style-type: none"> ● the Resolutions being passed at the General Meeting; ● the Placing Agreement becoming wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms prior to Admission; and ● Admission becoming effective on or before 8.00 a.m. on 3 April 2018 (or such later time and date as the Company and N+1 Singer may agree). <p>C Shares and/or New Ordinary Shares which may be available under the Share Issuance Programme will be issued at the Share Issuance Programme Price. The Share Issuance Programme will open on 12 March 2018 and will close on 11 March 2019 (or any earlier date on which it is fully subscribed, as agreed between the Company and N+1 Singer). Any issue of C Shares and/or New Ordinary Shares pursuant to the Share Issuance Programme will be conditional, <i>inter alia</i>, on Admission occurring by 8.00 a.m. on such date(s) as the Company and N+1 Singer may agree from time to time and a valid supplementary prospectus being published by the Company if such is required by the Prospectus Rules.</p>
E.4	Material interests	Not applicable. No interest is material to the Company Offerings.
E.5	Name of person or entity offering to sell securities Lock-up arrangements, the parties involved and indication of the period of the lock-up	<p>Not applicable. No person or entity is offering to sell C Shares and/or New Ordinary Shares as part of the Company Offerings.</p> <p>The Investment Manager and its principals have agreed with the Company and N+1 Singer that, save for certain limited circumstances, they will not dispose of, directly or indirectly, any of the Ordinary Shares held by them at the date of the Lock-in Deed or acquired during the Issue Lock-in Period (as defined below) for the period ending on 15 December 2019 (the “Issue Lock-in Period”). The Investment Manager and its principals have further agreed that, save for certain limited circumstances, they will not, and will procure that their permitted transferees will not, dispose of, directly or indirectly, any of the new Ordinary Shares issued to them pursuant to the Investment Management Agreement (the “Investment Manager Shares”) for the period commencing on the date of issue of any New Ordinary Shares to them to the first anniversary of the date of issue.</p>
E.6	Dilution	If an existing Shareholder does not subscribe for C Shares under the Initial Company Offerings (which will ultimately convert into New Ordinary Shares) and/or any C Shares and/or any New Ordinary Shares issued under the Share Issuance Programme, such Shareholders’ proportionate ownership and voting interests in the Company will be reduced.

E.7	Estimated expenses charged to the investor by the issuer or the offeror	Not applicable. No expenses will be charged directly to investors by the Issuers in connection with the Offerings.
------------	--	--

PART B – THE ZDP SUBSIDIARY

Section A – Introduction and warnings		
A.	Warning:	This summary should be read as an introduction to this Prospectus. Any decision to invest in the ZDP Shares should be based on consideration of this Prospectus as a whole by the investor. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Union, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the ZDP Shares.
A.2	Use of prospectus by financial intermediaries	The ZDP Subsidiary has not provided its consent for use of this Prospectus for subsequent resale or final placement of the ZDP Shares by Intermediaries in connection with the Initial ZDP Placing or the ZDP Placing Programme.

Section B – Issuer		
B.	Legal and commercial name	RM ZDP Plc (the “ ZDP Subsidiary ”).
B.2	Domicile and legal form	The ZDP Subsidiary is a public limited company incorporated in England and Wales on 21 February 2018, with registered number 11217952 as a public company limited by shares under the Companies Act. The principal legislation under which the ZDP Subsidiary operates is the Companies Act.
B.3	Nature of issuers/Current operations/ Principal activities	<p>The ZDP Subsidiary is a wholly owned subsidiary of the Company, and was incorporated by the Company for the sole purpose of issuing the ZDP Shares.</p> <p>The ZDP Subsidiary’s only material financial obligations are in respect of the ZDP Shares. Its only material assets will, following Admission, be its ZDP Loan to the Company pursuant to the ZDP Loan Agreement and the obligation of the Company pursuant to the Undertaking to put the ZDP Subsidiary in a position to meet its obligations in respect of the ZDP Shares and to pay its operating expenses.</p>
B.4a	Known trends	Not applicable.
B.5	Group description	<p>The Company is the holding company of a group consisting of the Company and the ZDP Subsidiary.</p> <p>The ZDP Subsidiary has no reserves. The principal activity of the Company and the Group is to invest in accordance with the Investment Policy, as set out in B.34 of Part A of this Summary above.</p>
B.6	Notifiable interests/voting rights	As at the date of this Prospectus, all the Subsidiary Ordinary Shares in issue are held by the Company.
B.7	Key financial information	Not applicable. The ZDP Subsidiary has been newly incorporated and has no historical financial information.

B.8	Key pro forma financial information	Not applicable. No pro forma information is included in this Prospectus in relation to the ZDP Subsidiary.
B.9	Profit forecast	Not applicable. No profit forecast or estimate is included in this Prospectus.
B.10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. The ZDP Subsidiary has been newly incorporated and has no audit reports or historical financial information.
B.11	Explanation if working capital not sufficient for present requirements	Not applicable. The ZDP Directors are of the opinion that the working capital available to the ZDP Subsidiary is sufficient for the present requirements of the ZDP Subsidiary, that is for at least 12 months from the date of this Prospectus.
B.18	Guarantee	<p>Immediately following Admission, the ZDP Subsidiary will advance the Gross ZDP Placing Proceeds to the Company pursuant to the ZDP Loan Agreement. The ZDP Loan Agreement and supporting documentation contain certain provisions to protect the interests of the ZDP Subsidiary and the ZDP Shareholders. The ZDP Loan (and the interest accrued thereon) will be repayable in full, <i>inter alia</i>, on the ZDP Repayment Date.</p> <p>The Company will, immediately prior to Admission, also grant the Undertaking to the ZDP Subsidiary. Pursuant to the Undertaking, the Company will undertake to subscribe for such number of Subsidiary Ordinary Shares, or to otherwise contribute (by way of gift, capital contribution or otherwise pay), such funds to the ZDP Subsidiary, as will ensure that the ZDP Subsidiary has sufficient assets on the ZDP Repayment Date to satisfy the ZDP Capital Entitlement then due and to pay any operational costs or expenses incurred by the ZDP Subsidiary from time to time.</p> <p>Dividends and other payments to Shareholders will be restricted while the ZDP Shares are in issue unless Cover is at least 3 times immediately following any such payment or if such payment is required in order for the Company to maintain its investment trust status.</p>
B.19	Section B information on the Guarantor as if it were the issuer of the same type of security that is the subject of the guarantee	Information on the Company required for this summary is included in Part A of this Summary above.

Section C – Securities								
C.1	Type and class of securities	<p>The ZDP Shares being offered under the Initial ZDP Placing and the ZDP Placing Programme are shares with a nominal value of one penny in the capital of the Company.</p> <p>The ISIN of the ZDP Shares is GB00BG1TSQ91 and the SEDOL of the ZDP Shares is BG1TSQ9. The ticker for the ZDP Shares is RMDZ.</p>						
C.2	Currency of the securities issue	Sterling.						
C.3	Number of securities in issue	<p>The following table shows the issued share capital of the ZDP Subsidiary as at the date of this Prospectus:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;"></th> <th style="text-align: right; width: 15%;"><i>Nominal Value (£)</i></th> <th style="text-align: right; width: 15%;"><i>Number</i></th> </tr> </thead> <tbody> <tr> <td>Subsidiary Ordinary Shares</td> <td style="text-align: right;">1.00</td> <td style="text-align: right;">50,000</td> </tr> </tbody> </table>		<i>Nominal Value (£)</i>	<i>Number</i>	Subsidiary Ordinary Shares	1.00	50,000
	<i>Nominal Value (£)</i>	<i>Number</i>						
Subsidiary Ordinary Shares	1.00	50,000						
C.4	Description of the rights attaching to the securities	<p>Limited life</p> <p>The ZDP Subsidiary has a limited life and unless: (i) a ZDP Recommended Resolution or a ZDP Reconstruction Proposal has previously been approved or made in accordance with the ZDP Articles; or (ii) the ZDP Directors have previously been released from their obligations by the passing of a special resolution of the ZDP Subsidiary in general meeting and by way of ZDP Class Consent, the ZDP Subsidiary will be placed into voluntary liquidation following a general meeting of the ZDP Subsidiary which the ZDP Directors shall be required to convene on 6 April 2021 (the “ZDP Repayment Date”) for the purposes of proposing a resolution to wind up the ZDP Subsidiary voluntarily (the “Scheduled Winding-Up Resolution”).</p> <p>In addition to the general meeting required to be convened by the ZDP Directors for the purposes of proposing the Scheduled Winding-Up Resolution, a general meeting:</p> <ul style="list-style-type: none"> ● may be called by the ZDP Directors at any time prior to the ZDP Repayment Date for the purposes of proposing a resolution to wind up the ZDP Subsidiary voluntarily (a “Permitted Winding-Up Resolution”) where, notwithstanding the fact that the ZDP Subsidiary will be placed into voluntary liquidation prior to the ZDP Repayment Date, the ZDP Directors are of the reasonable opinion that the ZDP Shareholders will be entitled to receive the full Final Capital Entitlement upon such early winding-up of the ZDP Subsidiary; or ● shall be called by the ZDP Directors for the purposes of proposing a resolution to wind up the ZDP Subsidiary voluntarily (an “Accelerated Winding-Up Resolution”) in circumstances where a Continuation Resolution has not been approved. <p>For these purposes each of a Permitted Winding-Up Resolution and an Accelerated Winding-Up Resolution, shall be an “Early Winding-Up Resolution” and each of an Early Wind-Up Resolution and a Scheduled Winding-Up Resolution shall be a “Winding-Up Resolution”.</p> <p>Pursuant to the Undertaking, the Company has undertaken to vote in favour of any Winding-Up Resolution</p> <p>Voting rights</p> <p>The ZDP Shareholders shall have the right to receive notice of all general meetings of the ZDP Subsidiary for information purposes, but shall have no right to attend or vote at any such meeting of the ZDP Subsidiary. For the avoidance of doubt:</p>						

		<ul style="list-style-type: none"> any resolution to alter, modify or abrogate the special rights or privileges attached to the ZDP Shares shall require separate class consent (by special resolution) at a class meeting of ZDP Shareholders convened and held in accordance with the ZDP Articles (a “ZDP Class Consent”); and any ZDP Recommended Resolution or any resolution to approve a, ZDP Reconstruction Proposal (if required) shall only be approved by Subsidiary Ordinary Shareholders provided they have first been approved by way of a ZDP Class Consent.
C.5	Restrictions on the free transferability of the securities	There are no restrictions on the free transferability of the ZDP Shares subject to compliance with applicable securities laws and regulations and the ZDP Articles.
C.6	Admission to trading on a regulated market	<p>Applications will be made to the UK Listing Authority and the London Stock Exchange for the ZDP Shares to be issued pursuant to the Initial ZDP Placing and the ZDP Placing Programme to be admitted to the standard segment of the Official List and to trading on the Standard Segment.</p> <p>It is expected that the Admission of the ZDP Shares offered pursuant to the Initial ZDP Placing will become effective and that dealings in the ZDP Shares will commence at 8.00 a.m. on 3 April 2018.</p> <p>It is expected that any subsequent Admissions under the ZDP Placing Programme will become effective and dealings will commence between 3 April 2018 and 11 March 2019. All ZDP Shares to be issued pursuant to the ZDP Placing Programme will be issued conditional upon Admission occurring.</p>
C.7	Dividend Policy	<p>The ZDP Shares carry no right to receive dividends or other distributions out of revenue or any other profits of the ZDP Subsidiary.</p> <p>The ZDP Subsidiary shall not, without the previous sanction of a ZDP Class Consent, pass any resolution which authorises the ZDP Directors to pay a dividend out of the ZDP Subsidiary’s capital reserve. Subject to the Companies Act and the ZDP Articles, the ZDP Subsidiary may by ordinary resolution declare a dividend to be paid to the members according to their respective rights and interests, but no dividend may exceed the amount recommended by the ZDP Board.</p>

Section D – Risks		
D.1 D.2	Key information on the key risks specific to the issuer or its industry	<p>By virtue of the arrangements to be entered into between the ZDP Subsidiary and the Company (being the ZDP Loan Agreement and the Undertaking) the ZDP Subsidiary and its ability to pay the ZDP Capital Entitlement is dependent upon the performance of the Company and in that regard the risk factors relating to the Company and its investment strategy are as follows:</p> <ul style="list-style-type: none"> an economic slowdown in the UK or globally could adversely affect the Company’s ability to invest the Net Offering Proceeds and the proceeds generated by the Share Issuance Programme and the ZDP Placing Programme as quickly as it would like to if such conditions result in businesses reducing their demand for capital in the short term. Depending on the severity and duration of any economic slowdown, the creditworthiness of the Company’s end-users may become impaired which would cause an increased risk of default on their repayment obligations and cause the Company to incur a loss;

		<ul style="list-style-type: none"> ● past performance of the Investment Manager cannot be relied upon as an indicator of future performance and the Company can offer no assurance that investments will generate gains or income or that any gains or income that may be generated on particular investments will be sufficient to offset any losses that may be sustained; ● investor returns will be dependent upon the performance of the Portfolio and the Company may experience fluctuations in its operating results; ● the Investment Policy involves the use of leverage, which exposes the Company to risks associated with borrowings; <p>The key risk factors relating to the Investment Manager are:</p> <ul style="list-style-type: none"> ● the Company will depend on the managerial expertise available to the Investment Manager and investors will be highly dependent on the financial and managerial experience of certain investment professionals associated with the Investment Manager and any delegate of the Investment Manager, none of whom is under any contractual obligation to the Company to continue to be associated with the Investment Manager or any delegate of the Investment Manager. The loss of one or more of these individuals could have a material adverse effect on the performance of the Company. <p>The key taxation and regulation risk factors relating to the Company are:</p> <ul style="list-style-type: none"> ● the Company may not be able to maintain its investment trust status; and ● changes in taxation legislation or practices may adversely affect the Company and the tax treatment for Shareholders.
D.3	Key information on the key risks specific to the securities	<p>The key risk factors relating to the ZDP Shares are:</p> <ul style="list-style-type: none"> ● the different rights and expectations of the Ordinary and C Shareholders and the ZDP Shareholders may give rise to conflicts of interest between them. ZDP Shareholders will have little or no interest in the revenue produced by the Portfolio, save to the extent that the Company's operating costs exceed that revenue. ZDP Shareholders can be expected to want the capital value of the Portfolio to be sufficient to repay the Final Capital Entitlement of the ZDP Shares on the ZDP Repayment Date, but will have little or no interest in any growth in capital in excess of that amount. Conversely, Ordinary and C Shareholders can be expected to be interested in both the revenue that the Portfolio produces (and hence the level of dividends which will be capable of being paid on the Ordinary Shares) and increases in the capital value of the Portfolio in the period to the ZDP Repayment Date, in excess of the Final Capital Entitlement of the ZDP Shares; ● the payment of the Final Capital Entitlement will be dependent on the Company's ability to comply with its obligations under the ZDP Loan Agreement and the Undertaking. The Company's compliance with such obligations will be dependent on the performance of the Portfolio and such performance will be subject to a number of risks, including those described below; ● while the Undertaking restricts the ability of the Company to pay dividends in circumstances where the Cover is less than 3 times, it should be noted that the Undertaking does not prohibit the payment of dividends altogether in such circumstances. Instead, the Company is only restricted from paying dividends which are in excess of those distributions which are required to be made by the Company to ensure it maintains its investment trust status.

		<p>Accordingly, a conflict of interest will arise between ZDP Shareholders who will have an interest in the Company retaining profits to increase the level of the Cover and the holders of Ordinary Shareholders whose expectation will be for dividend payments to be made in line with the Company's stated dividend policy;</p> <ul style="list-style-type: none"> ● The repayment obligations under the ZDP Loan Agreement will be subordinated to those of the RCF. In the event that the Company defaults on the RCF and subsequently OakNorth requires repayment under the RCF, the RCF will be repaid in full (if utilised) prior to the ZDP Loan being repaid which may affect payment of the final Capital Entitlement. ● the Company's debt to the ZDP Subsidiary pursuant to the ZDP Loan Agreement (which is the ZDP Subsidiary's only asset) and the Company's obligations under the Undertaking will rank behind any secured creditors of the Company. Therefore, it is not guaranteed that the Final Capital Entitlement will be paid. On a return of assets, including the winding-up of the Company, the ZDP Subsidiary would only receive repayment of the Loan and accrued interest if there are sufficient assets of the Company, having first taken account of prior ranking liabilities (including under the RCF) and having regard to all other unsecured liabilities of the Company. The ZDP Shares are not a secured, protected or guaranteed investment; ● the proposed standard listing of the ZDP Shares will afford the ZDP Shareholders a lower level of regulatory protection than a premium listing; ● there may not be a liquid secondary market for the ZDP Shares, and an investment of this type should be regarded as long-term in nature and may not be suitable as a short-term investment. In addition, the value of the ZDP Shares can go down as well as up. The market price and the realisable value of the ZDP Shares, as well as being affected by the underlying value of the Portfolio, will be affected by interest rates, supply and demand for the ZDP Shares, market conditions and general investor sentiment; ● Admission should not be taken as implying that there will be a liquid market for the ZDP Shares. There is no guarantee that an active market will develop or be sustained for the ZDP Shares after Admission. If an active trading market is not developed or maintained, the liquidity and trading price of the ZDP Shares could be adversely affected. Even if an active trading market develops, the market price for the ZDP Shares may fall below the Placing Price and ZDP Shareholders may not realise their initial investment; and ● the illustrative financial statistics and related figures given in this Prospectus are based on the assumptions set out in this Prospectus, which are assumptions only and may or may not be fulfilled in practice. The assumptions and the illustrative financial statistics should not be regarded as forecasts of profit or growth in the value of the Companies' assets. In particular, the Final Cover and the Hurdle Rate indicated for the ZDP Shares are based on the Assumptions. If events differ from these Assumptions, the Final Cover and Hurdle Rate may be less favourable.
--	--	---

Section E – Offer

E.1	The total net proceeds and an estimate of the total expenses of the issue/offer, including estimated expenses charged to the investor by the issuer or the offeror	<p>The costs and expenses of and incidental to the ZDP Offerings and to be borne by the Group are expected to be 1 per cent. of the gross proceeds of the ZDP Offerings.</p> <p>In the event that the Initial ZDP Placing does not proceed all costs and expenses of an incidental to the Initial ZDP Placing does shall be paid by the Company.</p> <p>On the basis that the estimated gross proceeds of the Initial ZDP Placing are £20 million, the net proceeds of the Initial ZDP Placing will be £10.9 million.</p> <p>The net proceeds of the ZDP Placing Programme are dependent, <i>inter alia</i>, on the Directors resolving to proceed with a Subsequent ZDP Placing and the price at which any ZDP Shares are issued.</p>
E.2a	Reasons for the offer and use of proceeds	<p>The ZDP Directors intend to advance the entirety of the Gross ZDP Placing Proceeds to the Company pursuant to the ZDP Loan Agreement, to be invested by the Company in accordance with the Investment Policy.</p> <p>If Shareholders do not approve all the Resolutions to be proposed at the General Meeting, the Offerings (including the Initial ZDP Placing) will not proceed and no associated proceeds will be raised.</p>
E.3	Terms and Conditions of the Offer	<p>The Initial ZDP Placing, which is not underwritten, is conditional upon, <i>inter alia</i>:</p> <ul style="list-style-type: none"> ● the Resolutions being passed at the General Meeting; ● the Placing Agreement becoming wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms prior to Admission; and ● Admission becoming effective on or before 8.00 a.m. on 3 April 2018 (or such later time and date as the ZDP Subsidiary and N+1 Singer may agree.). <p>ZDP Shares which may be available under the ZDP Placing Programme will be issued at the ZDP Placing Programme Price. The ZDP Placing Programme will open on 12 March 2018 and will close on 11 March 2019 (or any earlier date on which it is fully subscribed, as agreed between the ZDP Subsidiary and N+1 Singer). Each issue of ZDP Shares pursuant to the ZDP Placing Programme will be conditional, <i>inter alia</i>, on Admission of those ZDP Shares by 8.00 a.m. on such date as the Company and N+1 Singer may agree from time to time in relation to that Admission and a valid supplementary prospectus being published by the ZDP Subsidiary of such is required by the Prospectus Rules.</p>
E.4	Material Interests	Not applicable. No interest is material to the Initial ZDP Placing or the ZDP Placing Programme.
E.5	Name of person or entity offering to sell securities Lock-up arrangements, the parties involved and indication of the period of the lock-up	Not applicable. There are no lock-up agreements in place.

E.6	Dilution	Not applicable. This is an initial offering.
E.7	Estimated expenses charged to the investor by the issuer or the offeror	Not applicable. No expenses will be charged directly to investors by the Issuers in connection with the Offerings.

RISK FACTORS

An investment in C Shares and/or Ordinary Shares and/or ZDP Shares carries a number of risks including the risk that the entire investment may be lost. In addition to all the other information set out in this Prospectus, the following specific risk factors should be considered when deciding whether to make an investment in C Shares and/or Ordinary Shares and/or ZDP Shares. No assurance can be given that Shareholders or ZDP Shareholders will realise profit on, or recover the value of, their investment in C Shares and/or Ordinary Shares and/or the ZDP Shares. It should be remembered that the price of securities and the returns from them can go down as well as up.

The risks set out below in Part A are those that are considered to be the material risks relating to an investment in the C Shares and Ordinary Shares but are not the only risks relating to the Company and to an investment in C Shares and Ordinary Shares. The risks set out below in Part B are those that are considered to be the material risks relating to an investment in ZDP Shares but are not the only risks relating to the ZDP Subsidiary and to an investment in ZDP Shares. An investment in ZDP Shares will also indirectly expose such investors to all the risks set out below in Part A as the Company will employ the Gross ZDP Placing Proceeds in accordance with its Investment Policy.

The Directors (in their capacity as Directors and as ZDP Directors) believe that the risks described below are the material risks relating to C Shares, Ordinary Shares and ZDP Shares at the date of this Prospectus. Additional risks and uncertainties not currently known to the Directors (in their capacity as Directors and as ZDP Directors), or that the Directors deem immaterial at the date of this Prospectus, may also have an adverse effect on the performance of the Company, the ZDP Subsidiary and the value of C Shares, Ordinary Shares and/or ZDP Shares. Additional risks and uncertainties not currently known to the Company, the ZDP Subsidiary, the Directors or the ZDP Directors or that the Company, the ZDP Subsidiary, the Directors or the ZDP Directors consider to be immaterial as at the date of this Prospectus may also have a material adverse effect on each of the Company's and the ZDP Subsidiary's financial condition, business, prospects and results of operations and, consequently, each of the Company's and the ZDP Subsidiary's NAV and/or the market price of C Shares, Ordinary Shares and ZDP Shares, respectively.

The past performance of the Company and of investments which are referred to in this Prospectus are for information or illustrative purposes only and should not be interpreted as an indication, or as a guarantee, of future performance.

An investment in the Company or the ZDP Subsidiary should not be regarded as short-term in nature and involve a high degree of risk. Accordingly, investors should consider carefully all of the information set out in this Prospectus, including, in particular, the risks described below.

PART A – RISKS RELATING TO AN INVESTMENT IN THE C SHARES AND THE ORDINARY SHARES

Reliance on service providers and other third parties

The Company has no employees and the Directors have all been appointed on a non-executive basis. The Company must therefore rely upon the performance of third party service providers to perform its executive functions. In particular, the AIFM, the Investment Manager, the Administrator, the Company Secretary, the Registrar and their respective delegates, if any, will perform services that are integral to the Company's operations and financial performance. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment, to exercise due care and skill, or to perform its obligations to the Company at all as a result of insolvency, bankruptcy or other causes could have a material adverse effect on the Company's performance and returns to Shareholders. The termination of the Company's relationship with any third party service provider or any delay in appointing a replacement for such service provider, could disrupt the business of the Company materially and could have a material adverse effect on the Company's performance and returns to Shareholders.

Past performance cannot be relied upon as an indicator of future performance

The Company's performance may be volatile and investors may lose all or part of their investment. Past performance of other investments managed or advised by the Investment Manager is no indication of future results and there can be no assurance that the Company will achieve results comparable to any past performance achieved by the Investment Manager or any employee of the Investment Manager described in this Prospectus.

RISKS RELATING TO THE COMPANY'S INVESTMENT STRATEGY

The Company may not meet its investment objective or target dividend yield

The Company may not achieve its investment objective. Meeting the investment objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met.

The Company's investment objective is to generate attractive and regular dividends through investment in Loans sourced or originated by the Investment Manager and to generate capital appreciation by virtue of the fact that the returns on some Loans will be index-linked. The declaration, payment and amount of any future dividends by the Company will be subject to the discretion of the Directors and will depend upon, amongst other things, the Company successfully pursuing the Investment Policy and the Company's earnings, financial position, cash requirements, level and rate of borrowings and availability of profit, as well the provisions of relevant laws or generally accepted accounting principles from time to time.

There is no guarantee that the Company's targeted dividend yield will be met or that any dividend or capital growth will be achieved.

Achievement of the Company's investment objective will be dependent upon the Company successfully pursuing its Investment Policy. The success of the Company will depend on the Investment Manager's ability to make and acquire Loans in accordance with the Investment Policy and for these Loans to be repaid in accordance with their terms. This, in turn, will depend on the ability of the Investment Manager to apply its investment processes in a way which is capable of identifying suitable opportunities for the Company. There can be no assurance that the Investment Manager will be able to do so or that the Company will be able to invest on attractive terms or generate any investment returns for Shareholders or indeed avoid investment losses.

Poor economic conditions may adversely affect the Company's ability to build the Portfolio

An economic slowdown in the UK or globally could adversely affect the Company's ability to invest the Net Offering Proceeds and the proceeds generated by the Share Issuance Programme and the ZDP Placing Programme as quickly as it would like to if such conditions result in businesses reducing their demand for capital in the short term. If this happens, the Company's distributions to Shareholders may be less than if the Net Offering Proceeds and the proceeds generated by the Share Issuance Programme and the ZDP Placing Programme were invested in accordance with the Company's expected timetable. It could also

result in reduced interest rates, which could reduce the returns the Company can obtain on its investments and, as a consequence, may reduce the distributions it can make to Shareholders. Depending primarily on the severity and duration of any economic slowdown, the creditworthiness of the Company's borrowers may become impaired which could cause an increased risk of default on their repayment obligations and cause the Company to incur a loss.

Investor returns will be dependent upon the performance of the Portfolio and the Company may experience fluctuations in its operating results

Investors contemplating an investment in the C Shares or Ordinary Shares should recognise that the market value of the C Shares and the Ordinary Shares can fluctuate and may not always reflect their underlying value. Returns achieved are reliant primarily upon the performance of the Portfolio. No assurance is given, express or implied, that Shareholders will receive back the amount of their original investment in the C Shares or the Ordinary Shares as the case may be.

The Company may experience fluctuations in its operating results due to a number of factors, including changes in the values of investments made by the Company, the Company's borrowers defaulting on their repayment obligations, changes in the Company's operating expenses, variations in and the timing of the recognition of realised and unrealised gains or losses, the degree to which the Company encounters competition and general economic and market conditions. Such variability may lead to volatility in the trading price of the C Shares and the Ordinary Shares and cause the Company's results for a particular period not to be indicative of its performance in a future period.

Availability of appropriate investments

There is no guarantee that Loans will be made in a timely manner, or at all.

In addition the Company may become subject to competition in sourcing and making investments. Some of the Company's competitors may have greater financial, technical and marketing resources or a lower cost of capital and the Company may not be able to compete successfully for investments. Competition for investments may lead to the available interest coupon on investments decreasing, which may further limit the Company's ability to generate its desired returns.

If the Investment Manager is not able to source a sufficient number of suitable investments within a reasonable time frame whether by reason of lack of demand, competition or otherwise, a greater proportion of the Company's assets will be held in cash for longer than anticipated and the Company's ability to achieve its investment objective will be adversely affected. To the extent that any investments to which the Company is exposed prepay, mature or are sold it will seek to reinvest such proceeds in further investments in accordance with the Investment Policy. There can be no guarantee that such further investments can be made in a timely manner (or at all) and consequently the Company may hold material cash balances pending reinvestment. Further, such proceeds may be reinvested in the purchase of assets with a lower yield and/or with different characteristics to those replaced.

Sufficiency of due diligence

Whilst the Investment Manager's due diligence process may include engaging professional third party advisers, including financial and legal advisers, independent valuation experts, financial model auditors and insurance experts to advise in connection with the Company's investments, 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, leading to a risk that the return received on investments will be lower than envisaged and that the principal may not be repaid in full, or at all. These factors may materially adversely affect the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders. Moreover, there can be no assurance that satisfactory due diligence will result in an investment being successful.

Changes in laws or regulations governing the Company's operations may adversely affect the Company's business

The Company and its operations are subject to laws and regulations enacted by national and local governments and government policy. Compliance with, and monitoring of, applicable laws and regulations may be difficult, time-consuming and costly. Any change in the laws, regulations and/or government policy

affecting the Company or any changes to current accountancy regulations and practice in the UK may have a material adverse effect on the ability of the Company to successfully pursue its investment policy and meet its investment objective and/or on the value of the Company, the C Shares and the Ordinary Shares. In such event, the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders may be materially adversely affected.

Furthermore, the Company is subject to and will be required to comply with certain regulatory requirements that are applicable to closed-ended investment companies that are admitted to the premium listing segment of the Official List and to trading on the Premium Segment. The Company must comply with the London Stock Exchange Admission and Disclosure Standards, the Listing Rules, the Prospectus Rules and the Disclosure and Transparency Rules. Any failure in future to comply with any future changes to such rules and regulations may result in the Shares being suspended from trading on the London Stock Exchange.

The financial markets are uncertain and have been the subject of governmental intervention

Uncertain conditions in the global financial markets, and initiatives by governments to address them, have created a great deal of uncertainty for the finance industries, which may adversely affect the Company's investments and overall performance.

The scale and extent of these government initiatives have been unprecedented in recent times and it remains unclear what impact they will have on global financial markets in the long term, and on European, US and other economies.

These initiatives are subject to change, may be implemented in unanticipated ways and their effects are difficult to predict. It is not known whether the Company and the counterparties and obligors to whom the Company will be exposed or its competitors will be able to benefit from these initiatives, directly, indirectly or at all. There can be no assurance the conditions in the global financial markets, or actions by governments, will not worsen and/or further adversely affect the value of the Company's investments and overall performance.

UK exit from the European Union

A referendum was held on 23 June 2016 to decide whether the UK should remain in the EU. A vote was given in favour of the UK leaving the EU ("**Brexit**"). The extent of the impact on the Company will depend in part on the nature of the arrangements that are put in place between the UK and the EU following Brexit and the extent to which the UK continues to apply laws that are based on EU legislation. In addition, the macroeconomic effect of a Brexit on the value of investments in the lending market and, by extension, the value of investments in the Portfolio is unknown. As such, it is not possible to state the impact that Brexit will have on the Company and its investments. It could also potentially make it more difficult for the Company to raise capital in the EU and/or increase the regulatory compliance burden on the Company. This could restrict the Company's future activities and thereby negatively affect returns.

Investments outside the UK are exposed to local legal, economic, political, social and other risks

Whilst the Company's investments will primarily be in the UK, it may make investments abroad. The laws and regulations of various jurisdictions in which the Company may invest, may impose restrictions that would not exist in the UK. Such jurisdictions may have their own legal, economic, political, social, cultural, business, industrial and labour and environment risks and Loans made in such jurisdictions may require significant government approvals under corporate, securities, exchange control, foreign investment and other similar laws and may require financing and structuring alternatives that differ significantly from those customarily used in the UK.

In addition, governments may from time to time impose restrictions intended to prevent capital flight, which may, for example, involve punitive taxation (including high withholding taxes) on certain securities or transfers or the imposition of exchange controls, making it difficult or impossible to exchange or repatriate foreign currency. These and other restrictions may make it impracticable for the Company to distribute the amounts realised from its investments at all or may force the Company to distribute such amounts other than in Sterling and therefore a portion of the distribution may be made in foreign securities or currency. It also may be difficult to obtain and enforce a judgment in a local court. No assurance can be given that a given political or economic climate, or particular legal or regulatory risks, will not adversely affect an investment by the Company.

The Investment Policy involves the use of leverage, which exposes the Company to risks associated with borrowings

Should the Resolutions be passed at the General Meeting the Company intends to utilise borrowings for investment purposes as well as for share buybacks and short term liquidity purposes. While the use of borrowings should enhance the total return on the Ordinary Shares and C Shares where the return on the Company's underlying assets is rising and exceeds the cost of borrowing, it will have the opposite effect where the return on the Company's underlying assets is falling or rising at a lower rate than the cost of borrowing, reducing the total return on the Ordinary Shares and C Shares. As a result, the use of borrowings by the Company may increase the volatility of the Net Asset Value per Ordinary Share and Net Asset Value per C Share.

Any reduction in the value of the Company's investments may lead to a correspondingly greater percentage reduction in its Net Asset Value (which is likely to adversely affect the market price of an Ordinary Share and C Share). Any reduction in the number of Ordinary Shares and C Shares in issue (for example, as a result of buy-backs or tender offers) will, in the absence of a corresponding reduction in borrowings, result in an increase in the Company's level of gearing.

The Company will pay interest on its borrowings. As such, the Company is exposed to interest rate risk due to fluctuations in the prevailing market rates.

There is no guarantee that any borrowings of the Company will be refinanced on their maturity either on terms that are acceptable to the Company or at all.

RISKS RELATING TO LOANS

The Company's investments will be predominantly in the form of Loans whose revenue streams are secured against contracted, predictable medium to long-term cash flows and/or physical assets, and whose debt service payments are dependent on such cash flows and/or the sale or refinancing of the physical assets. There are a number of risks (detailed below) that could result in either the cash flows of the borrower being lower than anticipated or the sale or refinancing of the physical assets not generating as much capital as anticipated. This would potentially adversely affect the ability of the borrower to service its debts including any Loans.

All the risks detailed below may have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

Residual value risk

The returns on the Loans may be dependent on the sale or refinance of physical assets. If the value of, or the quantum of refinancing achievable against, such physical assets is less than anticipated, this may adversely affect the ability of the borrower to service its debts including any Loans.

Counterparty default

Borrowers to whom the Company provides Loans may be exposed to credit risk from a wide range of counterparties including, but not limited to:

- the entity/ies that is/are responsible in whole or in part for providing the borrower with its revenues or with guaranteeing certain liabilities or risks associated with the project; subcontractors providing a range of services including facilities management companies, operation and maintenance companies, special purpose vehicle management and administration, construction companies and others;
- counterparties to lease agreements (in respect of loans in equipment leasing and/or asset finance);
- insurance companies; and
- banks providing bank accounts for the borrower or hedging arrangements for any currency or exchange rate risks.

In the event of a counterparty default, there may be significant difficulties for the borrower in finding an alternative or replacement counterparty on the same or better terms, and in some cases would immediately

expose the borrower to financial loss, potentially impacting on the ability of the borrower to service its debts including any Loans.

Reliance on sub-contractors and/or servicers

The Company may make Loans in projects and assets that have no employees and which are dependent on the performance of sub-contractors or third party servicers under a contractual relationship. If a sub-contractor or servicer fails to perform its role competently it may result in a borrower suffering financial loss thereby impairing its ability to service its debts, including any Loans.

If a borrower to whom the Company has provided a Loan is required to replace a key sub-contractor (including a facilities manager or property developer) or servicer due to the insolvency of that sub-contractor or servicer or for any other reason including a default by the contractor or servicer on its obligations (financial or operational), there can be no certainty that an adequate replacement can be found nor at what cost. Any resulting increase in the costs of the project or asset may adversely affect the borrower's ability to service its debts, including any Loans.

Further, the subcontractors' and servicers' liabilities to a borrower, to whom the Company has provided a Loan, for the risks they have assumed will often be subject to financial limits and de minimis thresholds. It is possible that these limits may be exceeded in certain circumstances or the thresholds not reached. Any loss or expense in excess of such a cap or below such a threshold would be borne by the borrower, unless covered by insurance.

Senior debt covenant breach risk

Any subordinated and mezzanine Loans made by the Company will be subordinate to a borrower's senior 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 the Company, as a subordinated lender, being suspended. Where such a breach or any other event leads to an event of default, the senior lenders will normally have a priority claim on cashflow generated by the borrower (whether arising through its continuing operation or from the disposal of the assets of the business) and/or have the right to take control of the borrower and ultimately to sell it. In such circumstances, it is unlikely that the subordinated debt of the borrower will be satisfied in full, if at all.

Bridge loan risk

The Company may finance portfolios of bridge loans. Bridge loans are generally temporary financing instruments and as such it is the expectation that the portfolio of bridge loans will experience regular repayments. The returns on the Loans will be based on an assumption as to the time taken to re-invest repaid capital and the interest rate at which it can be lent. If capital cannot be lent in a timely fashion, or at assumed interest rates, there may be a material adverse effect on the performance of the Loan.

No control

The Company will make Loans to finance projects and/or assets predominantly in the form of medium to long term Loans. As it will not typically be a shareholder in such projects and/or assets the Company will not normally have control over decisions made at project and asset level. This may result in decisions being made relating to the relevant project or asset that are not in the interests of the Company.

Assumptions and errors in targeted returns on Loans and financial models

The Company will make Loans which rely on detailed financial models based on certain assumptions, estimates and projections of each investments future cashflows (which will primarily consist of interest and principal receipts). These cashflows may be affected by, amongst other things:

- interest rates, inflation rates, tax rates and currency exchanges rates, as discussed below;
- borrower defaults, loan restructurings, grace periods, extensions, waivers and debt forgiveness and write-offs;
- provisions for the refurbishment or replacement of certain items of equipment; and
- prepayments of investments.

There can be no assurance assumptions, estimates and projections used turn out to be accurate and hence that an investment's actual cash flows will equal or exceed those that are expected or that the targeted return on such investment will be achieved.

Errors in these financial models or in the methodology used in such financial models, or in the analysis of the models or their assumptions, may mean that the return on an investment is less than expected.

Liability of operating risk

The financial models for certain projects may be modelled on the basis that many of the risks of operating the relevant concessions are substantially assumed by subcontractors. The borrowers may be exposed to cost or liability where this does not happen, for example, as a result of limits of liability, default by or the insolvency of a contractor or defective contractual provisions.

Rates of inflation

The Company may make Loans based on estimates or projections of future rates of inflation because the Investment Manager expects that the underlying revenues and/or expenses of the borrower to whom the Company provides Loans will be linked to inflation. If actual inflation differs from this expectation, the net cash flows of the borrower may be lower than anticipated, potentially adversely affecting its ability to service its debts including any Loans.

Rates of interest

The Company may make Loans based on estimates or projections of future interest rates because the Investment Manager expects that the underlying revenues and/or expenses of a borrower to whom the Company provides Loans will be linked to interest rates, or that the Company's returns from a Loan are linked to interest rates. If actual interest rates differ from such expectation, the net cash flows of the borrower or payable to the Company may be lower than anticipated.

Insurance costs and availability

The Loans may be in part based on estimates and projections of the cost in relation to underlying projects and assets of maintaining insurance cover for, amongst other things, buildings, contents, business interruption and third party risks (for example arising from fire, flood or terrorism). Although generally not the most significant cost incurred in relation to any project or asset, the cost of insurance to cover risks including those referred to above may be a material cost. Where the cost of maintaining the insurance is greater than projected, it is possible that the relevant borrower's ability to service its debts, including any Loans may be negatively impacted. Moreover a borrower cannot insure against all possible contingencies that may affect projects and assets and if an event occurs for which the borrower has no insurance, it could lose some or all of its investment and impact the borrower's ability to service its debts (including any Loans made by the Company). Furthermore, borrowers to whom the Company provides Loans may fail to obtain insurance in breach of their contracts.

Delays in the receipt of anticipated cashflows

Some Loans may be exposed to the risk that the release of cash due or expected to become due in respect of a relevant project or asset may not be achieved in the expected timeframe. In such an event, the delay in the receipt of the expected cashflow may adversely affect the income received by the Company.

Acquisition risks

The Company may provide Loans to borrowers that are acquiring assets where the vendor is required to 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 have a material adverse effect on the performance of the Loan.

Borrower default, Loan non-performance and collateral risks

The success or otherwise of the Loans is dependent on borrowers fulfilling their payment obligations when they are due. Borrowers to whom the Company has provided Loans may be unable to fulfil such obligations in full, or at all, and/or may cause, or fail to rectify, other events of default under the Loans including through the insolvency of such borrowers. Accordingly, the Company may be unable to recover all or any of its investment made in relation to such Loans.

Non-performing Loans may require a substantial amount of negotiations and/or restructuring which may result in further substantial, irrecoverable costs being incurred by the Company and/or a substantial write down of the principal of such Loans and/or a substantial change in the terms, conditions and covenants with respect to such defaulted Loans. However, even if a restructuring were successfully accomplished, there is risk that, upon maturity of such Loans, replacement “take-out” financing will not be available. This may have a material adverse effect on the performance of the Company, the Net Asset Value, the Company’s earnings and returns to Shareholders.

Where the Company makes Loans in jurisdictions outside the UK, its ability to recover any amounts outstanding may be impacted by the insolvency regimes in force in the jurisdiction of incorporation of the borrower or in the jurisdiction in which it mainly conducts its business (if different from the jurisdiction of incorporation), and/or in the jurisdiction in which the assets of such borrower are located. Such insolvency regimes may adversely affect the Company’s ability to recover such amounts as are outstanding from the borrower which relates to that investment, which may adversely affect the performance of the Company, the Net Asset Value, the Company’s earnings and returns to Shareholders.

The Company may make Loans in jurisdictions that impose use and other taxes which are required to be paid by the borrower or the end-user of the asset for which finance has been secured. Failure by the borrower or the end-user to file and/or pay these taxes may result in the Company having to file and/or pay these taxes, in the event of default in order to recover the assets or to satisfy a claim.

Further, whilst the Company’s investments will be predominantly in the form of Loans whose revenue streams are secured against contracted, predictable cash flows and/or physical assets, the value of any collateral for such Loans may be uncertain, have little or no market value and the process for securing such collateral may be lengthy and expensive.

If the market value of any property investments for which the Company has provided a Loan is found to be materially lower than assumed or projected, this may adversely impact the Company’s ability to recover the value of its Loans in the event of a borrower default. This may have a material adverse effect on the performance of the Company, the Net Asset Value, the Company’s earnings and returns to Shareholders.

Where the Company has made Loans by way of secured fixed and floating debt instruments the collateral and security arrangements in relation to such Loans will be subject to such security or collateral having been correctly created and perfected and any applicable legal or regulatory requirements which may restrict the giving of collateral or security by a borrower under a Loan, such as, for example, thin capitalisation, over-indebtedness, financial assistance and corporate benefit requirements. If the Company’s Loans do not benefit from the expected collateral or security arrangements this may affect the performance of the Company, the Net Asset Value, the Company’s earnings and returns to Shareholders.

RISKS RELATING TO SPECIFIC MARKET SECTORS

Loans will be made to borrowers that operate in different Market Sectors each of which will have risks that are specific to that particular Market Sector. Examples of such risks (on a non-exhaustive basis) include:

- Real estate: exposure to general trends in the real estate market, exposure to the ability of tenants to make rental payments, changes in government regulation, changes in real property taxes, changes in interest rates and availability of mortgage funds and environmental liabilities.
- To the extent Loans fund property development the Company will be exposed to construction risks, the risk that contractors and sub-contractors do not comply with contractual obligations, cost overruns and delays;
- Technology, Media & Telecoms: obsolescence of the relevant technology, failure to adequately protect intellectual property and infringement of other’s intellectual property;

- Agriculture: the vagaries of weather, the unpredictable nature of biological processes, the seasonality of production and market cycles, the geographical separation of production and end-user and the uncertain political economy of the agricultural sector;
- Healthcare: clinical or regulatory failures, cut-backs in government healthcare spending, increased regulation and burden of compliance with health and safety legislation and scarcity of qualified staff; and
- Energy & Waste: construction risks, variations in volume price and demand for output, costs of transportation, environmental risk and increased regulation and changes in law.

Any of these risks, or any additional risk and uncertainties relevant to a particular Market Sector not currently known to the Directors, may have an adverse effect on the performance of the Company and the returns to Shareholders.

RISKS RELATING TO THE ORDINARY SHARES AND THE C SHARES OFFERED PURSUANT TO THE INITIAL COMPANY OFFERINGS AND PURSUANT TO THE SHARE ISSUANCE PROGRAMME

General risks affecting the Ordinary Shares and the C Shares

The value of an investment in the Company, and the income derived from it, if any, may go down as well as up and an investor may not get back the amount invested.

The market price of the Ordinary Shares and/or C Shares may fluctuate independently of their underlying Net Asset Value and may trade at a discount or premium at different times, depending on factors such as supply and demand for the Ordinary Shares and/or C Shares, market conditions and general investor sentiment. There can be no guarantee that any discount control policy will be successful or capable of being implemented. The market value of an Ordinary Share and/or C Share may therefore trade at a discount to their Net Asset Value.

It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Ordinary Shares and/or C Shares.

The price at which the Ordinary Shares or C Shares will be traded and the price at which investors may realise their investment will be influenced by a large number of factors, some specific to the Company and its investments and some which may affect companies generally. Admission should not be taken as implying that there will be a liquid market for the Ordinary Shares or C Shares. The market prices of the Ordinary Shares or C Shares may not reflect their underlying Net Asset Value.

While the Directors retain the right to effect the tender or repurchase of Ordinary Shares in the manner described in this Prospectus, they are under no obligation to use such powers or to do so at any time and Shareholders should not place any reliance on the willingness of the Directors so to act. Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Ordinary Shares and/or C Shares on the market. There can be no guarantee that a liquid market in the Ordinary Shares or C Shares will develop or that the Ordinary Shares or C Shares will trade at prices close to their underlying Net Asset Value. Accordingly, Shareholders may be unable to realise their investment at such Net Asset Value or at all.

The number of C Shares to be issued pursuant to the Initial Company Offerings and the number of Ordinary Shares and/or C Shares to be issued pursuant to the Share Issuance Programme is not yet known, and there may be a limited number of holders of such Ordinary Shares and/or C Shares. Limited numbers and/or holders of such Ordinary Shares and/or C Shares may mean that there is limited liquidity in such Ordinary Shares and/or C Shares which may affect (i) an investor's ability to realise some or all of his investment and/or; (ii) the price at which such investor can effect such realisation; and/or (iii) the price at which such Ordinary Shares and/or C Shares trade in the secondary market.

The Company may not have adequate distributable profits to allow the Company to return capital to Shareholders

Investors are reminded that, in accordance with the Companies Act, Ordinary Shares may only be repurchased out of the proceeds of a fresh issue of shares made for the purpose of the repurchase or out of distributable profits (including any reserve arising out of the cancellation of the Company's share premium

account). There can be no assurance that the Company will have any such proceeds or distributable profits to allow the Company at any time to make a tender offer or to utilise any granted buy-back authority and to thereby return capital to Shareholders.

In the event of a winding-up of the Company, the Ordinary Shares will rank behind any creditors of the Company (including liabilities owed to the ZDP Subsidiary by virtue of the ZDP Loan and the Undertaking) and therefore, any positive return for holders of Shares will depend on the Company's assets being sufficient to meet the prior entitlements of any creditors.

The Company may issue additional securities that dilute existing Shareholders

Subject to the Companies Act and all other legal and regulatory requirements, the Company may issue additional shares (including Ordinary Shares and/or C Shares). Any additional issuances by the Company, or the possibility of such issue, may cause the market price of the existing Ordinary Shares and/or C Shares to decline. Furthermore, although Ordinary Shares and/or C Shares may not be issued at a discount to their prevailing Net Asset Value per Share (unless they are first offered *pro rata* to existing shareholders of the same class, or the issuance is otherwise authorised by shareholders), the voting rights of holders of Ordinary Shares may be diluted by further issues of Ordinary Shares and on conversion of any C Shares depending on the applicable conversion ratio.

Subject to the passing of the Resolutions, the Directors will be authorised to issue, without the application of pre-emption rights, up to 250 million New Ordinary Shares and/or C Shares in aggregate pursuant to the Offerings. If the Directors decide to issue further Ordinary Shares and/or C Shares on a non-pre-emptive basis the proportions of the voting rights held by the holder of Ordinary Shares will be diluted on the issue of such Ordinary Shares and/or C Shares as each Ordinary Share and each C Share carries the right to one vote. Additionally, the voting rights may be diluted further on conversion of any C Shares issued through the Share Issuance Programme, depending on the applicable conversion ratio.

The Ordinary Shares and the C Shares may be subject to significant forced transfer provisions

The Ordinary Shares and the C Shares have not been registered and will not be registered in the United States under the Securities Act or under any other applicable securities laws. If at any time the holding or beneficial ownership of any Ordinary Shares or C Shares by any person (whether on its own or taken with other Ordinary Shares or C Shares), in the opinion of the Directors: (i) would cause the assets of the Company to be treated as "plan assets" of any benefit plan investor under section 3(42) of ERISA or the US Tax Code; or (ii) would or might result in the Company and/or its Ordinary Shares and/or C Shares being required to register or qualify under the Investment Company Act and/or the Securities Act and/or the US Securities Exchange Act of 1934 and/or any laws of any state of the US that regulate the offering and sale of securities; or (iii) may cause the Company not to be considered a "Foreign Private Issuer" under the US Securities Exchange Act of 1934; or (iv) may cause the Company to be a "controlled foreign corporation" for the purpose of the US Tax Code; or (v) creates a significant legal or regulatory issue for the Company under the US Bank Holding Company Act of 1956 (as amended) or regulations or interpretations thereunder, the Directors may require the holder of such Ordinary Shares and/or C Shares to dispose of such Ordinary Shares and/or C Shares and, if the Shareholder does not sell such Ordinary Shares and/or C Shares, may dispose of such Ordinary Shares and/or C Shares on their behalf. These restrictions may make it more difficult for a US Person to hold and Shareholders generally to sell the Ordinary Shares and/or C Shares and may have an adverse effect on the market value of the Ordinary Shares and/or C Shares.

RISKS ASSOCIATED WITH THE INVESTMENT MANAGER

The Company will depend on the managerial expertise available to the Investment Manager

The performance of the Company's investments will depend heavily on the skills available to the Investment Manager to analyse, select and manage the investments. As a result, investors will be highly dependent on the financial and managerial experience of certain investment professionals associated with the Investment Manager and any delegate of the Investment Manager, none of whom is under any contractual obligation to the Company to continue to be associated with the Investment Manager or any delegate of the Investment Manager. The loss of one or more of these individuals could have a material adverse effect on the performance of the Company.

There can be no assurance that the Investment Manager will be successful in implementing the Company's investment objective

The Company may not achieve its investment objective. Meeting that objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met.

The Company will be dependent upon the Investment Manager's successful implementation of the Investment Policy and their investment strategies, and ultimately on its ability to create a Portfolio capable of generating attractive returns. This implementation in turn will be subject to a number of factors, including market conditions and the timing of investments relative to market cycles, many of which are beyond the control of the Company and difficult to predict. There can be no assurance that the Company will be successful in sourcing suitable investments.

There can be no assurance that a replacement manager will be found if the Investment Manager resigns, is removed or otherwise no longer serves as the Investment Manager

The Investment Management Agreement may be terminated by the Company or the Investment Manager giving the other party at least 12 months' notice in writing, such notice not to take effect prior to 15 December 2019. The Investment Management Agreement may be terminated earlier by either party with immediate effect on the occurrence of certain events, including: (i) the other party commits any material breach of any of the terms of the Investment Management Agreement and either such breach is incapable of remedy or the other party fails to remedy such breach within 30 days of being requested in writing by the innocent party to do so; (ii) the other party goes into liquidation (apart from voluntary liquidation for the purposes of reconstruction or amalgamation on the terms previously agreed by the first party (such agreement not to be unreasonably withheld or delayed), or if a receiver is appointed over the whole or any of the other party's assets or if any analogous event occurs; or (iii) such termination is required by any competent governmental or regulatory authority. If the Investment Management Agreement is terminated, the Directors would have to find a replacement manager for the Company and there can be no assurance that such a replacement will be found.

The Investment Manager may allocate some of their resources to activities in which the Company is not engaged, which could have a negative impact on the Company's ability to achieve its investment objective

The Investment Manager is not required to commit all of its resources to the Company's affairs. Insofar as the Investment Manager devotes resources to its responsibilities to other business interests, its ability to devote resources and attention to the Company's affairs will be limited. This could adversely affect the Company's ability to achieve its investment objective, which could have a material adverse effect on the Company's profitability, Net Asset Value and the market price of the Shares.

The Investment Manager and/or companies with which it is associated may act as manager in relation to, or be otherwise involved with, other investment funds or accounts ("Other Accounts")

Conflicts of interest among the Company and these Other Accounts may exist. In addition, these Other Accounts may have investment objectives that are similar to, or overlap to a greater or lesser extent with, those of the Company as well as investment guidelines that differ from those applicable to the Company's investments. The Investment Manager may determine that an investment opportunity in the Company is appropriate for an Other Account but not for the Company or that the allocation to the Company should be of a different proportion than that of an Other Account.

The Investment Manager will allocate investment opportunities fairly and equitably among the Company and Other Accounts in accordance with established allocation procedures and protocol, where applicable, to the extent possible over a period of time. The Investment Manager will have no obligation to purchase, sell or exchange any investment for the Company which the Investment Manager may purchase, sell or exchange for one or more Other Accounts if the Investment Manager believes in good faith at the time the investment decision is made that such transaction or investment would be unsuitable, impractical or undesirable for the Company.

The Investment Manager and its officers and employees will devote as much of their time to the activities of the Company as they deem necessary and appropriate and as required under the Investment Management Agreement. The Investment Manager and its affiliates are generally not restricted from forming additional

investment funds, from entering into other management relationships or from engaging in other business activities, even though such activities may be in competition with the Company and/or may involve substantial time and resources. These activities may be viewed as creating a conflict of interest in that the time and effort of the Investment Manager and its officers and employees will not be devoted exclusively to the business of the Company but will be allocated between the business of the Company and such other activities. Future activities by the Investment Manager and its affiliates, including the establishment of other investment funds, may give rise to additional conflicts of interest.

RISKS RELATING TO TAXATION AND REGULATION

The Company may not be able to maintain its investment trust status

It is the intention of the Directors to conduct the affairs of the Company so as to satisfy the conditions of approval as an investment trust. Any change in the Company's tax status or in taxation legislation generally could affect the value of the investments held by the Company, affect the Company's ability to provide returns to Shareholders, lead the Company to lose its exemption from tax on chargeable gains or alter the post-tax returns to Shareholders. It is not possible to guarantee that the Company will remain non-close, which is a requirement to obtain and maintain status as an investment trust, as the Shares are freely transferable. The Company, in the unlikely event that it becomes aware that it is a close company, or otherwise fails to meet the criteria for approval as an investment trust, will, as soon as reasonably practicable, notify Shareholders of this fact.

Changes in taxation legislation or practices may adversely affect the Company and the tax treatment for Shareholders investing in the Company

Investors should consult their tax advisers with respect to their particular tax situations and the tax effects of an investment in the Company. Representations in this Prospectus concerning the taxation of investors or prospective investors in Shares are based upon current tax law and practice, each of which is in principle subject to change. The value of particular tax reliefs, if available, will depend on each individual Shareholder's circumstances. This Prospectus is not a substitute for independent tax advice.

The Company has not registered and will not register as an investment company under the Investment Company Act

The Company will seek to qualify for an exemption from the definition of "investment company" under the Investment Company Act and will not register as an investment company in the United States under the Investment Company Act. The Investment Company Act provides certain protections to investors and imposes certain restrictions on registered investment companies, none of which are applicable to the Company or its investors.

In addition, to avoid being required to register as an investment company under the Investment Company Act and to avoid violating such act, the Company has implemented restrictions on the ownership of its Shares, which may materially affect the ownership of Shares by US Persons.

The Company's assets could be deemed "plan assets" that are subject to the requirements of ERISA and/or Section 4975 of the US Tax Code

The purchase of securities in the Company by an employee benefit plan subject to ERISA, or Section 4975 of the US Tax Code or by any entity whose assets are treated as assets of any such plan, could result in the assets of the Company being considered plan assets for the purposes of ERISA, and/or Section 4975 of the US Tax Code and regulations made thereunder. In such circumstances the Company and the Investment Manager and also the fiduciaries of such an employee benefit plan could be liable for any ERISA violations by the Company and the Investment Manager and for other adverse consequences under ERISA. Each purchaser and transferee of securities in the Company will be deemed to have represented by its purchase or receipt of the securities in the Company, and throughout the period that it holds the securities, that it is not an employee benefit plan subject to ERISA or Section 4975 of the US Tax Code or an entity whose assets are treated as assets of any such employee benefit plan. The Directors are also empowered by the Articles to require Shareholders, which they consider may because of their shareholding result in the assets of the Company being considered plan assets, to transfer their securities in the Company in order to reduce this risk materialising.

Greater regulation of the financial services industry, which imposes additional restrictions on the Company, may materially affect the Company's business and its ability to achieve its investment objective

Legislation proposing greater regulation of the financial services industry and the financial markets is being actively pursued in the European Union and other jurisdictions. Without prejudice to the generality of the foregoing, the European Commission and other relevant authorities have stated that they are considering whether lending by non-bank institutions (or "shadow banking") should, in itself, be a regulated activity and the Financial Stability Board has recently announced a consultation on the subject.

There can be no assurance that future regulatory action will not result in additional market dislocation. It is impossible to predict the nature, timing and scope of future changes in laws and regulations applicable to the Company. Any such changes in laws and regulations may have a material adverse effect on the ability of the Company to successfully pursue its investment policy and to realise its profit potential, and may include a requirement of increased transparency as to the identity of investors in the Company. Any such event may materially adversely affect the investment returns of the Company.

Foreign Account Tax Compliance (commonly known as "FATCA")

The FATCA provisions are US provisions contained in the US Hiring Incentives to Restore Employment Act of 2010, FATCA is aimed at reducing tax evasion by US citizens.

FATCA imposes a withholding tax of 30 per cent. on (i) certain US source interest, dividends and certain other types of income; and (ii) beginning no earlier than 1 January 2017 the gross proceeds from the sale or disposition of assets which produce US source interest or dividends and, potentially on "foreign passthru payments" (a term which is not yet defined), which are received by a foreign financial institution ("**FFI**"), unless the FFI complies with certain reporting and other related obligations under FATCA. The UK has concluded an intergovernmental agreement ("**IGA**") with the US, pursuant to which parts of FATCA have been effectively enacted into UK law.

Under the IGA, an FFI that is resident in the UK (a "**Reporting FI**") is not subject to withholding under FATCA provided that it complies with the terms of the IGA, including requirements to register with the IRS and requirements to identify, and report certain information on, accounts held by certain US persons owning, directly or indirectly, an equity or debt interest in the Company (other than equity and debt interests that are regularly traded on an established securities market, as described below) and report on accounts held by certain other persons or entities to HMRC, which will exchange such information with the US Internal Revenue Service.

The Company expects that it will be treated as a Reporting FI pursuant to the IGA and that it will comply with the requirements under the IGA and relevant UK legislation. The Company also expects that its Ordinary Shares and C Shares may, in accordance with the current HMRC practice, comply with the conditions set out in the IGA to be "regularly traded on an established securities market" meaning that the Company should not have to report specific information on its Shareholders and their investments to HMRC. However, there can be no assurance that the Company will be treated as a Reporting FI, that its Ordinary Shares and C Shares will be considered to be "regularly traded on an established securities market" or that it will not in the future be subject to withholding tax under FATCA or the IGA. If the Company becomes subject to a withholding tax a result of FATCA or the IGA, the return on investment for some or all Shareholders may be materially adversely affected.

The UK has also concluded similar intergovernmental agreements ("**Additional IGAs**") with other jurisdictions (including the Isle of Man, Guernsey and Jersey (the "Crown Dependencies") and seven of the British Overseas Territories (Cayman Islands, Gibraltar, Montserrat, Bermuda, the Turks and Caicos Islands, the British Virgin Islands and Aguilla)). The additional IGAs with the Crown Dependencies and Gibraltar may require the Company to report more widely on its Shareholders, although the Company expects that it may be able to benefit from a similar reporting exemption to that contained in the IGA outlined above.

Other jurisdictions are also considering introducing FATCA-style legislation in order to obtain information about their respective tax residents. Again, these may require the Company to report more widely on its Shareholders but the exact scope of such rules will need to be determined on a jurisdiction by jurisdiction

basis. Accordingly, Shareholders may be required to provide certain identifying information to the Company, which information may be disclosed to relevant tax authorities.

FATCA, the IGA and the Additional IGAs are complex. The above description is based in part on regulations, official guidance, the IGA and the Additional IGAs, all of which are subject to change. All prospectus investors and Shareholders should consult with their own tax advisors regarding the possible implications of FATCA or FATCA-style legislation on their investment in the Company.

Alternative Investment Fund Managers Directive

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 Rules. Subject to transitional provisions, the AIFMD requires that the EU AIFMs of AIFs are authorised and regulated as such.

Based on the provisions of AIFMD and the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) (the “**AIFM Regulations**”), it is understood that both the Company and the ZDP Subsidiary are AIFs within the scope of AIFMD and the AIFM Regulations. Both the Company and the ZDP Subsidiary intend to operate as externally-managed AIFs, with International Fund Management Limited being the Company and the ZDP Subsidiary’s AIFM. The Company and the ZDP Subsidiary are both EEA AIF’s and the AIFM is a non-EEA AIFM.

The AIFM will need to comply with various operational and transparency obligations in relation to the AIFMD in order to raise capital from EEA investors. 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 Prospectus. In addition, in requiring AIFMs to comply with these organisational, operational and transparency obligations, the AIFMD is likely to increase management and operating costs and in particular regulatory and compliance costs, of the Company.

PART B – RISKS RELATING TO AN INVESTMENT IN THE ZDP SHARES

Risks relating to the Company which may affect its ability to comply with its obligations under the ZDP Loan Agreement and/or the Undertaking

Potential investors in the ZDP Shares should note the risks set out in Part A above, which may affect the Company's ability to comply with its obligations under the ZDP Loan Agreement and/or the Undertaking. In particular, any potential investors' attention is drawn to the sections entitled "Risks relating to Taxation and Regulation" in Part A.

Risks relating to an Investment in ZDP Shares

Structural conflicts of interest

The different rights and expectations of the Shareholders and the ZDP Shareholders may give rise to conflicts of interest between them. ZDP Shareholders will have little or no interest in the revenue produced by the Portfolio, save to the extent that the Company's operating costs exceed that revenue. ZDP Shareholders can be expected to want the capital value of the Portfolio to be sufficient to repay the Final Capital Entitlement on the ZDP Repayment Date, but will have little or no interest in any growth in capital in excess of that amount. Conversely, Shareholders can be expected to be interested in both the revenue that the Portfolio produces (and hence the level of dividends which will be capable of being paid on the Ordinary Shares) and increases in the capital value of the Portfolio in the period up to the ZDP Repayment Date, in excess of the Final Capital Entitlement of the ZDP Shares.

In certain circumstances, such as a major fall in the capital value of the Portfolio such that the Final Capital Entitlement of the ZDP Shares is significantly uncovered but where the Portfolio is still generating revenue, the interests of ZDP Shareholders and the Shareholders may conflict. The ZDP Shareholders may wish the Portfolio to be re-balanced or more revenue to be retained in order to meet their Final Capital Entitlement, while the Shareholders may recognise that they then have little prospect of a sizeable capital return and so may be more concerned with maximising dividends in the period to the ZDP Repayment Date. In such circumstances, the Directors (in their capacities both as Directors and ZDP Directors) may find it impossible to meet fully both sets of expectations and so will need to act in a manner which they consider to be fair and equitable to both Shareholders and ZDP Shareholders but having regard to the entitlements of each class of shares under the Articles and the ZDP Articles respectively.

The payment of the Final Capital Entitlement will be dependent on the Company's ability to comply with its obligations under the ZDP Loan Agreement and the Undertaking. The Company's compliance with such obligations will be dependent on the performance of the Portfolio and such performance will be subject to a number of risks, including those described below

While the Undertaking restricts the ability of the Company to pay dividends in circumstances where the Cover is less than 3 times, it should be noted that the Undertaking does not prohibit the payment of dividends altogether in such circumstances. Instead, the Company is only restricted from paying dividends which are in excess of those distributions which are required to be made by the Company to ensure it maintains its investment trust status. Accordingly, a conflict of interest may arise between ZDP Shareholders who will have an interest in the Company retaining profits to maintain an adequate level of Cover, and Shareholders whose expectation will be for dividend payments to be made in line with the Company's stated dividend policy. Please also refer to the risk factor entitled "The Company may not be able to maintain its investment trust status" for further discussion on the risks posed in the event that the Company is unable to maintain its status as an investment trust.

In addition the repayment obligations under the ZDP Loan Agreement will be subordinated to those of the RCF. In the event that the Company defaults on the RCF and subsequently OakNorth requires repayment under the RCF, the RCF will be repaid in full (if utilised) prior to the ZDP Loan being repaid which may affect payment of the Final Capital Entitlement.

ZDP Shareholders may not receive the Final Capital Entitlement

As a creditor of the Company, on an insolvency of the Company, the repayment of the ZDP Loan would rank in priority to any return of capital to the Shareholders. Therefore, amounts owing to the ZDP Subsidiary

will be repaid before any amounts are returned to the Shareholders. Notwithstanding the foregoing, the Company's debt to the ZDP Subsidiary pursuant to the ZDP Loan Agreement (which is the ZDP Subsidiary's only asset) and the Company's obligations under the Undertaking will rank behind any secured creditors of the Company. Therefore, it is not guaranteed that the Final Capital Entitlement will be paid. On a return of assets, including the winding-up of the Company, the ZDP Subsidiary would only receive repayment of the ZDP Loan and accrued interest if there are sufficient assets of the Company, having first taken account of prior ranking liabilities and having regard to all other unsecured liabilities of the Company. The ZDP Shares are not a secured, protected or guaranteed investment.

In addition, if the Company is wound up prior to the ZDP Repayment Date, including where a Continuation Resolution is not passed by ZDP Shareholders following a breach by the Company of the ZDP Loan Agreement or the Undertaking, ZDP Shareholders will only be entitled to receive their accrued entitlement to the date of winding-up. The amount received would therefore be less than the Final Capital Entitlement and would be subject to the Company having sufficient net assets to repay the ZDP Loan and meet its obligations under the Undertaking.

The proposed standard listing of the ZDP Shares will afford the ZDP Shareholders a lower level of regulatory protection than a premium listing

Application has been made for the ZDP Shares to be admitted to a standard listing on the Official List. A standard listing will afford ZDP Shareholders a lower level of regulatory protection than that afforded to investors in companies with premium listings on the Official List, which are subject to additional obligations under the Listing Rules.

Further details regarding the differences in the protections afforded by a premium listing as against a standard listing are set out in the section entitled "*Consequences of a Standard Listing of the ZDP Shares*" on page 50 of this Prospectus.

There may not be a liquid secondary market for the ZDP Shares, the price of which may fluctuate

There may not be a liquid secondary market for the ZDP Shares, and an investment of this type should be regarded as long-term in nature and may not be suitable as a short-term investment. In addition, the value of the ZDP Shares can go down as well as up. The market price and the realisable value of the ZDP Shares, as well as being affected by the underlying value of the Company's net assets, will be affected by interest rates, supply and demand for the ZDP Shares, market conditions and general investor sentiment. As such, the market value and the realisable value (prior to the ZDP Repayment Date) of the ZDP Shares will fluctuate and may vary considerably. In addition, the published market price of the ZDP Shares will be, typically, their middle market price. Due to the potential difference between the middle market price of the ZDP Shares and the price at which the ZDP Shares can be sold, there is no guarantee that the realisable value of the ZDP Shares will be the same as the published market price.

ZDP Shareholders only have the right to receive the Final Capital Entitlement on the ZDP Repayment Date. ZDP Shareholders wishing to realise their investment prior to that date will therefore be required to dispose of their ZDP Shares on the stock market.

Market liquidity in the shares of companies such as the ZDP Subsidiary is sometimes less than market liquidity in shares issued by larger companies traded on the London Stock Exchange. There can be no guarantee that a liquid market will exist for the ZDP Shares. Accordingly, ZDP Shareholders may be unable to realise ZDP Shares at all. The ZDP Subsidiary has applied for the ZDP Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. Securities exchanges, including the London Stock Exchange, typically have the right to suspend or limit trading in a company's securities. Any suspension or limits on trading in the ZDP Shares may affect the ability of ZDP Shareholders to realise their investment.

Admission should not be taken as implying that there will be a liquid market for the ZDP Shares. There is no guarantee that an active market will develop or be sustained for the ZDP Shares after Admission. If an active trading market is not developed or maintained, the liquidity and trading price of the ZDP Shares could be adversely affected. Even if an active trading market develops, the market price for the ZDP Shares may fall below the Issue Price and ZDP Shareholders may not realise their initial investment.

Future share issues, share buy backs or raising in the longer term new debt facilities could dilute the interests of the ZDP Shareholders and lower the price of the ZDP Shares

The ZDP Subsidiary may issue additional ZDP Shares pursuant to the ZDP Placing Programme, which may dilute the existing investors' interests in the ZDP Subsidiary. In addition, the issue of additional ZDP Shares, or the possibility of such issue, may cause the market price of the ZDP Shares to decline. Furthermore, such additional ZDP Shares may, subject to any required class consent of the ZDP Shareholders being granted, be of a class ranking in priority to the ZDP Shares in respect of distribution or other rights which may change the risk reward characteristics and reduce the value of the ZDP Shares.

Principal bases and assumptions

The illustrative financial statistics and related figures given in this Prospectus are based on the Assumptions set out in Part 6 (*The ZDP Shares and Principal Bases and Assumptions*) of this Prospectus. These are assumptions only and may or may not be fulfilled in practice. The Assumptions and the illustrative financial statistics should not be regarded as forecasts of profit or growth in the value of the Companies' assets. In particular, the Final Cover and the Hurdle Rate indicated for the ZDP Shares are based on the Assumptions. If events differ from these Assumptions, the Final Cover and Hurdle Rate may be less favourable.

IMPORTANT NOTICES

Prospective investors should rely only on the information contained in this Prospectus and any supplementary prospectus published by the Company (and/or the ZDP Subsidiary, as relevant) prior to the date of Admission. No person has been authorised to give any information or to make any representation other than those contained in this Prospectus (or any supplementary prospectus published by the Company (and/or the ZDP Subsidiary, as relevant) prior to the date of Admission) in connection with the Offerings and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Company, the ZDP Subsidiary, the Investment Manager, the AIFM, N+1 Singer or any of their respective Affiliates, officers, directors, employees or agents. Without prejudice to any obligation of the Company or the ZDP Subsidiary to publish a supplementary prospectus pursuant to section 87G(1) of FSMA, neither the delivery of this Prospectus nor any subscription or sale made under this Prospectus shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company or the ZDP Subsidiary since the date of this Prospectus or that the information contained in this Prospectus is correct as at any time subsequent to its date.

The contents of this Prospectus or any subsequent communications from the Company, the ZDP Subsidiary, the Investment Manager, the AIFM, N+1 Singer or any of their respective Affiliates, officers, directors, employees or agents are not to be construed as legal, business or tax advice. Each prospective investor should consult their own solicitor, financial adviser or tax adviser for legal, financial or tax advice in relation to the purchase of C Shares, New Ordinary Shares or ZDP Shares.

Apart from the liabilities and responsibilities (if any) which may be imposed on either of N+1 Singer by FSMA or the regulatory regime established thereunder, N+1 Singer does not make any representation, express or implied, or accept any responsibility whatsoever for the contents of this Prospectus (or any supplementary prospectus published by the Company and/or the ZDP Subsidiary prior to the date of the Admission) or for any other statement made or purported to be made by it or on behalf of it in connection with the Company, the ZDP Subsidiary, the Investment Manager, the AIFM, the C Shares, New Ordinary Shares or ZDP Shares, the Offerings or Admission. N+1 Singer and its respective Affiliates accordingly disclaim all and any liability (save for any statutory liability) whether arising in tort or contract or otherwise which it or they might otherwise have in respect of this Prospectus, any such supplementary prospectus or any such statement.

In connection with the Offerings, N+1 Singer and its respective Affiliates acting as investor(s) for its (or their) own account(s), may acquire C Shares, New Ordinary Shares or ZDP Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its (or their) own account(s) in C Shares, New Ordinary Shares or ZDP Shares in connection with the Offerings or otherwise. Accordingly, references in this Prospectus to the C Shares, New Ordinary Shares or ZDP Shares being issued, offered, acquired, subscribed or otherwise dealt with, should be read as including any issue or offer to, acquisition of, or subscription or dealing by, N+1 Singer and any of its respective Affiliates acting as investor(s) for its (or their) own account(s). Neither N+1 Singer nor any of its respective Affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

An investment in C Shares and/or Ordinary Shares and/or ZDP Shares is suitable for institutional investors, professional investors and retail investors who understand, and 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 equal the whole amount invested) that may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in the Offerings. Furthermore, an investment in the C Shares and/or New Ordinary Shares and/or ZDP Shares should constitute part of a diversified investment portfolio. It should be remembered that the price of securities and the income from them can go down as well as up.

The C Shares, New Ordinary Shares and ZDP Shares are designed to be held over the long-term and may not be suitable as short-term investments. There is no guarantee that any appreciation in the value of the Company's investments will occur and investors may not get back the full value of their investment. Any investment objective of, and dividends or returns proposed by, the Company are targets only and should

not be treated as an assurance or guarantee of performance. There can be no assurance that the Company's investment objective will be achieved or that the proposed dividends or returns will be paid.

GENERAL

Prospective investors should rely only on the information contained in this Prospectus and any supplementary prospectus published by the Company and/or ZDP Subsidiary prior to Admission. No broker, dealer or other person has been authorised by the Company, the ZDP Subsidiary, the Board, the ZDP Board or any Director, any ZDP Director, the Investment Manager, the AIFM or N+1 Singer to issue any advertisement or to give any information or to make any representation in connection with the Offerings other than those contained in this Prospectus or any supplementary prospectus published by the Company and/or the ZDP Subsidiary prior to Admission and, if issued, given or made, any such advertisement, information or representation must not be relied upon as having been authorised by the Company, the ZDP Subsidiary, the Board, the ZDP Board, any Director, any ZDP Director, the Investment Manager, the AIFM or N+1 Singer.

The distribution of this Prospectus in jurisdictions other than the UK may be restricted by law and persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions.

Prospective investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters. Prospective investors should inform themselves as to: (i) the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of C Shares, New Ordinary Shares or ZDP Shares; (ii) any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of C Shares, New Ordinary Shares or ZDP Shares which they might encounter; and (iii) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer, redemption or other disposal of C Shares, New Ordinary Shares or ZDP Shares. Prospective 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 Issuers and an investment therein.

The Company consents to the use of the Prospectus by Intermediaries in connection with any subsequent resale or final placement of the C Shares and New Ordinary Shares by Intermediaries in the UK on the following terms: (i) in respect of the Intermediaries who have been appointed by the Company prior to the date of this Prospectus, as listed in paragraph 11 of Part 9 (*Additional Information on the Company*) of this Prospectus, from the date of this Prospectus; and (ii) in respect of Intermediaries who are appointed by the Company after the date of this Prospectus, a list of which will appear on the Company's website, from the date on which they are appointed to participate in connection with any subsequent resale or final placement of C Shares and/or New Ordinary Shares and, in each case, until the closing of the period for the subsequent resale or final placement of the C Shares and New Ordinary Shares by Intermediaries at 3.00 p.m. on 1 March 2019, unless closed prior to that date. **Any Intermediary that uses the Prospectus must state on its website that it uses the Prospectus in accordance with the Company's consent and the conditions attached thereto. Any application made by investors to any Intermediary is subject to the terms and conditions imposed by each Intermediary.**

Information on the terms and conditions of any subsequent resale or final placement of securities by any Intermediary is to be provided at the time of the offer by the Intermediary.

The Company accepts responsibility for the information contained in the Prospectus with respect to any subscriber for C Shares or New Ordinary Shares pursuant to any subsequent resale or final placement of securities by Intermediaries.

Any new information with respect to Intermediaries unknown at the time of approval of this Prospectus will be available on the Company's website.

Statements made in this Prospectus are based on the law and practice currently in force in England and Wales and are subject to changes therein.

INFORMATION TO 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 (“**Directive 2014/65/EU**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing Directive 2014/65/EU; 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 MIFID II Product Governance Requirements) may otherwise have with respect thereto, the C Shares, Ordinary Shares and ZDP Shares have been subject to a product approval process, which has determined that (a) the C Shares and Ordinary Shares to be issued pursuant to the Offerings are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in Directive 2014/65/EU; and (ii) eligible for distribution through all distribution channels as are permitted by Directive 2014/65/EU and (b) that the ZDP Shares are suitable for distribution for the chosen channels and to a more limited target market (not including retail investors). (the “**Target Market Assessment**”).

Notwithstanding the Target Market Assessment, distributors should note that: the price of the C Shares, Ordinary Shares and ZDP Shares may decline and investors could lose all or part of their investment; the C Shares, Ordinary Shares and ZDP Shares offer no guaranteed income and no capital protection; and an investment in the C Shares, Ordinary Shares and ZDP 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 evaluating 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 Offerings. Furthermore, it is noted that, notwithstanding the Target Market Assessment, N+1 Singer 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 Directive 2014/65/EU; or (b) a recommendation to any investors or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the C Shares, Ordinary Shares and ZDP Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the C Shares, Ordinary Shares and ZDP Shares and determining appropriate distribution channels.

In accordance with the Packaged Retail and Insurance-based Investment Products (PRIIPS) Regulation (in force since January 2018) the Company is required to prepare a key information document (“**KID**”) in respect of its Shares. These KIDs must be made available to retail investors prior to them making any investment decision and will be available on the Company’s website at <https://rmdl.co.uk/investor-centre/investor-relations/>.

The KIDs do not form part of this Prospectus and investors should note that the procedures for calculating the risks, costs and potential returns in the KIDs are prescribed by law. The figures in the KIDs may not reflect the expected returns for the Company/ZDP Subsidiary and anticipated performance returns cannot be guaranteed. It is a term of the Offer for Subscription that investors acknowledge that they have had an opportunity to consider the KID.

DATA PROTECTION

Each prospective investor acknowledges and agrees that information provided by it to the Company or the ZDP Subsidiary or the Registrar will be stored both on the Company Secretary’s and the Registrar’s computer system and manually. It acknowledges and agrees that for the purposes of the Data Protection Legislation, the Registrar, the Company Secretary and N+1 Singer are each required to specify the purposes for which they will hold personal data. For the purposes of this section, “**Data Protection Legislation**” shall mean: (i) prior to 25 May 2018, the UK Data Protection Act 1998 and the Data Protection Directive (95/46/EC); and (ii) on and after 25 May 2018, EU Regulation 2016/679 (“**GDPR**”) or any equivalent or similar legislation implemented in the United Kingdom following the United Kingdom’s withdrawal from the European Union.

The Registrar, the Company Secretary and N+1 Singer will only use such information provided by any prospective investor for the purposes set out below (collectively, the “**Purposes**”), being to:

- process its personal data (including sensitive personal data) as required for or in connection with the holding of Shares, including processing personal data in connection with credit and money laundering checks on it;
- communicate with it, as necessary, in connection with the proper running of its business affairs and generally in connection with the holding of Shares;
- provide personal data to such third parties as are or shall be necessary in connection with the proper running of its business affairs and generally in connection with the holding of Shares or as the Data Protection Legislation may require, including to third parties outside the United Kingdom or the European Economic Area (subject to the use of a transfer mechanism which is approved at the relevant time by the European Commission or any other regulatory body which has or acquires the right to approve methods of transfer of personal data outside the UK);
- without limitation, provide such personal data to the Company, the ZDP Subsidiary or the Investment Manager and their respective associates for processing, notwithstanding that any such party may be outside the United Kingdom or the European Economic Area (subject to the use of a transfer mechanism which is approved at the relevant time by the European Commission or any other regulatory body which has or acquires the right to approve methods of transfer of personal data outside the UK); and
- process its personal data for the purpose of their internal record-keeping and reporting obligations.

In providing the Company Secretary, the Registrar and N+1 Singer with information each prospective investor hereby represents and warrants to the Company Secretary, the Registrar and N+1 Singer that it has obtained any necessary consents of any data subject whose data it has provided the Company Secretary, the Registrar or N+1 Singer and their respective associates holding and using their personal data for the Purposes (including, where required, the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes) and will make the list of “Purposes”, for which the Company Secretary, the Registrar and N+1 Singer will process the data, available to all data subjects whose personal data may be shared by it for this purpose. For the purposes of this section, “data subject”, “data controller”, “data processor”, “personal data” and “sensitive personal data” shall have the meanings attributed to them in the Data Protection Legislation.

The Company and the ZDP Subsidiary are both data controllers for the purpose of the Data Protection Legislation. Both the Company and the ZDP Subsidiary will comply with their respective obligations under the Data Protection Legislation and the Placee will do nothing that puts the Company or the ZDP Subsidiary in breach of their respective obligations.

Following the implementation of the GDPR in the UK on 25 May 2018, the Company will make available on its website a privacy notice as required thereunder which Shareholders can also request a copy of from the Administrator on or after 25 May 2018.

SELLING RESTRICTIONS

This Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to apply for any C Shares, New Ordinary Shares or ZDP Shares by any person: (i) in any jurisdiction in which such offer or invitation is not authorised; or (ii) in any jurisdiction in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation.

The distribution of this Prospectus and the offering of C Shares, New Ordinary Shares or ZDP Shares in certain jurisdictions may be restricted. Accordingly, persons into whose possession this Prospectus comes are required to inform themselves about and observe any restrictions as to the offer or sale of C Shares, New Ordinary Shares or ZDP Shares and the distribution of this Prospectus under the laws and regulations of any jurisdiction relevant to them in connection with any proposed applications for C Shares, New Ordinary Shares or ZDP Shares, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such jurisdiction.

Save for the United Kingdom and save as explicitly stated elsewhere in this Prospectus, no action has been taken or will be taken in any jurisdiction by the Issuers that would permit a public offering of C Shares, New Ordinary Shares or ZDP Shares in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this Prospectus in any other jurisdiction where action for that purpose is required.

NOTICE TO PROSPECTIVE INVESTOR REGARDING UNITED STATES FEDERAL SECURITIES LAWS

The Issuers have not been and will not be registered under the Investment Company Act and, as such, investors will not be entitled to the benefits of the Investment Company Act. No C Shares, New Ordinary Shares or ZDP Shares have been or will be registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, transferred or delivered, directly or indirectly, into or within the United States or to, or for the account or benefit of, any US Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner which would not require the Company or the ZDP Subsidiary to register under the Investment Company Act.

In connection with the Offerings offers and sales of C Shares, New Ordinary Shares or ZDP Shares will be made only outside the United States in “offshore transactions” to non-US Persons pursuant to Regulation S under the Securities Act. There will be no public offer of any shares in the Company or in the ZDP Subsidiary in the United States.

The C Shares, Ordinary Shares and ZDP Shares are subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations and under the Articles and ZDP Articles as relevant. Any failure to comply with such restrictions may constitute a violation of applicable securities laws and may subject the holder to the forced transfer provisions set out in the Articles and ZDP Articles as relevant.

NOTICE TO PROSPECTIVE INVESTORS IN THE EEA

In relation to each Relevant Member State (other than the UK), no C Shares, Ordinary Shares or ZDP Shares have been offered or will be offered pursuant to the to the public in that Relevant Member State prior to the publication of a prospectus in relation to the relevant shares which has been approved by the competent authority in that Relevant Member State, or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that offers to the public may be made at any time with the prior consent of N+1 Singer, under the following exemptions under the Prospectus Directive, if they are implemented in that Relevant Member State:

- to any legal entity which is a qualified investor as defined in Article 2(1)(e) of the Prospectus Directive;
- to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive with the prior consent of N+1 Singer,

provided that no such offer shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State (other than the UK).

For the purposes of this provision, the expression an “offer to the public” in relation to any offer in any Relevant Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any C Shares, Ordinary Shares or ZDP Shares to be offered so as to enable an investor to decide to purchase or subscribe for such C Shares, Ordinary Shares or ZDP Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

Further, the AIFM, in its capacity as the Issuers' alternative investment fund manager, has made the notifications or applications and received, where relevant, approvals for the marketing of the C Shares, the New Ordinary Shares and the ZDP Shares to "professional investors" (as defined in the AIFM Directive) in the United Kingdom. Notwithstanding any other statement in this Prospectus, this Prospectus should also not be made available to any investor domiciled in any EEA State other than the United Kingdom. Prospective investors domiciled in the EEA that have received this Prospectus in any EEA States other than the United Kingdom should not subscribe for C Shares, New Ordinary Shares or ZDP Shares (and Issuers each reserve the right to reject any application so made, without explanation) unless: (i) the Investment Manager has confirmed it has made the relevant notification or applications in that EEA State and is lawfully able to market C Shares, New Ordinary Shares or ZDP Shares into that EEA State; or (ii) such investors have received this Prospectus on the basis of an enquiry made at the investor's own initiative.

Notwithstanding that the AIFM (as the Issuers' alternative investment fund manager) may have confirmed that it is able to market C Shares, New Ordinary Shares or ZDP Shares to professional investors in an EEA State, the C Shares, New Ordinary Shares and/or ZDP Shares may not be marketed to retail investors (as this term is defined in the AIFM Directive as transposed in the relevant EEA State) in that EEA State unless the relevant C Shares, New Ordinary Shares or ZDP Shares have been qualified for marketing to retail investors in that EEA State in accordance with applicable local laws.

FORWARD LOOKING STATEMENTS

This Prospectus includes statements that are, or may be deemed to be, "forward-looking statements". Forward-looking statements typically can be identified by the use of forward-looking terminology, including, but not limited to, terms such as "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. Such forward-looking statements, which include all matters that are not historical facts, appear in a number of places in this Prospectus and include statements regarding the intentions, beliefs or current expectations of the Company, the ZDP Subsidiary, the Board, the ZDP Board, the AIFM or the Investment Manager concerning, among other things, the investment objective and the Investment Policy, investment performance, the Company's target returns, results of operations, financial condition, prospects, and dividend policy of the Company and the markets in which it invests and/or operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events, and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual investment performance, results of operations, financial condition, dividends paid and its financing strategies may differ materially from the impression created by the forward-looking statements contained in this Prospectus. In addition, even if the investment performance, results of operations, financial condition of the Company and its financing strategies, are consistent with the forward-looking statements contained in this Prospectus, those results, its condition or strategies may not be indicative of results, its condition or strategies in subsequent periods. Important factors that could cause these differences include, but are not limited to:

- changes in economic conditions generally and the Company's ability to achieve its investment objective and returns on equity for investors;
- the Company's ability to invest the cash on its balance sheet and the Net Offering Proceeds in a timely basis within the investment objective and the Investment Policy;
- foreign exchange mismatches with respect to exposed assets;
- changes in interest rates and/or credit spreads, as well as the success of the Company's investment strategy in relation to such changes and the management of the uninvested proceeds of the Issue;
- impairments in the value of the Company's investments;
- the availability and cost of capital for future investments;
- the departure of key personnel employed by, or seconded to, the Investment Manager;
- the failure of the Investment Manager to perform its obligations under the Investment Management Agreement with the Company or the termination of the Investment Management Agreement;
- changes in laws or regulations, including tax laws, or new interpretations or applications of laws and regulations, that are applicable to the Company; and

- general economic trends and other external factors, including those resulting from war, incidents of terrorism or responses to such events.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. Prospective investors should carefully review the section entitled “Risk Factors” of this Prospectus for a discussion of additional factors that could cause the Company’s actual results to differ materially from those that the forward-looking statements may give the impression will be achieved, before making an investment decision. Forward-looking statements speak only as at the date of this Prospectus. Although the Company and the Investment Manager undertake no obligation to revise or update any forward-looking statements contained in this Prospectus (save where required by the Prospectus Rules, the Listing Rules, the AIFM Directive or the Disclosure Guidance and Transparency Rules), whether as a result of new information, future events, conditions or circumstances, any change in the Company’s or the Investment Manager’s expectations with regard thereto or otherwise, Shareholders are advised to read any communications made directly to them by the Company and/or any additional disclosures in announcements that the Company may make by an RIS.

Nothing in the preceding two paragraphs should be taken as limiting the working capital statement contained in paragraph 8 of Part 9 (*Additional Information on the Company*) of this Prospectus.

NO INCORPORATION OF WEBSITE

The contents of the Company’s website at <http://rmdl.co.uk> and any website of the Investment Manager or any of its Affiliates, the contents of any website accessible from hyperlinks on the Company’s website, any website of the Investment Manager or its Affiliate or any other website referred to in this Prospectus are not incorporated into, and do not form part of this Prospectus. Investors should base their decision to invest on the contents of this Prospectus and any supplementary prospectus published by the Company and/or ZDP Subsidiary prior to Admission alone and should consult their professional advisers prior to making an application to acquire C Shares, New Ordinary Shares or ZDP Shares.

PRESENTATION OF INDUSTRY, MARKET AND OTHER DATA

Market, economic and industry data used throughout this Prospectus is sourced 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 this Prospectus to “GBP”, “pounds sterling”, “£” or “p” are to the lawful currency of the UK; all references to “U.S.\$”, “U.S. Dollars” or “\$” are to the lawful currency of the United States and all references to “Euros” and “€” are to the lawful currency of the participating Member States of the Eurozone.

GOVERNING LAW

Unless otherwise stated, statements made in this Prospectus are based on the law and practice currently in force in England and Wales.

DEFINITIONS

A list of defined terms used in this Prospectus are set out on pages 179 to 189 of this Prospectus.

CONSEQUENCES OF A STANDARD LISTING OF THE ZDP SHARES

Application will be made for the ZDP Shares issued pursuant to the Initial ZDP Placing and the ZDP Placing Programme (as applicable) to be admitted to the standard segment of the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for standard listings. A standard listing affords ZDP Shareholders a lower level of regulatory protection than that afforded to investors in securities that are admitted to the premium segment of the Official List. N+1 Singer is not acting as sponsor to the ZDP Subsidiary or its proposed admission to a standard listing.

On Admission the ZDP Subsidiary is not required to comply with the provisions of, among other things:

- the premium listing principles set out in Listing Rule 7.2.1A of the Listing Rules;
- Chapter 8 of the Listing Rules regarding the appointment of a listing sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters;
- Chapter 9 of the Listing Rules relating to continuing obligations;
- Chapter 10 of the Listing Rules relating to significant transactions which require shareholder consent for certain acquisitions;
- Chapter 11 of the Listing Rules regarding related party transactions;
- Chapter 12 of the Listing Rules regarding purchases by an issuer of its own shares; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to shareholders.

The ZDP Shareholders will therefore not receive the full protections set out in the Listing Rules which apply to issuers which are admitted to the premium segment of the Official List. The Company, however, as an issuer which is admitted to the premium segment of the Official List, does comply with these Listing Rules as they relate to it and its subsidiary undertakings.

In addition, the Undertaking and the ZDP Articles (full details of which are provided in Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus) contain certain limitations on the actions of the ZDP Subsidiary and the Company which are designed to protect the interests of the ZDP Shareholders. The Company has also undertaken that it will remain the sole holder of the Subsidiary Ordinary Shares.

Listing Rule 7.1.1 states that the listing principles set out in Listing Rule 7.2.1 apply to every listed company in respect of all obligations arising from the Listing Rules, the Disclosure Guidance and Transparency Rules and the corporate governance rules. Accordingly, as regards these obligations, the ZDP Subsidiary must:

- take reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations; and
- deal with the FCA in an open and co-operative manner.

Listing Rule 14.3 sets out the continuing obligations which will apply to the ZDP Subsidiary. It requires that all the ZDP Subsidiary's listed securities must be admitted to trading on a regulated market at all times. In addition, the ZDP Subsidiary must have a minimum number of shares (25 per cent.) of any listed class in public hands at all times in the relevant jurisdictions (or such lower percentage that the FCA may agree to if it considers that the market will operate properly with a lower percentage in view of the large number of shares of the same class and the extent of their distribution to the public) and must notify the FCA as soon as possible if these holdings fall below the stated level. There are a number of other continuing obligations set out in Chapter 14 of the Listing Rules that apply to the ZDP Subsidiary. These include requirements as to:

- the forwarding of circulars and other documentation to the FCA for publication through the national storage mechanism, and related notification to an RIS;
- the form and content of temporary and definitive documents of title;
- the appointment of a registrar;
- the RIS notification obligation in relation to a range of debt and equity capital issues; and
- compliance with the Disclosure Guidance and Transparency Rules.

EXPECTED TIMETABLE

INITIAL OFFERINGS

Offer for Subscription, Initial Placing, Initial Intermediaries Offer and Initial ZDP Placing open	12 March 2018
Latest time and date for receipt of Application Forms under the Offer for Subscription	11.00 a.m. on 23 March 2018
Latest time and date for receipt of application forms from Intermediaries under the Initial Intermediaries Offer	3.00 p.m. on 23 March 2018
Latest time and date for receipt of commitments under the Initial Placing and Initial ZDP Placing	5.00 p.m. on 26 March 2018
Results of the Initial Offerings announced*	27 March 2018
General Meeting	28 March 2018
Results of the General Meeting and the Initial Offerings announced	28 March 2018
Admission and dealings in the C Shares and ZDP Shares issued pursuant to the Initial Offerings commence	3 April 2018
Crediting of CREST Accounts in respect of C Shares and ZDP Shares issued pursuant to the Initial Offerings	3 April 2018
Share certificates in respect of C Shares and ZDP Shares issued pursuant to the Initial Offerings dispatched	week commencing 9 April 2018

SUBSEQUENT INTERMEDIARIES OFFERS**

Second Intermediaries Offer opens	15 October 2018
Latest time and date for receipt of application forms from Intermediaries under the Second Intermediaries Offer	3.00 p.m. on 26 October 2018
Third Intermediaries Offer opens	18 February 2019
Latest time and date for receipt of application forms from Intermediaries under the Third Intermediaries Offers	3.00 p.m. on 1 March 2019

* The results of the Initial Offerings will be conditional on the Resolutions being passed at the General Meeting convened for 28 March 2018.

** Subsequent Intermediaries Offers may be of C Shares and/or New Ordinary Shares. The Company will announce, at the relevant time, by way of an RIS, the number of C Shares and/or New Ordinary Shares to be offered and the relevant price. C Shares and New Ordinary Shares will only be issued at such times (if any) as the Directors believe it advantageous to the Company to do so. Prospective Investors who might wish to apply for C Shares and/or New Ordinary Shares in an Intermediaries Offer should consult their Intermediaries as to the relevant procedure and documentation requirements.

SHARE ISSUANCE PROGRAMME AND ZDP PLACING PROGRAMME*

Share Issuance Programme and ZDP Placing Programme open	12 March 2018
Publication of Share Issuance Programme Price and ZDP Placing Programme Price in respect of each issue	as soon as practicable following the closing of each placing pursuant to the Share Issuance Programme and/or the ZDP Placing Programme
Admission and dealings in C Shares, New Ordinary Shares and ZDP Shares issued pursuant to the Share Issuance Programme and/or the ZDP Placing Programme commence	as soon as practicable following the allotment of the relevant C Shares and/or New Ordinary Shares and/or ZDP Shares
Crediting of CREST Accounts in respect of C Shares, New Ordinary Shares and ZDP Shares issued pursuant to the Share Issuance Programme and/or the ZDP Placing Programme	as soon as practicable following Admission
Share certificates in respect of the relevant C Shares, New Ordinary Shares and ZDP Shares despatched	as soon as practicable following Admission
Share Issuance Programme and ZDP Placing Programme closes	11 March 2019

** Issues under the Share Issuance Programme and/or the ZDP Placing Programme may take place at the same time as a Subsequent Intermediaries Offer or may take place separately.*

Any changes to the expected timetable set out above will be notified by the Company and/or the ZDP Subsidiary by an RIS, provided that the Admission and dealings in the C Shares and/or New Ordinary Shares and/or ZDP Shares shall commence by no later than 8.00 a.m. on the Final Closing Date.

EXISTING C SHARE CONVERSION

Calculation Date	28 February 2018
Announcement of Conversion Ratio*	14 March 2018
Record date for Existing C Share conversion	16 March 2018
Cancellation of Existing C Shares and Admission and dealings in the new Ordinary Shares created pursuant to the Existing C Share conversion	19 March 2018

** The calculation of the Conversion Ratio is based on the net assets attributable to the Ordinary Shares and Existing C Shares as at close of business on the Calculation Date.*

OFFERINGS STATISTICS

Initial Offerings Statistics

Issue Price per C Share	100 pence
Issue Price per ZDP Share	100 pence
Estimated number of C Shares being issued	20 million
Estimated number of ZDP Shares being issued	20 million
Estimated Gross Offering Proceeds	up to £40 million
Estimated Net Offering Proceeds	£39.4 million
Net Asset Value of C Shares on Admission	98 pence
Net Asset Value of a ZDP Share on Admission	100 pence
Redemption Yield of the ZDP Shares**	3.5%
Final Cover of the ZDP Shares**	5.68x
Hurdle Rate of the ZDP Shares**	-43.87%

*** calculated on the basis of the assumptions contained in Part 6 (The ZDP Shares and Principal Bases and Assumptions) of this Prospectus.*

Share Issuance Programme and ZDP Placing Programme Statistics

Maximum size of the Share Issuance Programme (including the Initial Company Offerings)	250 million New Ordinary Shares and/or C Shares
Maximum size of the ZDP Placing Programme (including the Initial ZDP Placing)	60 million ZDP Shares
Share Issuance Programme Price	NAV per New Ordinary Share plus a premium* or 100 pence per C Share
ZDP Placing Programme Price	NAV per ZDP Share plus a premium*

* No New Ordinary Shares and/or ZDP Shares will be issued at a price which (after costs and expenses) represents a discount to the Net Asset Value per existing Ordinary Share.

DEALING CODES

C Shares

ISIN	GB00BFX12M00
SEDOL	BFX12M0
Ticker	RMDC

Ordinary Shares

ISIN	GB00BYMTBG55
SEDOL	BYMTBG5
Ticker	RMDL

ZDP Shares

ISIN	GB00BG1TSQ91
SEDOL	BG1TSQ9
Ticker	RMDZ

Existing C Shares

ISIN	GB00BD884W63
SEDOL	BD884W6
Ticker	RMCC

DIRECTORS, ADVISERS AND OTHER SERVICE PROVIDERS

Directors and ZDP Directors (all non-executive)	Norman Crighton (<i>Non-Executive Chairman</i>) Guy Heald Marlene Wood all of the registered office below:
Registered Office of the Issuers	Mermaid House 2 Puddle Dock London EC4V 3DB
Investment Manager	RM Capital Markets Limited 7 Melville Crescent Edinburgh EH3 7JA
AIFM to the Issuers	International Fund Management Limited Sarnia House Le Truchot St Peter Port Guernsey GY1 4NA
Administrator and company secretary of the Issuers	PraxisIFM Fund Services (UK) Limited Mermaid House 2 Puddle Dock London EC4V 3DB
Placing Agent and Broker to the Issuers and Sponsor to the Company	Nplus1 Singer Advisory LLP 1 Bartholomew Lane London EC2N 2AX
Solicitors to the Issuers	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
Solicitors to the Sponsor, Placing Agent and Broker	CMS Cameron McKenna Nabarro Olswang LLP Cannon Place 78 Cannon Street London EC4N 6AF
Auditor, Reporting Accountants and Tax Adviser to the Issuers	Ernst & Young LLP 25 Churchill Place London E14 5EY
Registrar to the Issuers	Link Market Services Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

Receiving Agent to the Issuers Computershare Investor Services PLC
Corporate Actions Projects
Bristol
BS99 6AH

Intermediaries Adviser Solid Solution Associates (UK) Limited
5 St Johns Lane
London
EC1M 4BH

Valuation Agent Mazars LLP
Tower Bridge House
Katherine's Way
London
E1W 1DD

PART 1

OVERVIEW OF THE ISSUERS

1. Introduction

RM Secured Direct Lending plc was incorporated on 27 October 2016 as a public company limited by shares. The Company carries on business as an investment trust within the meaning of section 1158 of the CTA 2010. The Company's AIFM has delegated portfolio management to RM Capital Markets Limited (the "**Investment Manager**"). The Investment Manager provides discretionary portfolio management services in relation to the Portfolio. Further information on the Investment Manager and the investment team responsible for the management of the Portfolio is set out in Part 3 (*Directors, Management and Administration*) of this Prospectus.

Since its IPO in October 2016 (which resulted in the issue of 50,300,000 Ordinary Shares and raised gross proceeds of £50.3 million) the Company has undertaken a number of additional equity fund raisings which have resulted in the issue of a further 7,000,000 Ordinary Shares and 30,000,000 C Shares (the "**Existing C Shares**") raising, in aggregate (including at IPO), gross proceeds of c. £87.3 million. In addition to the equity fund raisings the Company has also secured a £10 million revolving credit facility with OakNorth Bank Limited.

The proceeds of all the equity fund raisings have been invested by the Company in accordance with its Investment Policy to achieve its investment objective, being to generate attractive and regular dividends through investment in secured debt instruments of UK SMEs and mid-market corporates including any loan, promissory notes, losses bonds or preference shares (such debt instruments, as further described below, being "**Loans**") sourced or originated by the Investment Manager with a degree of inflation protection through index-linked returns where appropriate.

To date the Company has paid or declared dividends of 4.2 pence per Ordinary Share. As at 9 March 2018 (being the latest practicable date prior to the publication of this Prospectus) the Company is substantially fully invested with an aggregate NAV of £86.34 million (unaudited) (combined Net Asset Value per Ordinary Share and per Existing C Share) and a NAV per Ordinary Share of 99.26 (unaudited). As announced on 15 February 2018 the Company intends to convert the Existing C Shares into Ordinary Shares at the Conversion Ratio. It is expected that cancellation of the Existing C Shares and Admission and dealings in the new Ordinary Shares created pursuant to the Existing C Share conversion will take place on 19 March 2018.

The Company has determined that it would be advantageous to raise fresh funds for investment both now and over the following year. Furthermore, after discussions with its advisers, the Company has resolved to introduce what the Board considers to be a prudent level of structural gearing by way of the establishment of the ZDP Subsidiary and the issue of the ZDP Shares. At the same time the opportunity is being taken, in order to permit borrowing (including any amounts raised by the issue of ZDP Shares) to be utilised for investment purposes, to amend the existing Investment Policy.

Following on from the above the Company has published a Circular, convening the General Meeting at which Shareholder will be asked to approve the following proposals:

- amend the existing Investment Policy;
- to take all the necessary share authorities to implement the Offerings; and
- to dis-apply statutory pre-emption rights in connection with the Offerings.

The Offerings are conditional upon all the Resolutions to be proposed at the General Meeting being passed. If the Resolutions are not passed then none of the Initial Company Offerings, the Initial ZDP Placing, the Share Issuance Programme or the ZDP Placing Programme will take place. The Company would then continue with its existing Investment Policy and its current share authorities and the Company would be responsible for the fixed costs incurred in connection with the Proposals and the production of this Prospectus.

If the Resolutions are passed at the General Meeting, each of the Offerings is also subject to the Placing Agreement becoming unconditional (save as to the relevant Admission) and the relevant Admission occurring. The Offerings are not inter-conditional, such that, for example, either the Initial Company Offerings or the Initial ZDP Placing might not take place but the Company and the ZDP Subsidiary would nevertheless be able (subject as aforesaid) to issue C Shares, New Ordinary Shares and/or ZDP Shares pursuant to the terms of the Share Issuance Programme and/or the ZDP Placing Programme.

None of the Offerings is subject to a gross or net amount being raised. The Directors have determined that any C Shares issued pursuant to the Initial Company Offerings will have an opening NAV on Admission of 98 pence. To the extent that the costs of the Proposals exceed an aggregate sum equal to 2 pence times the number of C Shares issued then those costs shall be for the account of Shareholders. Notwithstanding the foregoing, N+1 Singer have the right to terminate the Placing Agreement in respect of the Initial Company Offerings if they reasonably believe that it would not, in the light of applications received for C Shares, be sensible to proceed.

2. The Offerings

The Initial Company Offerings comprise the Offer for Subscription, the Initial Placing and an Initial Intermediaries Offer by the Company in each case of C Shares.

The Directors have determined to issue C Shares to mitigate the effects of any “cash drag” on the performance of the existing Ordinary Shares. The assets representing the net proceeds of the issue of C Shares will be accounted for as a separate pool and the C Shares will bear a proportionate share of the Company’s costs and expenses until each pool is substantially invested in accordance with its Investment Policy, following which the C Shares will be converted into Ordinary Shares based on the respective Net Asset Value per Ordinary Share and the Net Asset Value per C Share.

In conjunction with the Initial Company Offerings, in order to introduce structural gearing to the Group, the ZDP subsidiary will issue ZDP Shares pursuant to the Initial ZDP Placing. The Gross ZDP Placing Proceeds (which will be loaned to the Company under the ZDP Loan Agreement) will be invested by the Company in accordance with its Investment Policy.

The Company is also proposing to implement the Share Issuance Programme, which will close on the Final Closing Date (or such earlier date as the Company may determine). The Share Issuance Programme will comprise a specific number of Intermediaries Offers that will open and close in accordance with a pre-determined timetable (details of which are set out on page 51 of this Prospectus) and separate Placings that will open and close on dates to be determined by the Directors. The Company may issue New Ordinary Shares and/or C Shares pursuant to the Share Issuance Programme.

The ZDP Subsidiary is also proposing to implement the ZDP Placing Programme, which will close on the Final Closing Date (or such earlier date as the ZDP Subsidiary may determine). The ZDP Placing will comprise one or more ZDP Placings that will open and close on dates to be determined by the ZDP Directors. The ZDP Subsidiary will only issue ZDP Shares pursuant to the ZDP Placing Programme.

The C Shares are being issued at an Issue Price of 100 pence. No New Ordinary Shares, issued pursuant to the Share Issuance Programme or otherwise, will be issued at a price which (after costs and expenses) represents a discount to the Net Asset Value per existing Ordinary Share.

The ZDP Shares are being issued at the Issue Price of 100 pence. The number of ZDP Shares to be issued pursuant to the Initial ZDP Placing is limited to 20 million ZDP Shares. No ZDP Shares, issued pursuant to the ZDP Placing Programme or otherwise, will be issued at a price which represents a discount to the Net Asset Value per existing ZDP Share. Furthermore, no additional ZDP Shares will be issued (pursuant to the ZDP Placing Programme or otherwise) if (excluding, for the avoidance of doubt any amount attributable to their issue) immediately following any such issue total gearing reaches more than 20 per cent. of Net Asset Value. Thus by way of example, if the Initial Company Offerings did not proceed, the aggregate amount raised by the issue of ZDP Shares pursuant to the Initial ZDP Placing could not exceed £17.2 million calculated on the basis of the aggregate NAV of the Company being £86.34 million (combined Net Asset Value per Ordinary Share and per Existing C Share) as at 9 March 2018 (being the latest practicable date prior to the publication of this Prospectus). In other words, the maximum proceeds under the Initial ZDP

Placing of £20 million is dependent on the Initial Company Offerings raising at least £13.7 million in order to comply with the Company's gearing restrictions.

Applications will also be made for the C Shares being issued pursuant to the Initial Company Offerings to be admitted to the premium segment of the Official List and to be admitted to trading on the Premium Segment. It is expected that Admission will become effective and that the first dealings in the C Shares for normal settlement will commence on or before 8.00 a.m. 3 April 2018.

Applications will also be made for the ZDP Shares being issued pursuant to the Initial ZDP Placing to be admitted to the standard segment of the Official List and to be admitted to trading on the Standard Segment. It is expected that Admission will become effective and that the first dealings in the ZDP Shares for normal settlement will commence or before 8.00 a.m. 3 April 2018.

It is not intended that any class of shares in the Company or the ZDP Subsidiary be admitted to listing or trading in any other jurisdiction.

Further details of the Initial Company Offerings and the Share Issuance Programme, the Initial ZDP Placing, and the ZDP Placing Programme, the rights attaching to the C Shares, the rights attaching to the Ordinary Shares and the rights attaching to the ZDP Shares are set out in respectively Parts 4, 5, 9 and 10 of this Prospectus.

PART 2

INFORMATION ON THE COMPANY AND THE ZDP SUBSIDIARY

1. Investment Objective, Investment Policy and Investment Restrictions

1.1 Investment Objective

The Company aims to generate attractive and regular dividends through investment in secured debt instruments of UK SMEs and mid-market corporates and/or individuals including any loan, promissory notes, lease, bond, or preference share (such debt instruments, as further described below, being “Loans”) sourced or originated by the Investment Manager with a degree of inflation protection through index-linked returns where appropriate.

1.2 The Investment Policy

The Company will seek to meet its investment objective by making investments in a diversified portfolio of Loans to UK SMEs and mid-market corporates, special purpose vehicles and/or to individuals. These Loans will generally be, but not limited to, senior, subordinated, unitranche and mezzanine debt instruments, documented as loans, notes, leases, bonds or convertible bonds. Such Loans shall typically have a life of 2-10 years. In certain limited cases Loans in which the Company invests may have equity instruments attached, ordinarily any such equity interests would come in the form of warrants or options attached to a Loan. Typically the Loans will have coupons which may be fixed, index-linked or LIBOR linked.

For the purposes of this investment policy, UK SMEs include entities incorporated outside of the UK provided their assets and/or principal operations are within the UK. The Company is permitted to make investments outside of the UK to mid-market corporates.

Loans will be directly originated or sourced by the Investment Manager who will not invest in Loans sourced via or participations through, peer to peer lending platforms.

Loans in which the Company invests will be predominantly secured against assets such as real estate or plant and machinery and/or income streams such as account receivables.

The Company will make Loans to borrowers in a range of Market Sectors within certain exposure limits which will vary from time to time, according to market conditions and as determined by the Board, subject to the Investment Restrictions set out below.

The Company will at all times invest and manage its assets in a manner which is consistent to the spreading of investment risk.

The ZDP Subsidiary does not have a specific investment objective or investment policy. The Gross ZDP Placing Proceeds will be lent to the Company under the terms of the ZDP Loan Agreement and will be invested by the Company in accordance with its Investment Policy

1.3 Investment Restrictions

The following investment limits and restrictions will apply to the Company’s Loans and business which, where appropriate, shall be measured at the time of investment or once the Company is fully invested:

- the amount of no single Loan shall exceed 10 per cent. of Gross Assets;
- exposure to a single borrower shall not exceed 10 per cent. of Gross Assets;
- Loans will be made across not less than four Market Sectors;
- not less than 70 per cent. of Gross Assets will be represented by Loans denominated in Sterling or hedged back to Sterling;
- Loans made to borrowers in any one Market Sector shall not exceed 40 per cent. of Gross Assets;
- Loans with exposure to project development/construction assets shall not exceed 20 per cent. of Gross Assets;

- the Company will not provide Loans to borrowers whose principal business is defence, weapons, munitions or gambling;
- the Company will not provide Loans to borrowers which generate their annual turnover predominantly from tobacco, alcohol or pornography; and
- the Company will not invest in other listed closed-ended funds.

In the event of a breach of the investment guidelines and restrictions set out above, the Investment Manager shall inform the Board upon becoming aware of the same and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service and the Investment Manager will look to resolve the breach with the agreement of the Board.

The Company intends to conduct its affairs so as to qualify as an investment trust for the purposes of section 1158 of the CTA 2010, and its investment activities will therefore be subject to the restrictions set out above.

1.4 **Borrowing and gearing**

The Company may utilise borrowings for share buybacks and short term liquidity purposes. The Company may also, from time to time, use borrowing for investment purposes on a short term basis where it expects to raise additional equity. Gearing represented by borrowings will not exceed 20 per cent. of Net Asset Value calculated at the time of drawdown.

Should the relevant Resolution be passed at the General Meeting, the existing Investment Policy will be amended by the adopting of a new policy on borrowing and gearing as follows:

The Company intends to utilise borrowings for investment purposes as well as for share buybacks and short term liquidity purposes. Gearing represented by borrowings, including any obligations owed by the Company in respect of an issue of zero dividend preference shares whether issued by the Company or any other member of its group) or any third-party borrowings, will not, in aggregate, exceed 20 per cent. of Net Asset Value calculated at the time of drawdown.

The new Investment Policy is set out in full at Part 13 (*Investment Policy*) of this Prospectus. If the relevant Resolution is not passed at the General Meeting, the Company will continue to invest within the remits of its existing borrowing and gearing limits.

1.5 **Hedging and derivatives**

The Company may invest in derivatives for efficient portfolio management purposes. In particular the Company can engage in interest rate hedging. Loans will primarily be denominated in Sterling, however the Company may make limited Loans denominated in currencies other than Sterling and the Board, at the recommendation of the Investment Manager, may look to hedge any other currency back to Sterling should they see fit.

In accordance with the requirements of the UK Listing Authority, any material change to the Investment Policy will require the approval of Shareholders by way of an ordinary resolution at a general meeting. In addition, pursuant to the terms of the Undertaking, unless required to do so by the UK Listing Authority or any other relevant legal or regulatory requirement, the Company must not amend the Investment Policy in such manner as would, in the reasonable opinion of the ZDP Directors, be materially prejudicial to the interests of ZDP Shareholders, unless such amendment has been sanctioned by way of a ZDP Class Consent.

2. **Dividend Policy and Target Returns**

Subject to compliance with the Companies Act, the Company intends to pay Sterling dividends on a quarterly basis. Dividends are expected to be declared in May, August, November and March of each year in respect of the preceding quarter.

To date the Company has paid or declared dividends of 4.2 pence per Ordinary Share.

The Company will target an annualised dividend yield of 6.5 per cent. (on the IPO issue price of 100 pence per Ordinary Share) in the financial year to 31 December 2018 and thereafter.

The target dividend yield is expressed in respect of the Ordinary Shares only. Holders of C Shares will not receive a dividend in respect of their C Shares (unless payment is necessary to preserve the Company's investment trust status) but the income attributable to the pool of assets represented by the C Shares will be reflected in the Net Asset Value of the C Shares and will be taken into account when the C Shares convert into Ordinary Shares. Once the C Shares have converted, the Ordinary Shares arising on conversion will rank *pari passu* in all respects with the existing Ordinary Shares including as to dividends.

Investors should note that the targeted annualised dividend yields are targets only and not profit forecasts and there can be no assurance that either will be met or that any dividend growth will be achieved.

The ZDP Shares do not carry any right to receive a dividend.

3. Investment Opportunity, Portfolio and Pipeline

The global financial crisis of 2008 and the European debt crisis of 2009-2011 highlighted the need for greater supervision of the financial sector and the need for corporate borrowers to diversify their sources of funding from the traditional bank lending market. At the same time policy makers across the globe have looked to ensure that banks are holding more capital against their loan books. Whilst prior to the financial crisis it was difficult for non-bank lenders to find opportunities, there is now an environment where borrowers are actively seeking funding from non-banking institutions.

Secured lending typically provides higher recovery rates and an attractive return profile especially if targeting assets which are harder to finance by being outside the lending parameters of mainstream lending institutions or other financing firms. The Company will focus on these harder to finance sectors within the SME and mid-market corporate space and lending activities will concentrate on these opportunities. The Investment Manager has specific skills in sourcing, analysing and conducting due diligence on such opportunities and believes that the demand for this type of lending will continue due to the overall funding requirements of these businesses combined with their individual complexity in typically modest deal sizes.

As at 31 January 2018, the Company has grown the Portfolio to 23 debt investments across 16 sectors. Over 75 per cent. of the Portfolio is in private bi-lateral or private club investments with the remainder in public debt transactions. The Portfolio has £86.5 million of commitments across the Ordinary Share and Existing C Share classes of which approximately £70 million has been deployed on a cash basis.

Key Portfolio statistics:

<i>Weighted Average Life</i>	3.66 years
<i>Average Yield on Investments</i>	8.4% – Ordinary Shares 10.29% – Existing C Shares
<i>% of Portfolio with coupons linked to LIBOR</i>	43%
<i>Investments in senior secured part of capital structure</i>	64%
<i>Investments in junior secured part of capital structure</i>	36%

Largest 10 loans by drawn amounts across the entire Portfolio

Business Activity	Loan Value (£m)	Expected Yield %	WAL
Asset Finance	8.00	8.00	3.90
Advertising	7.45	9.15	4.61
Automotive Parts Manufacturing	6.12	12.00	4.90
Student Accommodation	4.42	9.50	2.18
Healthcare	4.00	5.85	4.14
Renewable Energy	4.00	7.00	2.24
Healthcare	4.00	8.89	5.23
Insurance Brokerage	4.00	8.21	5.44
Food Manufacturing	3.00	9.34	7.52
Property Development	2.60	7.22	2.05

The above figures are unaudited.

The Investment Manager has identified a pipeline of investment opportunities in excess of £150 million. This is split into three categories in terms of visibility and likely timings. Category 1 consists of existing investments with future funding requirements. There are 8 such transactions totalling £40.75 million. Category 2 consists of opportunities where investment and credit work has already been performed and Credit Committee approval acquired. There are 4 such transactions totalling £25.2 million. Category 3 consists of transactions at preliminary due diligence and/or term sheet stage. There are 13 such transactions totalling £97 million.

Company Name	Sector	Loan Size (million)
CATEGORY 1		
Existing Investment 1	Telecommunications	£5.90
Existing Investment 2	Finance – Asset Finance	£11.50
Existing Investment 3	Hospitality & Leisure	£1.50
Existing Investment 4	Property Bridging	£4.85
Existing Investment 5	Health & Social Care	£2.00
Existing Investment 6	Media	£5.00
Existing Investment 7	Food & Beverage	£5.00
Existing Investment 8	Transportation	£5.00
CATEGORY 2		
Company 9	Finance – Leasing	£5.00
Company 10	Student Accommodation	£7.70
Company 11	Health & Social Care	£8.50
Company 12	Health & Social Care	£4.00
CATEGORY 3		
Company 13	PRS	£7.10
Company 14	Finance – Leasing	£2.00
Company 15	Health & Social Care	£5.00
Company 16	Property Bridging	£10.00
Company 17	Media	£10.00
Company 18	Infrastructure – Renewables	£5.00
Company 19	Infrastructure – Renewables	£7.50
Company 20	Student Accommodation	£3.00
Company 21	Infrastructure – Power Asset	£7.50
Company 22	Finance – Receivables	£10.00
Company 23	Hospitality & Leisure	£10.00
Company 24	Hospitality & Leisure	£10.00
Company 25	Property Bridging	£10.00

There can be no assurance that the investments in the above table or any investments on comparable terms will be made by the Company. The Investment Manager will continue to evaluate other potential investments in accordance with the Investment Policy.

4. The Investment Manager and the AIFM

4.1 Investment Manager

The Investment Manager is RM Capital Markets Limited which is authorised and regulated in the UK by the FCA. The Investment Manager has experience in industry and financial services including the trading and execution of debt instruments, management of clients' funds, lending, advisory, capital markets and risk management.

Founded in 2010, the Investment Manager has offices in Edinburgh and London and is a specialist alternative credit manager. The Investment Manager has transacted in excess of £50 billion of bonds and loans since inception and in addition has advised or originated, structured and conducted or managed the due diligence process for over £1 billion of Sterling Credit transactions and approximately 600 million of Euro bases transactions since 2012.

4.2 AIFM

The AIFM is International Fund Management Limited, part of the PraxisIFM Group, one of the largest independently owned financial services groups based in the Channel Islands. The AIFM has a strong track record in providing management and risk advisory services to funds and investment managers since 2006. Under the arrangements in place between the Company, the Investment Manager and the AIFM, the AIFM has delegated all aspects of portfolio management to the Investment Manager.

Further details on the AIFM, its role as alternative investment fund manager to both the Company and the ZDP Subsidiary and the delegation of portfolio management can be found in Part 3 (*Directors, Management and Administration*) of this Prospectus.

5. Investment Strategy

5.1 Type of Investment

The Investment Manager expects the majority of individual Loan values or transactions to range from £2 million to £10 million. There are expected to be a range of maturities within the Portfolio, although most Loans will have maturities of approximately 2 to 10 years.

The Company's focus will be on bespoke, higher-yielding lending opportunities identified or originated by the Investment Manager with favourable security packages. However, the Investment Manager will also source Loans in the market which pass its rigorous due diligence process and satisfy its stringent security and monitoring requirements. The Investment Manager believes that this will help balance the quantity of fixed and LIBOR-related debt within the Portfolio, allow the Company to optimise all available investment opportunities and facilitate funds to be deployed more quickly where appropriate thereby minimising cash drag.

All Loans, whether originated or sourced by the Investment Manager will be consistent with the Investment Policy and be subjected to the investment process described below.

The Company will have Market Sector diversity and target maximum exposure limits, which the Board will review from time to time, in each case measured in terms of Gross Assets at the time of investment. Initially these will be:

5.2 Sector Diversity & Target Maximum Exposure Targets

- Aerospace & Defence – 35%
- Automobiles & Components – 10%
- Beverage, Food & Tobacco – 25%
- Capital Equipment – 35%
- Chemicals, Plastics, & Rubber – 35%
- Construction & Building – 35%
- Consumer Goods (Durable) – 25%

- Consumer Goods (non-durable) – 25%
- Containers, Packaging & Glass – 25%
- Finance – Asset Finance – 25%
- Finance – Structured Finance – 25%
- Finance – Receivables – 25%
- Finance – Other – 25%
- Forest Products & Paper – 10%
- Healthcare & Pharmaceuticals – 35%
- High Tech Industries – 20%
- Hotel, Gaming & Leisure – 35%
- Infrastructure – Energy – 40%
- Infrastructure – Other – 40%
- Infrastructure – Social – 40%
- Infrastructure – Utilities – 40%
- Insurance – All – 25%
- Media & Entertainment – 25%
- Metals & Mining – 35%
- Real Estate – Commercial – 25%
- Real Estate – Other – 25%
- Real Estate – Residential – 25%
- Retail – 25%
- Services (Business) – 35%
- Services (Consumer) – 35%
- Other – Not Else Where Classified – 25%

It should be noted that the above listed Market Sectors and target maximum exposure limits may be revised by the Board from time to time subject always to the Investment Policy.

5.3 **Origination**

The Investment Manager has significant experience and a demonstrable track record in identifying, sourcing and originating debt investment opportunities consistent with the Investment Policy and has extensive relationships with borrowers, debt advisers, equity investors and senior and subordinated lenders as a consequence. It is envisaged that the Investment Manager will originate investment opportunities which it can structure directly and/or use its existing market relationships to source other debt investment opportunities. The Investment Manager also has experience in leasing and hire purchase investments and a number of transactions will be focussed on lending to borrowers holding non-standardised assets which require funding.

5.4 **Investment Process**

The Investment Manager ensures a rigorous investment process is used and appropriate due diligence is conducted on every prospective Loan. The Investment Manager's internal credit policy manual sets out the following key terms which form the basis of the investment process and covers such areas as:

- eligible investments – the scope of investments allowed e.g. sector focus and the type of investments allowed;
- due diligence – including, but not limited to, legal, technical, financial, insurance, tax and credit research;

- credit review and decision – the formal process by which a credit committee of the Investment Manager will approve the investment; and
- administration, monitoring & control and portfolio strategy – the accounting, banking and finance, operations and compliance procedures in relation to the on-going monitoring of each investment.

5.5 **Preliminary review**

Many prospective borrowers have bespoke funding needs and there are opportunities for the Investment Manager to originate transactions directly with such companies. When considering these types of Loans the two credit considerations are:

- how much debt can the borrower afford to take on? The Investment Manager will assess the maximum level of the debt the borrower can afford by using internal proprietary models. This sizing is determined by the levels of visible net cash-flows the borrower has. The Investment Manager believes that this is the most suitable metric for determining repayment by the borrower rather than simple turnover or sales-based metrics; and
- how secure are the assets and/or the cash-flows that the Company has security over? The Investment Manager will assess the assets of the borrower and their likely residual values and/or cash flows and their continued visibility.

Having taken the above into consideration the Investment Manager will structure and document a transaction in order to give the Company an extensive and favourable security package, typically with the assets and/or contracts of the borrower being placed within a special purpose vehicle (SPV) and then security, in the form of a share pledge and debenture over the SPV, being granted in favour of the Company. This is in order to segregate the assets from the borrower entity in the event of the borrower becoming insolvent. The Company will also use separate bank accounts in order to control and project cash flows combined with additional lender protection through reporting covenants, representations and warranties.

Where the Investment Manager arranges lease transactions on behalf of the Company (where the Company will own certain assets and subsequently lease them to third parties) additional security may be sought from the third-party lessor if the Investment Manager, seeking to mitigate all risks, believes this additional security should be required.

The Investment Manager, utilising its existing market-based relationship may also source third party Loans. These opportunities are usually already documented and structured in which case the Investment Manager will conduct all due diligence and research using available information prior to acquiring the Loan or progressing the opportunity, as set out in more detail below. For these transactions, the Investment Manager will utilise its own credit research team to select what it believes are the best and most secure opportunities with the right characteristics on a relative value basis.

5.6 **Due Diligence**

The Investment Manager will review all identified risks for any Loan which it considers appropriate for the Company and will assess how those risks are mitigated. The Investment Manager will where appropriate use professional third party advisers, including technical consultants, financial and legal advisers and valuation and insurance experts. This can, where appropriate, provide an additional and independent review of the key aspects and risks of a transaction, providing additional comfort as to the level of risk mitigation as well as ongoing performance.

5.7 **Investment Approval**

Each investment proposal will be presented to the Credit Committee of the Investment Manager which currently comprises five individuals: James Robson, Pietro Nicholls, Ian Cunningham, Malcolm Hayday CBE and Henry Chaplin, with lending experience and expertise, further details of which are set out in Part 3 (*Directors, Management and Administration*) of this Prospectus. In reviewing each potential investment, the Credit Committee will consider a range of factors including a detailed analysis of the Loan opportunity, the capital structure of the borrower, track record, market reputation, historical information/reporting, deal modelling credit and risk analysis and any other analysis that might be necessary to fully understand the proposed Loan.

In the event that the Investment Manager or any partners, directors, officers or employees of the Investment Manager are directly or indirectly interested in any entity, project or asset in relation to any investment proposal, the Investment Manager will raise this in accordance with the Company's conflicts policy and seek the approval of the Board prior to making any such investment.

5.8 Investment Monitoring

The Investment Manager will continually monitor the progress of the Company's investments which will include regular technical reporting in respect of each of its Loans. The Investment Manager will seek ad hoc additional reporting and updates where there has been a material event which, in the opinion of the Investment Manager, has the potential to impair the value of the relevant investment.

The Investment Manager will report to the Board on the Portfolio on a quarterly basis with additional updates where appropriate.

6. Meetings, Reports and Accounts

The audited accounts of the Company are prepared in Sterling under IFRS. The Company's annual report and accounts are prepared up to 31 December each year. Once the ZDP Subsidiary has been established the audited accounts of the Group will be prepared in Sterling under IFRS. It is expected that copies of the report and accounts of the Group will be published by the end of April each year and copies sent to Shareholders. Shareholders will also receive an unaudited half-yearly report covering the six months to 30 June each year, which is expected to be published within the following three months. The published annual report and accounts of the Company for the period from incorporation to 31 December 2017 are incorporated by reference into this Prospectus and further details are set out in Part 7 (*Financial Information of the Company*) of this Prospectus.

The Company intends to hold its first annual general meeting on 19 April 2018 and will hold an annual general meeting each year thereafter. Other general meetings may be convened from time to time by the Directors by sending notices to Shareholders.

The ZDP Subsidiary intends to hold its first annual general meeting in or before April 2019 and will hold an annual general meeting each year thereafter. Other meetings of the ZDP Shareholders may be convened from time to time by the ZDP Directors by sending notices to ZDP Shareholders.

7. Valuation Methodology

The Company's Loans are measured at fair value. The Valuation Agent is responsible for carrying out the fair market valuation of the Loans on a monthly basis in accordance with IFRS.

The Valuation Agent will value the Loans by taking the financial information on such Loans supplied by the Company and selecting an appropriate set of comparators based on the particular Loan being valued. In the main it is anticipated that the standard valuation methodology will be to use a discounted cash flow analysis and benchmarked discount/interest rates appropriate to the nature of the underlying investment and the date of valuation. However, the Valuation Agent will use alternative valuation methodologies if appropriate if the particular Loan is "non-standard".

Where Loans made by the Company are inflation-linked or LIBOR-based, the individual cash flows expected to arise will be based on forecast inflation or LIBOR rates as at the date of valuation as indicated on Bloomberg or an alternative source as agreed at the time.

The specific discount rate used for valuing each Loan is based on appropriate long term quoted Sterling interest rate swap rates and a risk premium. The Valuation Agent will determine the specific risk premium that it believes the market would reasonably apply taking, *inter alia*, the following into account:

- the performance of the underlying assets, taking into account the nature of the loan and its parameters, and including any actual or potential event in relation to each 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 obligor;

- general credit market activity and investor sentiment, which the Valuation Agent assesses by taking into account its knowledge of such markets gained from discussions with market participants and from publicly-available information on relevant transactions and publicly-traded securities; and
- changes to the economic, legal, taxation or regulatory environment relevant to each asset.

The Valuation Agent will exercise its due judgement in assessing the likelihood of any interruptions to the debt payments due to the Company in light of the operational performance of each underlying asset.

8. Net Asset Value

The Net Asset Value (and Net Asset Value per Existing C Share, Net Asset Value per Ordinary Share and, where applicable, Net Asset Value per C Share) is calculated monthly by the Administrator. Calculations are made in accordance with IFRS or as otherwise determined by the Board. As described above, the Company's Loans are measured at fair value and the Valuation Agent is responsible for carrying out the fair market valuation of the Loans on a monthly basis in accordance with IFRS.

Details of each monthly valuation, and of any suspension in the making of such valuations, are announced by the Company through a Regulatory Information Service as soon as practicable after the end of the relevant month.

The calculation of the Net Asset Value will only be suspended in circumstances where the underlying data necessary to value the Loans of the Company cannot readily, or without undue expenditure, be obtained or in other circumstances (such as a system's failure of the Administrator) which prevents the Company from making such calculations. Details of any suspension in making such calculations will be announced through a Regulatory Information Service as soon as practicable after any such suspension occurs.

Proceeds from the ZDP Shares issued by the ZDP Subsidiary will be allocated to the Ordinary Shares. The amount due under the ZDP Loan Agreement at the relevant calculation date will be equivalent to the Net Asset Value attributable to the ZDP Shares at the relevant calculation date and the ZDP Loan liability and costs relating to the ZDP Loan will be allocated to the Ordinary Shares.

It is expected that, subject to any impairment of the ZDP Loan, to the extent that the ZDP Subsidiary is aware that the Company will be unable to repay the ZDP Loan or meet its obligations pursuant to the Undertaking in full, the Net Asset Value per ZDP Share will increase on a straight line basis from 100 pence on 3 April 2018 to the Final Capital Entitlement on the ZDP Repayment Date.

9. Group Structure

Following Admission, the Group will comprise the Company and the ZDP Subsidiary. Since the ZDP Subsidiary is a wholly owned subsidiary of the Company which was incorporated solely for the purpose of issuing the ZDP Shares, it has no investment policy and no investment restrictions. The Company will deploy the Gross ZDP Placing Proceeds (which will be loaned to it by the ZDP Subsidiary under the ZDP Loan Agreement) in accordance with the Investment Policy. In addition, the Company will enter into the Undertaking pursuant to which it has agreed to pay the ZDP Subsidiary such amount as may be required, in addition to the payment amount under the ZDP Loan Agreement, in order for the ZDP Subsidiary to be able to pay the Final Capital Entitlement of the ZDP Shares.

The ZDP Shares are being issued by the ZDP Subsidiary so as to avoid the need to wind up the Company in order to be able to pay to the ZDP Shareholders their Final Capital Entitlement on the ZDP Repayment Date in a tax efficient manner. The Company may satisfy its payment obligations under the ZDP Loan Agreement and the Undertaking out of the realisation of its investments and cashflows, finance raised through the issue of further Ordinary Shares or new borrowings.

Following Admission, the Company's issued share capital will comprise C Shares and Ordinary Shares only.

Following Admission, the ZDP Subsidiary's share capital will comprise: (i) 50,000 ordinary shares held by the Company (the "**Subsidiary Ordinary Shares**"); and (ii) ZDP Shares. The Subsidiary Ordinary Shares to be held by the Company will be the only voting shares in the ZDP Subsidiary, subject to certain matters which will require ZDP Shareholder approval. Further details of the voting structure of the ZDP Subsidiary

are set out in Part 6 (*The ZDP Shares and Principal Bases and Assumptions*) and Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus.

On or before Admission, the Company and the ZDP Subsidiary will enter into the ZDP Loan Agreement, pursuant to which the ZDP Subsidiary will advance the Gross ZDP Placing Proceeds to the Company shortly following Admission. The ZDP Loan is unsecured and is required to be repaid by the Company to the ZDP Subsidiary immediately prior to the ZDP Repayment Date. An interest rate of two per cent. per annum, compounded annually on each anniversary of Admission of the ZDP Shares, will be payable on the ZDP Loan. Pursuant to the ZDP Loan Agreement, such interest will be rolled up and will be payable immediately prior to the ZDP Repayment Date, together with the principal amount of the Loan.

Pursuant to the Undertaking, the Company will undertake that, immediately prior to the ZDP Repayment Date (or, if earlier, the date on which an Early Winding-Up Resolution is approved), it will subscribe for such number of Subsidiary Ordinary Shares (or make a capital contribution for, gift of or otherwise pay, such amount) as is necessary to provide the ZDP Subsidiary, on the ZDP Repayment Date (or if earlier, the date on which an Early Winding-Up Resolution is approved), with sufficient funds to meet the repayment obligations in respect of the ZDP Shares (after taking into account the monies to be received by the ZDP Subsidiary on repayment of the ZDP Loan).

The Company's obligations to the ZDP Subsidiary under the ZDP Loan Agreement and the Undertaking will be subordinated to its obligations to OakNorth (in respect of the RCF) and to its other unsecured creditors.

Further details of the ZDP Loan Agreement and the Undertaking are set out in Part 6 (*The ZDP Shares and Principal Bases and Assumptions*) and Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus.

The ZDP Articles provide that a resolution to wind up the ZDP Subsidiary will be proposed at a general meeting of the ZDP Subsidiary to be held on 6 April 2021, unless extended by the passing of a special resolution of the ZDP Subsidiary in general meeting and the passing of a special resolution at a class meeting of ZDP Shareholders.

10. Overview of the ZDP Shares

Summary of rights attaching to the ZDP Shares

The ZDP Shares will have a life of 3 years and, on that basis, a Final Capital Entitlement of 110.91 pence per ZDP Share on the ZDP Repayment Date, equivalent to a Redemption Yield of 3.5 per cent. per annum (compounded annually) on the Issue Price.

The Redemption Yield of a ZDP Share is not, and should not be taken as, a forecast of profits. The Final Capital Entitlement is not a guaranteed or secured repayment amount and there can be no assurance that the Final Capital Entitlement will be repaid in full on the ZDP Repayment Date (or at all).

The maximum number of ZDP Shares to be issued pursuant to the Initial ZDP Placing has been set at 20 million. On the basis of the Assumptions set out in Part 6 (*The ZDP Shares and Principal Bases and Assumptions*) of this Prospectus, the ZDP Shares will have a Final Cover of 5.68 times and a Hurdle Rate of – 43.87 per cent.

Subject to the Companies Act, on a return of capital, on a winding-up or otherwise, ZDP Shareholders will be entitled to receive an amount equal to the Initial Capital Entitlement of 100 pence per ZDP Share, increased at such daily accrual rate as compounds annually to give a Final Capital Entitlement of 110.91 pence per ZDP Share at the ZDP Repayment Date of 6 April 2021, which is equivalent to a Redemption Yield of 3.5 per cent. per annum (compounded annually).

The Final Capital Entitlement will rank behind any liabilities of the Group (including the liabilities to OakNorth under the RCF and in priority to the capital entitlements of the Ordinary Shares and any C Shares. The ZDP Shares carry no entitlement to income and the whole of their return accordingly takes the form of capital. The ZDP Shareholders are not entitled to receive any part of the revenue profits (including any accumulated revenue reserves) of the Company on a winding-up, even if the accrued capital entitlement of the ZDP Shares will not be met in full.

The ZDP Shares do not carry the right to vote at general meetings of the ZDP Subsidiary, although they carry the right to vote as a class on certain matters affecting their class in accordance with paragraph 1.5 of Part 6 (*The ZDP Shares and Principal Bases and Assumptions*) of this Prospectus. Further ZDP Shares (or any shares or securities of any member of the Group which rank in priority to or *pari passu* with the ZDP Shares) may be issued without the separate class approval of the ZDP Shareholders, provided that the ZDP Directors determine that the ZDP Shares would have a Cover of not less than 3 times immediately following such issue.

Further information on the rights attaching to the ZDP Shares are set out in Part 6 (*The ZDP Shares and Principal Bases and Assumptions*) of this Prospectus.

Final Capital Entitlement

The ability of the ZDP Subsidiary to pay the Final Capital Entitlement will depend on, amongst other factors, the underlying growth rate of the Company's Net Asset Value.

Prospective investors should note that, based on the Assumptions set out in paragraph 3 of Part 6 (*The ZDP Shares and Principal Bases and Assumptions*) of this Prospectus, the Final Capital Entitlement would not be repaid in full on the ZDP Repayment Date if the rate of return on the Company's Net Asset Value following Admission was – 43.87 per cent. per annum.

11. Cash Uses and Cash Management Activities

In accordance with the Investment Policy, the Company's principal use of cash (including the Net Offering Proceeds) will be to fund investments sourced by the Investment Manager, as well as initial expenses related to the Offerings, ongoing operational expenses and payment of dividends and other distributions to Shareholders in accordance with the Company's dividend policy as set out in the section entitled "Dividend Policy and Target Returns" above.

The Company may from time-to-time have surplus cash (for example, following the disposal of an acquired investment). It is expected that any surplus cash will be temporarily invested in cash or cash equivalents, money market instruments, bonds, commercial paper or other debt obligations with banks or other counterparties having a single-A (or equivalent) or higher credit rating as determined by an internationally recognised rating agency; or "government and public securities" as defined for the purposes of the FCA rules.

12. Premium/Discount Management

The Board has the discretion to seek to manage the premium/discount rating at which the Ordinary Shares may trade to their Net Asset Value per Share through further issues, tender offers, buy-backs and the provision of a liquidity opportunity, as appropriate.

12.1 Liquidity opportunity

Before the Company's fourth annual general meeting, and at subsequent three yearly intervals, the Board currently intends (at its discretion) to formulate and submit to Shareholders proposals (which may constitute a tender offer or other method of distribution) to provide Shareholders an opportunity to realise the value of their Ordinary Shares at or near the prevailing Net Asset Value per Ordinary Share less costs.

12.2 Discount Control

The Directors recognise the importance to investors of seeking to ensure that the Ordinary Shares do not trade at a significant discount to their prevailing Net Asset Value. To the extent that the Ordinary Shares trade at a significant discount to this prevailing Net Asset Value the Board will consider whether (in the light of the prevailing circumstances) the Company should purchase its own Ordinary Shares (whether pursuant to the general authority referred to below or pursuant to the tender offers made on appropriate terms).

The Board anticipates that the combination of the discount protection mechanism offered by the facility to buy-back Ordinary Shares, together with the prospect a liquidity opportunity, will serve to maintain

any discount at a consistently low level. There is, however, no guarantee or assurance that the discount control mechanisms proposed by the Board will reduce any discount.

12.3 **Repurchase of Ordinary Shares**

The Directors will consider repurchasing Ordinary Shares in the market if they believe it to be in Shareholders' interests. Any purchase of Ordinary Shares by the Company will be in accordance with the Articles, the Listing Rules and the rules of the London Stock Exchange in force at the time.

Without prejudice to the foregoing, the Directors may, at their absolute discretion, use available cash to purchase in the market Ordinary Shares of a class in issue at any time, subject to having been granted authority to do so, should the Ordinary Shares of such class trade at an average discount to Net Asset Value (calculated daily in accordance with the methodology set out below) of more than 6 per cent. as measured each month over the preceding six month trading period. The average discount will be calculated by dividing the sum of the discount or premium (as the case may be) on each business day in a calendar month (adjusted for dividends) by the number of such business days. The premium or discount on any given day is to be calculated by reference to the closing Ordinary Share price and the Net Asset Value announced for that month.

In exercising their powers to buy back Ordinary Shares, the Directors have complete discretion as to the timing, price and volume of Ordinary Shares so purchased. No expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions. The implementation of any Share buyback programme and the timing, price and volume of Ordinary Shares purchase at all times will be subject to compliance with the Articles, the Listing Rules and all other applicable legal and regulatory requirements.

In accordance with the Companies Act, Ordinary Shares may only be repurchased out of the proceeds of a fresh issue of shares made for the purpose of the repurchase or out of distributable profits.

A special resolution was passed on 23 November 2016 granting the Directors authority to repurchase up to 14.99 per cent. of the Company's issued share capital during the period expiring on the conclusion of the Company's first annual general meeting to be held on 19 April 2018. Renewal of this buy-back authority will be sought at each annual general meeting of the Company or more frequently if required.

Purchases of Ordinary Shares will only be made through the market at prices (after allowing for costs) below the relevant prevailing Net Asset Value per Ordinary Share and otherwise in accordance with guidelines established from time-to-time by the Board. Under the current Listing Rules, the maximum price that may be paid by the Company on the repurchase of any Ordinary Shares pursuant to a general authority is 105 per cent. of the average of the middle market quotations for the Ordinary Shares for the five Business Days immediately preceding the date of purchase or, if higher, that stipulated by article 5(6) of the Market Abuse Regulation. The minimum price will not be below the nominal value of one penny in respect of the Ordinary Shares.

12.4 **Premium Management**

In the event that the Ordinary Shares trade at a premium to the Net Asset Value per Ordinary Share, the Company may issue new Ordinary Shares. The Directors have authority to issue up to 250 New Ordinary Shares and/or C Shares in aggregate immediately following Admission pursuant to the Share Issuance Programme. Please refer to Part 4 (*Initial Company Offerings and Share Issuance Programme*) of this Prospectus for details about the Share Issuance Programme. Shareholders' pre-emption rights over this unissued share capital have been disapplied so that the Directors will not be obliged to offer any new Ordinary Shares to Shareholders *pro rata* to their existing holdings. The reason for this is to retain flexibility, following Admission, to issue new Ordinary Shares to investors. Unless authorised by Shareholders, no Ordinary Shares will be issued at a price less than the prevailing Net Asset Value per Share at the time of their issue.

Investors should note that the issuance of new Ordinary Shares is entirely at the discretion of the Board, and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions or as to the proportion of new Ordinary Shares that may be issued.

12.5 **Treasury Shares**

Any Ordinary Shares repurchased pursuant to the general buy-back authority or discretionary tender offers referred to above may be held in treasury. The Companies Act allows companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. These shares may be subsequently cancelled or sold for cash. This would give the Company the ability to reissue Ordinary Shares quickly and cost efficiently, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base.

The Board intends only to authorise the sale of Ordinary Shares from treasury at prices at or above the prevailing Net Asset Value per Ordinary Share (plus costs of the relevant sale). This should result in a positive overall effect for Shareholders if Ordinary Shares are bought back at a discount and then sold at a price at or above the Net Asset Value per Ordinary Share (plus costs of the relevant sale).

12.6 **C Shares**

If there is sufficient demand at any time following Admission, the Company may seek to raise further funds through the issue of C Shares pursuant to the terms of the Share Issuance Programme. The rights conferred on the holders of C Shares or other classes of shares issued with preferred or other rights shall not (unless otherwise expressly provided by the terms of the issue of the relevant shares) be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

The Articles contain the C Share rights, full details of which are set out in paragraph 4.20 of Part 9 (*Additional Information on the Company*) of this Prospectus.

The C Shares would be available for issue by the Company (subject to the listing of the C Shares on the premium listing segment of the Official List and admission to trading on the Premium Segment) if the Directors consider it appropriate to avoid the dilutive effect that the proceeds of the issue might otherwise have on the existing assets of the Company. The Directors will have authority to issue up to 250 million New Ordinary Shares and/or C Shares in aggregate pursuant to the Offerings should the relevant resolutions be passed at the General Meeting. Shareholders' pre-emption rights over this unissued share capital have been disapplied.

A new class of C Shares may be issued by the Company if there are in issue C Shares that have not been converted into Ordinary Shares prior to the date on which the Company issues further C Shares.

13. **The AIFM Directive**

Under the AIFM Directive, certain conditions must be met to permit the marketing of shares in AIFs to prospective and existing investors in the EEA, including that prescribed disclosures are made to such investors.

The Company currently operates as an externally managed EEA domiciled AIF with a non-EEA AIFM for the purposes of the AIFM Directive and as such the Company is not required to seek full-scope authorisation under the AIFM Directive. The ZDP Subsidiary also intends to operate as an externally managed EEA domiciled AIF with a non-EEA AIFM.

However, following national transposition of the AIFM Directive in a given EEA member state, the marketing of shares in EEA AIFs that are managed by a non-EEA AIFM to investors in that EEA member state is prohibited unless certain conditions are met. The AIFM has filed a notification with the FCA pursuant to Article 42 of the AIFM Directive to market the C Shares and New Ordinary Shares in the UK under the UK national private placement regime. The AIFM has also filed a notification with the FCA pursuant to Article 42 of the AIFM Directive to market ZDP Shares in the UK under the UK national private placement regime.

The Company cannot guarantee that any relevant conditions to marketing will be satisfied. In cases where any such conditions are not satisfied, the ability of the Company to market Ordinary Shares and/or C Shares and the ability of the ZDP Subsidiary to market ZDP Shares or raise further equity capital in the EEA may be limited or removed.

Any regulatory changes arising from implementation of the AIFM Directive (or otherwise) that limit the Company or the ZDP Subsidiary's ability to market future issues of Ordinary Shares and/or C Shares (in the

case of the Company) or ZDP Shares (in the case of the ZDP Subsidiary) may materially adversely affect the Company or the ZDP Subsidiary's ability to carry out its investment policy successfully and to achieve its investment objective, which in turn may adversely affect the Company and the ZDP Subsidiary's business, financial condition, results of operations, Net Asset Value and/or the market price of the Ordinary or C Shares and/or ZDP Shares or the ZDP Subsidiary's ability to market future issues of its ZDP Shares.

The Company and the Investment Manager may, in the future, if considered operationally efficient transfer the risk management functions for the Company to the Investment Manager subject to the Investment Manager receiving all necessary permission and authorisations from the FCA to act as a full-scope AIFM under the AIFM Directive (which at the date of this Prospectus it has not made any application to do).

14. Non-Mainstream Pooled Investments and MiFID II

On 1 January 2014, the Unregulated Collective Investment Schemes and Close Substitutes Instrument 2013 (the "**NMPI Regulations**") came into force in the UK. The NMPI Regulations extend the application of the existing UK regime restricting the promotion of unregulated collective investment schemes by FCA authorised persons (such as independent financial advisers) to other "non-mainstream pooled investments" ("**NMPIs**"). With effect from 1 January 2014, financial advisers, including authorised independent financial advisers, are restricted from promoting NMPIs to retail investors who do not meet certain high net worth tests or who cannot be treated as sophisticated investors.

As the Company is an investment trust, the C Shares and Ordinary Shares will be "excluded securities" under the NMPI Regulations. Accordingly, the promotion of the C Shares and Ordinary Shares is not subject to the FCA's restriction on the promotion of NMPIs.

Since the ZDP Subsidiary is an NMPI, any promotion of the ZDP Shares (other than the publication and distribution of a prospectus (including this Prospectus)) which is exempt from the relevant rules of the FCA on NMPIs to retail investors will be restricted.

The Board has reviewed MiFID II and the ESMA guidance published thereto and has concluded that the C Shares, Ordinary Shares and ZDP Shares each constitute a non-complex product for the purposes of MiFID II.

15. Taxation

Potential investors are referred to Part 8 (*UK Taxation*) of this Prospectus for details of the taxation of the Company, the ZDP Subsidiary, ZDP Shareholders and Shareholders in the UK. Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own professional advisers immediately.

16. Risk Factors

The Company's performance is dependent on many factors and potential investors should read the whole of this Prospectus and in particular the section entitled "Risk Factors" on pages 27 to 39 of this Prospectus. Likewise as the ability of the Company to repay the ZDP Loan and meet its obligations under the terms of the Undertaking is dependent upon the Company's performance, potential investors in the ZDP Shares should read the whole of this Prospectus and in particular the section entitled "Risk Factors" on pages 40 to 42 of this Prospectus.

PART 3

DIRECTORS, MANAGEMENT AND ADMINISTRATION

1. Directors

The Directors act as the directors of both the Company and the ZDP Subsidiary. The Directors are responsible for the determination of the Company's investment objective and Investment Policy and have overall responsibility for the Company's and the ZDP Subsidiary's activities including the review of investment activity and performance. The Directors may delegate certain functions to other parties, such as the Investment Manager, the AIFM, the Administrator and the Registrar. In particular, responsibility for managing the assets comprised in the Portfolio has been delegated to the Investment Manager who is not required to, and generally will not, submit individual investments decisions for the approval of either the AIFM or the Board.

The Directors will meet at least four times a year. The Directors (including the Chairman) are all non-executive directors and independent of the Investment Manager.

It is intended that the ZDP Board will meet as required to consider the Company's compliance with the terms of the ZDP Loan and the Undertaking, based on reports from the Investment Manager. The ZDP Board will also consider the ZDP Subsidiary's interim and annual reports.

The Directors are as follows:

Norman Crighton (aged 51) *(Non-executive Chairman)*

Mr. Crighton is the Chairman of both Weiss Korea Opportunity Fund and Global Fixed Income Realisation Limited. Mr. Crighton was, until May 2011, an investment manager at Metage Capital Limited where he was responsible for the management of a portfolio of closed-ended funds and has more than 27 years' experience in closed-ended funds having worked at Olliff and Partners, LCF Edmond de Rothschild, Merrill Lynch, Jefferies International Limited and latterly Metage Capital Limited. His experience covers analysis and research as well as sales and corporate finance.

Guy Heald (aged 67) *(Non-executive Director)*

Mr. Heald has spent most of his career in banking, not only specialising in markets, but also in general management positions overseeing all aspects of banking, including lending. He worked in London, New York and Tokyo and has an extensive knowledge of companies needs for financing and managing interest rate, liquidity and foreign exchange risks. During his career he worked for Brown Shipley, Chemical Bank and HSBC where he held senior positions including Head of Global Markets and Chief Executive Office at HSBC Japan. After leaving banking in 2003 he has served as an adviser, non-executive director and trustee of several charities as well as starting a number of successful family companies of his own. The SME market is of particular interest to him, specifically the challenges facing companies in their pursuit for growth, as he invests venture and growth capital himself.

Marlene Wood (aged 55) *(Non-executive Director and Chair of the Audit Committee)*

Mrs. Wood is a chartered accountant and currently non-executive director and audit committee chair of GCP Student Living plc and non-executive director and finance committee chair of the Scottish Funding Council for Further and Higher Education. She has also recently chaired the strategy working group for the University of the Highlands and Islands.

Mrs. Wood has 20 years' experience in the commercial property sector having been finance director for Miller Developments raising finance for major property transactions both in the U.K. and Europe. Her experience covers governance and risk management as well as financial oversight and debt raising.

2. Management of the Company

2.1 The Investment Manager

The Company, through the AIFM, has appointed RM Capital Markets Limited to manage the Portfolio pursuant to the Investment Management Agreement which is summarised in paragraph 6.7 of Part 9 (*Additional information on the Company*) of this Prospectus.

In addition, pursuant to the terms of the Investment Management Agreement entered into between the Company, the AIFM and the Investment Manager, the AIFM has delegated to the Investment Manager the portfolio management duties which it has assumed under the terms of the AIFM Agreement. Accordingly, pursuant to the terms of the Investment Management Agreement, the Investment Manager will be responsible, subject to the overall supervision of the Directors and subject to the Investment Policy for the discretionary management of the Portfolio.

Details of the fees and expenses payable to the Investment Manager are set out in the section headed "Fees and Expenses" below.

(a) About the Investment Manager

The Investment Manager is RM Capital Markets Limited which is authorised and regulated in the UK by the FCA. The Investment Manager has experience in industry and financial services including the trading and execution of debt instruments, management of clients' funds, lending, advisory, capital markets and risk management. The Investment Manager has transacted in excess of £50 billion of bonds and loans since its inception. In addition, the Investment Manager has advised or originated, structured and conducted or managed the due diligence process for over £1 billion of Sterling credit transactions and approximately €600 million of Euro based transactions in each case since 2012.

Founded in 2010, as a specialist fixed income broker whose clients are banks, investment management groups and hedge funds, the Investment Manager has offices in Edinburgh and London. The Investment Manager's trading business transacts in fixed, floating and index-linked bonds whilst its sales and trading team are active in government bonds, corporate bonds and financial bonds across the high grade, high yield and distressed parts of the market. Further details on the Investment Manager can be found in this Part 3 (*Directors, Management and Administration*) of this Prospectus.

In 2012, the Investment Manager set up its capital markets and advisory team. As well as providing advisory services, the team originates, structures, manages the due diligence and documentation process and places debt instruments with institutional investors. The team's clients range from SMEs and consortium special purpose vehicles.

In 2015, the Investment Manager launched its funds business which initially started in direct lending. The direct lending business originates all loans in house and lends on a senior secured basis, to borrowers with strong management teams that demonstrate strong earnings visibility and have tangible security. The direct lending business has provided loan commitments to a number of borrowers operating in a variety of sectors including; telecommunication, media, energy generation, property and social infrastructure.

(b) Investment Team

The biographies of the lead members of the investment team of the Investment Manager are set out below. James and Pietro are supported by a team of 4 investment professionals:

James Robson (*Chief Investment Officer, Principal, Co-Manager*)

James has 19 years of experience in capital markets and credit products. He founded RM Capital Markets Limited in 2010 and currently heads the direct lending business and is a member of the Credit Committee of the Investment Manager. Prior to founding RM Capital Markets Limited, James was a credit trader for RBS and Dresdner and was the former head of the European corporate credit trading business at HSBC. James has a BSc in Economics and Business Management from Newcastle University.

Pietro Nicholls (*Principal, Co-Manager*)

Pietro has 11 years of experience in investment banking, capital markets, project finance and corporate lending. Pietro has extensive experience advising publicly listed, unlisted and government related entities on investment, financing, M&A and liability management solutions. Over the last 36 months, Pietro's team has advised on, sourced and or arranged over 2 billion Euro of debt finance transactions located within Western Europe. Pietro played a role in the development of the UK retail bond market, a now established form of funding for corporates.

The Credit Committee

Each investment proposal will be presented to the Credit Committee of the Investment Manager (which currently comprises James Robson, Pietro Nicholls, Ian Cunningham, Malcolm Hayday CBE and Henry Chaplin) in order that every investment is properly approved and documented ahead of investment. In reviewing each potential investment, the Credit Committee will consider a range of factors including a detailed analysis of the Loan opportunity, the capital structure of the borrower, track record, market reputation, historical information/reporting, deal modelling credit and risk analysis and any other analysis that might be necessary to fully understand the Loan.

The biographies of the members of the Credit Committee of the Investment Manager (save in respect of James Robson and Pietro Nicholls which is set out in paragraph 2.1.2 above) and are set out below:

Henry Chaplin (*Chair of the Credit Committee*)

Henry has 26 years of experience in capital markets, corporate finance advisory and custody. Henry acts as chairman of NCM Fund Services which he led as a buy-out from Noble Group in 2009. Henry is also a non-executive director of N+1 Singer Advisory LLP and a board member of UKFTF, a £200 million private equity fund. Henry was an officer in the Royal Green Jackets for 5 years and has also worked in management consultancy.

Ian Cunningham (*External Credit Committee Member*)

Ian has 40 years of experience in lending and banking at RBS with a focus on SME and corporate lending. Ian was the former Head of Corporate & Commercial Credit for RBS (Scotland), a position which he held for 13 years until 2009. Ian was also a former member of RBS's Global Credit Committee and as responsible for all credit risk training globally. He is currently Head of Credit at the LendingCrowd, Edinburgh. Ian is a fellow of the Institute of Bankers in Scotland.

Malcolm Hayday CBE (*External Credit Committee Member*)

Malcolm has 40 years' experience in corporate lending and banking with a focus on SMEs, social enterprises and community finance. Malcolm was awarded a CBE in 2013 for services to charities and social enterprises. Malcolm is the founder and was the first chief executive of The Charity Bank, the world's only registered charity and authorised bank. He was also chair of the internal credit committee. Malcolm's previous experience was in lending and credit and included establishing a European credit function within a major bank. Malcolm is a Fellow of the Royal Society for the Arts, a Senior Fellow at the Finance Innovation Lab and Associate of the Institute for Social Banking. He has co-authored a recipe book for social finance for the European Commission.

(c) *Investment Management Agreement*

The Investment Manager is entitled to receive from the Company in respect of its services provided under the Investment Management Agreement, an advisory fee payable monthly in arrears. Where the prevailing Net Asset Value is equal to or in excess of £75 million, the Investment Manager shall be entitled to a fee calculated at the rate of 0.875 per cent. per annum of the Net Asset Value. Where the prevailing Net Asset Value is less than £75 million, the Investment Manager shall be entitled to a fee calculated at the rate of 0.50 per cent. per annum of the Net Asset Value, together with reimbursement of reasonable expenses properly incurred by it in the performance of its duties.

In calculating Net Asset Value for these purposes all assets referable to the issue of ZDP Shares shall be counted as though they were assets of the Company but, for the avoidance of doubt, no liabilities referable to the issue of any ZDP Shares shall be deducted.

50 per cent. of the management fee received by the Investment Manager will be reinvested into Ordinary Shares for three years ending 15 December 2019. The Investment Manager has irrevocably agreed and undertaken to subscribe for the allotment of new Ordinary Shares (to the value of 50 per cent. of the management fee). Such new Shares shall be issued by the Company to the Investment Manager on a quarterly basis in arrears and credited as fully paid at a price equal to the Net Asset Value per Ordinary Share calculated at the end of the relevant quarter. In circumstances where the Ordinary Shares are trading at a discount to Net Asset Value at a time when a management fee is payable, the Investment Manager is obliged, provided it is lawful to do so, to use its reasonable endeavours to purchase Ordinary Shares in the market. Any such Ordinary Shares allotted to the Investment Manager pursuant to the Investment Management Agreement shall be subject to the Lock-in Deed described in paragraph 6.14 of Part 9 (*Additional Information on the Company*) of this Prospectus. As at 31 December 2017, the Investment Manager has purchased 102,151 Ordinary Shares in the market representing 50 per cent. of the management fee earned during the financial period since IPO, in line with its commitment to investors.

The Investment Manager is also entitled to retain an arrangement fee if, on the making of any Loan, the arrangement fee charged to the borrower is equal to or lower than 1.25 per cent. of the principal amount of the Loan as well as any documentation fee charged to a borrower in a hire purchase transaction and/or any security agent fee charged to a borrower where the Investment Manager acts as security and payment agent (provided that any amounts fall within the relevant exemption in the Listing Rules so as not to be classified as a related party transaction).

The Investment Management Agreement may be terminated by the Company or the Investment Manager giving the other party at least 12 months' notice in writing, such notice not to be given prior to 15 December 2019.

The Company's annual report and accounts will contain a statement as to whether, in the opinion of the Directors, the continuing appointment of the Investment Manager on the terms of the Investment Management Agreement is in the interests of Shareholders as a whole, together with a statement of the reasons for this view.

2.2 **The AIFM**

Pursuant to the AIFM Agreement, a summary of which is set out in paragraph 6.8 of Part 9 (*Additional Information on the Company*) of this Prospectus, the Company has appointed International Fund Management Limited, part of the PraxisIFM Group, to act as the Company's external non-EEA AIFM. The AIFM will act as the Company's alternative investment fund manager for the purposes of AIFMD. Pursuant to the Investment Management Agreement (further details of which are set out in paragraph 6.7 of Part 9 (*Additional Information on the Company*) of this Prospectus), the AIFM has delegated portfolio management to the Investment Manager. The AIFM has, pursuant to the terms of the Investment Management Agreement delegated all portfolio management duties to the Investment Manager but will maintain responsibility for implementing appropriate risk measurement and management standards and procedures for the Company.

Pursuant to the ZDP AIFM Agreement, a summary of which is set out in paragraph 8.4 of Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus, the ZDP Subsidiary has appointed International Fund Management Limited to act as the ZDP Subsidiary's external non-EEA AIFM. The AIFM will act as the ZDP Subsidiary's alternative investment fund manager for the purposes of AIFMD and will maintain responsibility for implementing appropriate risk measurement and management standards and procedures for the ZDP Subsidiary.

The AIFM will also carry out the on-going oversight functions and supervision and ensure compliance with the AIFM Rules. The AIFM is legally and operationally independent of the Company, the ZDP Subsidiary and the Investment Manager.

The PraxisIFM Group's head office is in Guernsey. The AIFM is a Guernsey licenced alternative investment fund manager and has a strong track record in providing principal management and risk advisory services to funds and investment managers since 2006.

Details of the fees and expenses payable to the AIFM are set out in the section headed "Fees and Expenses" below.

3. OTHER ARRANGEMENTS

3.1 Administrator and Company Secretary

PraxisIFM Fund Services (UK) Limited has been appointed by each of the Company and the ZDP Subsidiary to provide administration services and company secretarial services to the Company in accordance with the Administration Agreement and to the ZDP Subsidiary in accordance with the ZDP Administration Agreement.

The Administrator provides certain administrative services to the Company which include reporting the Net Asset Value, bookkeeping and accounts preparation. The Company Secretary is the named company secretary of the Company and provides company secretarial support including the provision of meeting agendas, supporting papers and minutes for board and shareholder meetings and co-ordination of the production of annual reports and half yearly reports.

The Administrator will provide certain administration services to the ZDP Subsidiary including bookkeeping and accounts preparation. The Company Secretary is the named company secretary of the ZDP Subsidiary and will provide company secretarial services to the ZDP Subsidiary.

3.2 Registrar

The Company utilises the services of Link Market Services Limited to act as the Company's registrar pursuant to the Registrar Agreement (further details of which are set out in paragraph 6.10 of Part 9 (*Additional Information on the Company*) of this Prospectus). The Registrar is responsible for providing registration services to the Company and maintaining the necessary books and records (such as the Company's register of Shareholders).

The ZDP Subsidiary will utilize the services of Link Market Services Limited to act as the ZDP Subsidiary's registrar pursuant to the agreement details of which are set out in paragraph 8.6 of Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus.

3.3 Receiving Agent

The Company has appointed Computershare Investor Services PLC to act as the Company's receiving agent for the purposes of the Offer for Subscription pursuant to the Receiving Agent Agreement (further details of which are set out in paragraph 6.11 of Part 9 (*Additional Information on the Company*) of this Prospectus).

3.4 Auditor

EY provides audit services to the Company and the ZDP Subsidiary. The annual report and accounts will be prepared according to accounting standards laid out under IFRS.

3.5 Valuation Agent

Mazars LLP is appointed as valuation agent to the Company pursuant to the Valuation Agent Engagement Letter (further details of which are set out in paragraph 6.13 of Part 9 (*Additional Information on the Company*) of this Prospectus). In such capacity, the Valuation Agent is responsible for (a) providing a monthly valuation report to the Company updating the monthly valuation of the Company's portfolio of investments; and (b) valuing assets acquired as at the date of their acquisition.

3.6 Custodian

In certain circumstances the Company may invest in tradeable securities or instruments or bonds and for such instances has appointed Elavon Financial Services as its custodian and loan administrator

(further details of which are set out in paragraphs 6.15 and 6.16 of Part 9 (*Additional Information on the Company*) of this Prospectus). In all other circumstances the assets of the Company, being loan agreements and security documents, will be held by the Investment Manager as agent or a third party as agent security trustee.

4. FEES AND EXPENSES OF THE COMPANY

4.1 Offering expenses

The offering expenses of the Company are those that arise from or are incidental to the establishment of the ZDP Subsidiary, the Offerings and Admission. These expenses include the commissions payable under the Placing Agreement, Receiving Agent's fees, listing and admission fees, printing, legal and accounting fees and any other applicable expenses.

The costs and expenses of, and incidental to, the establishment of the ZDP Subsidiary and the Company Offerings all of which are payable by the Company are expected to be 2 per cent. of the gross proceeds of the Company Offerings. The costs and expenses of, and incidentals to, the ZDP Offerings and to be borne by the Group are expected to be 1 per cent. of the gross proceeds of the ZDP Offerings. In the event that the Offerings do not proceed all costs and expenses (including VAT where relevant) of and incidental to the Offerings shall be paid by the Company.

4.2 On-going annual expenses

The Company's ongoing annual expenses will include the following and are currently expected to amount to 1.8 per cent. of Net Asset Value per annum assuming a Net Asset Value on Admission of £106 million:

(a) Investment Manager

Under the terms of the Investment Management Agreement, the Investment Manager will be entitled to a management fee together with reimbursement of reasonable expenses incurred by it in the performance of its duties.

The Investment Manager is entitled to receive from the Company, in respect of its services provided under the Investment Management Agreement, an advisory fee payable monthly in arrears. Where the prevailing Net Asset Value is equal to or in excess of £75 million, the Investment Manager shall be entitled to a fee calculated at the rate of 0.875 per cent. per annum of the Net Asset Value. Where the prevailing Net Asset Value is less than £75 million, the Investment Manager shall be entitled to a fee calculated at the rate of 0.50 per cent. per annum of the Net Asset Value. In calculating Net Asset Value for these purposes all assets referable to the issue of ZDP Shares shall be counted as though they were assets of the Company but, for the avoidance of doubt, no liabilities referable to the issue of any ZDP Shares shall be deducted. No performance fee will be payable by the Company to the Investment Manager.

50 per cent. of the management fee received by the Investment Manager will be reinvested into Ordinary Shares for the three years ending 15 December 2019. The Investment Manager has irrevocably agreed and undertaken to subscribe for the allotment of new Ordinary Shares (to the value of 50 per cent. of the management fee). Such new Ordinary Shares shall be issued by the Company to the Investment Manager on a quarterly basis in arrears and credited as fully paid at a price equal to the Net Asset Value per Ordinary Share calculated at the end of the relevant quarter. In circumstances where the Ordinary Shares are trading at a discount to Net Asset Value at a time when a management fee is payable, the Investment Manager is obliged, provided it is lawful to do so, to use its reasonable endeavours to purchase Ordinary Shares in the market. Any such Shares allotted to the Investment Manager shall be subject to the Lock-in Deed.

The Investment Manager is also entitled to retain an arrangement fee if, on the making of any Loan, the arrangement fee charged to the borrower is equal to or lower than 1.25 per cent. of the principal amount of the Loan as well as any documentation fee charged to a borrower in a hire purchase transaction and/or any security agent fee charged to a borrower where the Investment Manager acts as security and payment agent (provided that any amounts fall within the relevant exemption in the Listing Rules so as not to be classified as a related party transaction).

(b) AIFM

Under the terms of the AIFM Agreement, the AIFM is entitled to receive a fee to be calculated and accrue at a rate equivalent to 0.125 per cent. of the Company's Net Asset Value subject to an annualised minimum of £85,000 applied on a monthly basis. The AIFM shall also be entitled to reimbursement of all out-of-pocket costs, expenses and charges reasonably and properly incurred and documented on behalf of the Company. In calculating Net Asset Value for these purposes all assets referable to the issue of ZDP Shares shall be counted as though they were assets of the Company but, for the avoidance of doubt, no liabilities referable to the issue of any ZDP Shares shall be deducted.

Under the terms of the ZDP AIFM Agreement, the AIFM is entitled to receive a fixed fee of £3,000 plus reimbursement of all out-of-pocket costs, expense and charges reasonably and properly incurred and documented on behalf of the ZDP Subsidiary.

(c) Administrator and Company Secretary

Under the terms of the Administration Agreement, an administration fee is charged for the provision of the administration services to the Company. The administration fee is payable monthly and is calculated at the rate of 0.085 per cent. of Net Asset Value per annum subject to a minimum fee of £75,000 per annum plus disbursements. In calculating Net Asset Value for these purposes all assets referable to the issue of ZDP Shares shall be counted as though they were assets of the Company but, for the avoidance of doubt, no liabilities referable to the issue of any ZDP Shares shall be deducted.

A company secretarial fee is charged for the company secretarial services which is calculated on a time spent basis.

The Administrator shall also be entitled to additional fees for work performed in connection with the issuance of C Shares and the administration of any C Share portfolios including the calculation of Net Asset Value per C Share.

Under the terms of the ZDP Administration Agreement, an administration fee of £20,000 will be charged for the provision of administration services to the ZDP Subsidiary. A company secretarial fee will be charged for the company secretarial services provided to the Subsidiary which shall be calculated on a time spent basis.

Under both agreements the Administrator shall also be entitled to reimbursement of all out-of-pocket costs, expenses and charges reasonably and properly incurred on behalf of the Company or the ZDP Subsidiary.

The above fees are stated exclusive of VAT and will be subject to VAT at applicable rates.

(d) Registrar

In respect of both the Company and the ZDP Subsidiary, the Registrar is entitled to a fee calculated on the basis of the number of Shareholders and the number of transfers processed (exclusive of any VAT). The Registrar is also entitled to reimbursement of all out of pocket costs, expenses and charges properly incurred on behalf of the Company.

(e) Valuation Agent

The Valuation Agent is entitled to on each illiquid investment an initial fee of an amount equal to 0.08 per cent. of the nominal value of the investment made subject to a minimum amount of £1,000 and, a maximum amount of £5,000. In addition, the Valuation Agent shall receive an annual fee of 0.04 per cent. of the aggregate nominal value of the investments held by the Company up to an aggregate nominal value of £200 million and to the extent that the aggregate nominal value of the investments held by the Company is more than £200 million an additional 0.03 per cent. of the aggregate nominal value of the investments above £200 million.

(f) Directors

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. The current fees are £30,000 for each Director per annum save that

the Chairman's fee is £36,000 per annum and the chairman of the Audit and Management Engagement Committee receives £33,000 per annum.

All of the Directors will also be entitled to be paid all reasonable expenses properly incurred by them in attending general meetings, board or committee meetings or otherwise in connection with the performance of their duties. The Board may determine that additional remuneration may be paid, from time-to-time, to any one or more Directors in the event such Director or Directors are requested by the Board to perform extra or special services on behalf of the Company.

The Directors shall not be entitled to receive remuneration in respect of their performance of their duties as ZDP Directors nor shall they be entitled to receive any expenses in relation to their role of ZDP Directors.

(g) Other operational expenses

Other ongoing operational expenses (excluding fees paid to service providers as detailed above) of the Company will be borne by the Company including travel, accommodation, printing, audit, due diligence and legal fees. These expenses will be deducted from the assets of the Company and are estimated to be in the region of £0.35 million per annum. All out-of-pocket expenses of the Investment Manager, the Administrator, the Company Secretary, the Registrar and the Directors relating to the Company and the ZDP Subsidiary will be borne by the Company.

5. CONFLICTS OF INTEREST

Conflicts of interest may arise between the Company, the Directors (including in their capacity as ZDP Directors), the Investment Manager and certain of the directors, members and officers of each. Relevant information is set out below.

None of the Directors (including in their capacity as ZDP Directors) has any conflict of interest or potential conflicts of interest between any duties to the Company and/or the ZDP Subsidiary and his/her private interests and/or any other duties.

The Investment Manager, any of its directors, officers, employees, agents and affiliates and the Directors (including in their capacity as ZDP Directors) and any person or company with whom they are affiliated or by whom they are employed (each an "Interested Party") may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company (including in their capacity as ZDP Directors). In particular, Interested Parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services.

The Directors have satisfied themselves that the Investment Manager has procedures in place to address potential conflicts of interest and that, where a conflict arises, the Investment Manager will allocate the opportunity on a fair basis.

Save as disclosed above, there are no potential or actual conflicts of interest between any duties owed to the Company and/or the ZDP Subsidiary by the Directors (including in their capacity as ZDP Directors) or any of the directors of the Investment Manager or any of the directors of the Company and their private interests or other duties.

6. THE TAKEOVER CODE

The Takeover Code applies to the Company and will apply to the ZDP Subsidiary as at Admission.

7. CORPORATE GOVERNANCE

The Company will comply with the provisions of Chapter 9 of the Listing Rules regarding corporate governance. Chapter 9 of the Listing Rules requires that the Company must "comply or explain" against the UK Corporate Governance Code. In addition, the Disclosure 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) describe its internal control and risk management systems.

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 in respect of the provisions relating to:

- the role of the chief executive;
- the appointment of a senior independent director;
- executive directors' remuneration; and
- the need for an internal audit function.

The Board considers these provisions are not relevant to the position of the Company because it is an externally managed investment company and it has no employees and therefore no requirement for a chief executive and by reason of the size and composition of the Board.

As at the date of this Prospectus, the Company complies with the AIC Code and is a member of the AIC. In accordance with the AIC Code, the Company meets its obligations in relation to the UK Corporate Governance Code.

7.1 *Audit and Management Engagement Committee*

The Audit and Management Engagement Committee is chaired by Marlene Wood and consists of all the Directors and meets at least twice a year or more often if required. The Board considers that the members of the Audit and Management Engagement Committee have the requisite skills and experience to fulfil the responsibilities of the Audit and Management Engagement Committee. The Audit and Management Engagement Committee examines the effectiveness of the Company's control systems, will review the half-yearly and annual reports and also will receive information from the Investment Manager. It will also review the scope, results, cost effectiveness, independence and objectivity of the external auditor. The Audit and Management Engagement Committee's other principal duties will be to consider the terms of appointment of the Investment Manager and it will annually review that appointment and the terms of the Investment Management Agreement.

7.2 *Other Committees*

The Company has not established a nomination committee or a remuneration committee because all of the Directors are independent non-executive directors of the Company.

7.3 *The ZDP Subsidiary*

The ZDP Subsidiary is not obliged to comply with UK Corporate Governance Code, nor does the ZDP Subsidiary intend to comply with it on a voluntary basis. In the opinion of the ZDP Board, the interests of the ZDP Subsidiary and the ZDP Shareholders will be protected by the governance procedures adopted by the Company as set out above.

It is intended that the ZDP Board will meet as required to consider the Company's compliance with the terms of the ZDP Loan and the Undertaking, based on reports from the Investment Manager. The ZDP Board will also consider the ZDP Subsidiary's interim and annual reports.

Since the ZDP Subsidiary will have no actual business (in terms of transactions or cashflow), it is not considered necessary for the ZDP Board to include any independent directors and all matters relevant for consideration by the ZDP Board will be addressed by the ZDP Board's non-independent Directors who will have due regard to the interests of the ZDP Shareholders.

8. DIRECTORS' SHARE DEALING

The Directors will comply with the share dealing code adopted by the Company following implementation of the Market Abuse Regulation on 3 July 2016 in relation to their dealings in C Shares and Ordinary Shares. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with the share dealing code by the Directors.

The ZDP Directors will comply with the share dealing codes adopted by the ZDP subsidiary.

PART 4

INITIAL COMPANY OFFERINGS AND SHARE ISSUANCE PROGRAMME

1. Introduction

The Initial Company Offerings comprise the Offer for Subscription, the Initial Placing and the Initial Intermediaries Offer in each case of C Shares at the Issue Price.

The actual number of C Shares to be issued pursuant to the Initial Company Offerings is not known at the date of this Prospectus and will be determined by the Company, the Investment Manager and N+1 Singer after taking into account the demand for C Shares and the prevailing market conditions. Such number of C Shares to be issued will, once determined, be notified by the Company by an RIS announcement and on its website, on or around 27 March 2018. None of the Initial Company Offerings is underwritten.

Following completion of the Initial Company Offerings the Directors may, at their sole and absolute discretion, decide to carry out one or more Subsequent Placings under the Share Issuance Programme before the Final Closing Date, should the Board determine that market conditions are appropriate. Any such Subsequent Placings may comprise the issue of further C Shares and/or New Ordinary Shares.

In addition, the Company may, pursuant to the Share Issuance Programme, instigate one or more Subsequent Intermediaries Offers (in accordance with the timetable set out on page 51 of this Prospectus) if the Directors, in their sole and absolute discretion, determine market conditions are appropriate. Any such Subsequent Intermediaries Offers may comprise the issue of further C Shares and/or New Ordinary Shares.

Any C Shares issued pursuant to the Share Issuance Programme will be issued at 100 pence per C Share. No New Ordinary Shares issued pursuant to the Share Issuance Programme will be issued at a price which (after costs and expenses) represents a discount to the Net Asset Value per existing Ordinary Share.

The C Shares are only suitable for investors: (i) who understand the potential risk of capital loss; (ii) for whom an investment in the C Shares is part of a diversified investment programme and (iii) who fully understand and are willing to assume the risks involved in such an investment portfolio. Investors in the Company are expected to be institutional investors, professional investors and retail investors who understand the risks involved in investing in the Company and have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from such investment. It should be remembered that the price of the C Shares can go down as well as up.

2. Offer for Subscription

The Company is making the C Shares available to the public in the UK wishing to acquire C Shares under the Offer for Subscription.

Investors wishing to participate in the Offer for Subscription may do so by completing the Application Form accompanying with this Prospectus, indicating the number of C Shares they wish to acquire at the Issue Price.

Applications under the Offer for Subscription must be for the minimum subscription amount of £1,000 and thereafter in integral multiples of £100.

The terms and conditions relating to the Offer for Subscription are set out in Section A of Part 12 (*Terms and Conditions*) of this Prospectus and are followed by notes on how to complete the Application Form contained therein.

Application Forms must be returned by post or by hand (during normal business hours) to the Receiving Agent, as to arrive by no later than 11.00 a.m. on 23 March 2018. The Offer for Subscription will, unless extended, be closed at that time.

3. Initial Placing

N+1 Singer has agreed to use its reasonable endeavours to procure placees to subscribe for the C Shares on the terms and subject to the conditions set out in the Placing Agreement. Details of the Placing Agreement are set out in paragraph 6.3 of Part 9 (*Additional Information on the Company*) of this Prospectus.

The terms and conditions which shall apply to any subscription for C Shares pursuant to the Initial Placing are contained in Section B of Part 12 (*Terms and Conditions*) of this Prospectus.

The Initial Placing is expected to close at 5.00 p.m. on 26 March 2018.

4. Intermediaries

In connection with the Initial Intermediaries Offer the Company may appoint certain Intermediaries to market the C Shares to potential retail investors in the United Kingdom. The Intermediaries who have been appointed by the Company prior to the date of the Prospectus are listed in paragraph 11 of Part 9 (*Additional Information on the Company*) of this Prospectus. Further Intermediaries may be appointed by the Company after the date of this Prospectus.

Each Intermediary has agreed, or will on appointment agree, to the Intermediaries Terms and Conditions, which regulate, *inter alia*, the conduct of the Intermediaries in relation to the Initial Intermediaries Offer on market standard terms and provide for the payment of commission to any such Intermediaries that elect to receive commission from the Company.

Each Intermediary will make a single application pursuant to the Initial Intermediaries Offer in its own name, as nominee, for the aggregate number of C Shares procured by it via subscriptions from underlying retail investors.

Each applicant who applies for C Shares via an Intermediary must comply with the appropriate money laundering checks required by the relevant Intermediary. Where an application is not accepted or there are insufficient C Shares available to satisfy an application in full (due to scaling back of subscriptions or otherwise), the relevant Intermediary will be obliged to refund the applicant as required and all such refunds shall be made without interest. The Company and N+1 Singer accept no responsibility with respect to the obligation of the Intermediaries to refund monies in such circumstances.

Pursuant to the Intermediaries Terms and Conditions, the Intermediaries have undertaken to make payment on their own behalf for the consideration for any C Shares subscribed pursuant to the Initial Intermediaries Offer by means of the CREST system against delivery of the C Shares.

The publication of the Prospectus and any actions of the Company, N+1 Singer, the Intermediaries or other persons in connection with the Initial Intermediaries Offer should not be taken as any representation or assurance as to the basis on which the number of C Shares to be offered under the Initial Intermediaries Offer or allocations between applications in the Initial Intermediaries Offer (from Intermediaries or otherwise) will be determined and any such actions or statements are hereby disclaimed by the Company, N+1 Singer and the Intermediaries.

5. Conditions

General

The Initial Company Offerings, none of which is underwritten, are conditional upon, *inter alia*:

- all of the Resolutions being passed at the General Meeting;
- the Placing Agreement becoming wholly unconditional and not having been terminated in accordance with its terms prior to Admission; and
- Admission having been effective on or before 8.00 a.m. on 3 April 2018 (or such later time and date as the Company and N+1 Singer may agree).

6. Pricing

All C Shares issued pursuant to the Initial Company Offerings will be issued at the Issue Price.

7. Scaling Back and Allocation

The Company may issue up to 250 million C Shares pursuant to the Company Offerings.

Each of the Offer for Subscription, the Initial Placing and the Initial Intermediaries Offer may be subject to scaling back in favour of any of the others of them at the Director's discretion (in consultation with N+1 Singer).

The Company will notify investors of the number of C Shares in respect of which their application has been successful and the results of the Initial Company Offerings will be announced by the Company on or around 27 March 2018 by an RIS announcement. Subscription monies received in respect of unsuccessful applications (or to the extent scaled back) will be returned, by first class post as a cheque or returned direct to the account of the bank or building society on which the cheque or banker's draft was drawn, without interest and at the risk of the applicant.

8. Withdrawal

In the event that the Company is required to publish a supplementary prospectus prior to Admission, applicants who have applied for C Shares under the Offer for Subscription or the Initial Intermediaries Offer shall have at least two clear Business Days following the publication of the relevant supplementary prospectus within which to withdraw their offer to acquire C Shares. If the application is not withdrawn within the stipulated period, any offer to apply for C Shares will remain valid and binding.

Applicants under the Offer for Subscription or the Initial Intermediaries Offer wishing to exercise statutory withdrawal rights after the publication of a supplementary prospectus and prior to Admission must do so by lodging written notice of withdrawal by post or by hand during normal business hours only to the Receiving Agent so as to be received by no later than two Business Days after the date on which the supplementary prospectus is published. Notice of withdrawal given by any other means or which is deposited with or received after expiry of such period will not constitute a valid withdrawal.

9. Dilution

If a current Shareholder does not subscribe for C Shares under the Initial Company Offerings or for Ordinary Shares or C Shares under the Share Issuance Programme, his or her proportionate ownership and voting interests in the Company may be reduced.

10. Subscriber Warranties

Each subscriber of C Shares in the Initial Company Offerings and for C Shares and New Ordinary Shares pursuant to the Share Issuance Programme will be deemed to have represented, warranted, undertaken, acknowledged and agreed to the representations, warranties, acknowledgments and agreements set out in the section entitled "*Important Notices*" on page 43 of this Prospectus and Part 12 (*Terms and Conditions*) of this Prospectus.

The Company, the Investment Manager, the AIFM and N+1 Singer and their respective directors, officers, members, agents, employees, advisers and others will rely upon the truth and accuracy of the representations, warranties, undertakings, acknowledgments and agreements contained in this Prospectus.

If any of the representations, warranties, undertakings, acknowledgments or agreements contained in this Prospectus and deemed made by each investor are no longer accurate or have not been complied with, the investor will immediately notify the Company.

11. Placing Arrangements

The Placing Agreement contains provisions entitling N+1 Singer to terminate the Company Offerings (and the associated arrangements) at any time prior to Admission in certain circumstances.

The Placing Agreement provides for N+1 Singer to be paid commissions in respect of the C Shares and/or New Ordinary Shares issued pursuant to the Company Offerings. Any commissions received by N+1 Singer may be retained, and any C Shares and New Ordinary Shares subscribed for by N+1 Singer may be retained, or dealt in, by N+1 Singer for its own benefit. N+1 Singer may, at its discretion, agree to rebate or share a portion of any commissions received by it pursuant to the Company Offerings with the Investment Manager and/or such other Intermediaries involved in the Company Offerings as it may decide.

Further details of the terms of the Placing Agreement are set out in paragraph 6.3 of Part 9 (*Additional Information on the Company*) of this Prospectus.

12. General

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK, the Company, N+1 Singer and their respective agents (and their agents) may require evidence in connection with any application for C Shares, including further identification of the applicant(s), before any C Shares are issued.

In the event that there are any significant changes affecting any of the matters described in this Prospectus or where any significant new matters have arisen after the publication of the Prospectus and prior to Admission, the Company will publish a supplementary prospectus. The supplementary prospectus will give details of the significant change(s) or the significant new matter(s).

The Directors (in consultation with N+1 Singer) may at their sole and absolute discretion waive the minimum subscription amounts in respect of any particular application for C Shares. If any of the tranches of the Company Offerings does not proceed, any monies received under that tranche will be returned by first class post as a cheque or returned direct to the account of the bank or building society on which the cheque or banker's draft was drawn, without interest and at the risk of the applicant.

13. Clearing and Settlement

Payment for the C Shares should be made in accordance with settlement instructions to be provided to subscribers by N+1 Singer (in the case of the Initial Placing) or the Receiving Agent (in the case of the Offer for Subscription) and the relevant Intermediary (in the case of the Initial Intermediaries Offer). Subject to such instructions, payment may be made by cheque, banker's draft or building society cheque and must accompany the application. The Directors reserve the right to refuse applications for any reason.

To the extent that any application for C Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned by first class post as a cheque or returned direct to the account of the bank or building society on which the cheque or banker's draft was drawn, without interest and at the risk of the applicant.

C Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST following Admission. In the case of C Shares to be issued in uncertificated form, these will be transferred to successful applicants through the CREST system.

14. CREST

CREST is a paperless settlement procedure operated by Euroclear enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Company has applied for the C Shares to be admitted to CREST with effect from Admission in respect of the C Shares issued under the Initial Company Offerings and it is expected that the C Shares will be admitted with effect from that time. Accordingly, settlement of transactions in the C Shares following Admission may take place within the CREST system if any Shareholder so wishes.

15. Share Admission and Dealings

Admission, in respect of the Initial Company Offerings, is expected to take place and dealings in the C Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 3 April 2018. There will be no conditional dealings in C Shares prior to Admission.

The ISIN number of the C Shares is GB00BFX12M00 and the SEDOL Code is BFX12M0.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the C Shares, nor does it guarantee the price at which a market will be made in the C Shares. Accordingly, the dealing price of the C Shares may not necessarily reflect changes in the Net Asset Value per C Share.

Where applicable, definitive share certificates in respect of the C Shares are expected to be despatched, by post at the risk of the recipients, to the relevant holders, not later than the week commencing 9 April 2018 in respect of the Initial Company Offerings. The C Shares are in registered form and can also be held in uncertificated form. Prior to the despatch of definitive share certificates in respect of any C Shares which are held in certificated form, transfers of those C Shares will be certified against the Register. No temporary documents of title will be issued.

16. Use of Proceeds

The Directors intend to invest the Net Company Offering Proceeds in accordance with the Investment Policy.

17. Share Issuance Programme

Pursuant to the Share Issuance Programme, following completion of the Initial Company Offerings, the Directors may, at their sole and absolute discretion, decide to carry out one or more Subsequent Placings and/or Subsequent Intermediaries Offers before the Final Closing Date, should the Board determine that market conditions are appropriate.

As described in paragraph 2.5 of Part 9 (*Additional Information on the Company*), it is expected that the Directors will be authorised to issue and allot up to 250 million New Ordinary Shares and/or C Shares in aggregate (including any C Shares issued pursuant to the Initial Company Offerings) without first having to offer those C Shares and New Ordinary Shares to Existing Shareholders.

The actual number of C Shares and/or New Ordinary Shares to be issued under the Share Issuance Programme will be determined by the Company (in consultation with N+1 Singer and the Investment Manager) after taking into account demand for the C Shares and/or New Ordinary Shares and the requirements of the Group. The Share Issuance Programme is intended to be flexible and may, save in respect of any additional Intermediaries Offers, have a number of interim closing dates in order to provide the Company with the ability to issue and allot C Shares and/or New Ordinary Shares over a period of time.

Further details about any subsequent issues under the Share Issuance Programme (including the issue price) will be notified by the Company by an RIS announcement and on the Company's website prior to each subsequent Admission.

PART 5

INITIAL ZDP PLACING AND ZDP PLACING PROGRAMME

1. Introduction

In order to introduce structural gearing to the Group, it is proposed that the ZDP Subsidiary issue ZDP Shares by way of the Initial ZDP Placing at the Issue Price.

The maximum number of ZDP Shares that may be issued pursuant to the Initial ZDP Placing is limited to 20 million and restricted (in respect of the ZDP Placing Programme) to ensure total gearing does not reach more than 20 per cent. of Net Asset Value in accordance with the Company's borrowing and gearing policy. Subject thereto, the actual number of ZDP Shares issued under the Initial ZDP Placing or the ZDP Placing Programme will be determined by the ZDP Subsidiary, N+1 Singer and the Investment Manager after taking into account demand for the ZDP Shares. The maximum number of ZDP Shares available under the Initial ZDP Placing should not be taken as an indication of the number of ZDP Shares finally to be issued. Such number of ZDP Shares to be issued will be notified by the ZDP Subsidiary by an RIS announcement and on the Company's website, on or around 27 March 2018. The Initial ZDP Placing is not being underwritten.

ZDP Shares will be issued pursuant to the Initial ZDP Placing at the Issue Price. Details of any ZDP Shares to be issued pursuant to the ZDP Placing Programme (including the issue price of such ZDP Shares, which shall be calculated by reference to the: (i) prevailing NAV per ZDP Share; (ii) the costs of such Subsequent ZDP Placing; and (iii) prevailing market conditions) shall be determined by the ZDP Directors at their sole and absolute discretion and announced to the market by an RIS in due course.

Following completion of the Initial ZDP Placing, pursuant to the ZDP Placing Programme, the ZDP Directors may, at their sole and absolute discretion, decide to carry out one or more Subsequent ZDP Placings before the Final Closing Date, should the ZDP Board determine that market conditions are appropriate.

The ZDP Shares are only suitable for investors: (i) who understand the potential risk of capital loss; (ii) for whom an investment in the ZDP Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment portfolio. Investors in the ZDP Subsidiary are expected to be institutional investors or professional investors who understand the risks involved in investing in the ZDP Subsidiary and have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from such investment. It should be remembered that the price of the ZDP Shares can go down as well as up.

2. Initial ZDP Placing

N+1 Singer has agreed to use its reasonable endeavours to procure placees to subscribe for the ZDP Shares comprised in the Initial ZDP Placing on the terms and subject to the conditions set out in the Placing Agreement. Details of the Placing Agreement are set out in paragraph 6.3 of Part 9 (*Additional Information on the Company*) of this Prospectus.

The terms and conditions which shall apply to any subscription for ZDP Shares pursuant to the Initial ZDP Placing are contained in Section B of Part 12 (*Terms and Conditions*) of this Prospectus.

3. Conditions

The Initial ZDP Placing is conditional, *inter alia*, on:

- the Resolutions being passed at the General Meeting;
- the Placing Agreement becoming wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms prior to Admission; and
- Admission having been effective on or before 8.00 a.m. on 3 April 2018 (or such later time and date as the Company and N+1 Singer may agree).

4. Pricing

All ZDP Shares issued pursuant to the Initial ZDP Placing will be issued at the Issue Price. Details of any ZDP Shares to be issued pursuant to the ZDP Placing Programme (including the issue price of such ZDP Shares, which shall be calculated by reference to the: (i) prevailing NAV per ZDP Share; (ii) the costs of such Subsequent ZDP Placing; and (iii) prevailing market conditions) shall be determined by the ZDP Directors at their sole and absolute discretion and announced to the market by an RIS in due course.

5. Subscriber Warranties

Each subscriber of ZDP Shares in the Initial ZDP Placing and any Subsequent ZDP Placing will be deemed to have represented, warranted, undertaken, acknowledged and agreed to the representations, warranties, undertakings, acknowledgments and agreements set out in the section entitled “*Important Notices*” on page 43 of this Prospectus and in Section B of Part 12 (*Terms and Conditions*) of this Prospectus.

The ZDP Subsidiary, the Company, the Investment Manager, N+1 Singer and their respective directors, officers, members, agents, employees, advisers and others will rely upon the truth and accuracy of the representations, warranties, undertakings, acknowledgments and agreements contained in this Prospectus.

If any of the representations, warranties, undertakings, acknowledgments or agreements contained in Part 12 (*Terms and Conditions*) of this Prospectus and the section entitled “*Important Notices*” of this Prospectus made by each investor are no longer accurate or have not been complied with, the investor will immediately notify the ZDP Subsidiary.

6. Placing Arrangements

The Placing Agreement contains provisions entitling N+1 Singer to terminate the ZDP Offering (and the associated arrangements) at any time prior to Admission in certain circumstances.

The Placing Agreement provides for N+1 Singer to be paid a placing commission in respect of the ZDP Shares issued pursuant to the Initial ZDP Placing and the ZDP Placing Programme. Any placing commission received by N+1 Singer may be retained, and any ZDP Shares subscribed for by N+1 Singer may be retained, or dealt in, by N+1 Singer for its own benefit. N+1 Singer may, at its discretion, agree to rebate or share a portion of any placing commission received by it pursuant to the Initial ZDP Placing and the Placing Programme with the Investment Manager and/or such other intermediaries involved in the Initial ZDP Placing and/or the ZDP Placing Programme as it may decide.

Further details of the terms of the Placing Agreement are set out in paragraph 6.3 of Part 9 (*Additional Information on the Company*) of this Prospectus.

7. General

Pursuant to anti-money laundering laws and regulations with which the ZDP Subsidiary must comply in the UK, the ZDP Subsidiary, N+1 Singer and their respective agents (and their agents) may require evidence in connection with any application for ZDP Shares, including further identification of the applicant(s), before any ZDP Shares are issued.

In the event that there are any significant changes affecting any of the matters described in this Prospectus or where any significant new matters have arisen after the publication of the Prospectus and prior to Admission, the ZDP Subsidiary will publish a supplementary prospectus. The supplementary prospectus will give details of the significant change(s) or the significant new matter(s).

8. Clearing and Settlement

The ZDP Subsidiary will notify investors of the number of ZDP Shares in respect of which their application has been successful and the results of the Initial ZDP Placing will be announced by the ZDP Subsidiary on or around 27 March 2018 by an RIS announcement. Subscription monies received in respect of unsuccessful applications will be returned by first class post as a cheque or returned direct to the account of the bank or building society on which the cheque or banker's draft was drawn, without interest and at the risk of the applicant.

Payment for the ZDP Shares under the Initial ZDP Placing should be made in accordance with settlement instructions to be provided to subscribers by N+1 Singer. Subject to such instructions, payment may be made by cheque, banker's draft or building society cheque and must accompany the application. The ZDP Directors reserve the right to refuse applications for any reason.

ZDP Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST following Admission. In the case of ZDP Shares to be issued in uncertificated form pursuant to the Initial ZDP Placing, these will be transferred to successful applicants through the CREST system.

9. CREST

CREST is a paperless settlement procedure operated by Euroclear enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. Upon Admission, the ZDP Articles will permit the holding of ZDP Shares under the CREST system. The ZDP Subsidiary has applied for the ZDP Shares to be admitted to CREST with effect from Admission in respect of the ZDP Shares issued under the Initial ZDP Placing and it is expected that the ZDP Shares will be admitted with effect from that time. Accordingly, settlement of transactions in the ZDP Shares following Admission may take place within the CREST system if any ZDP Shareholder so wishes.

10. Admission and Dealings

Admission is expected to take place and dealings in the ZDP Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 3 April 2018 in respect of the Initial ZDP Placing. There will be no conditional dealings in ZDP Shares prior to Admission.

The ISIN number of the ZDP Shares is GB00BG1TSQ91 and the SEDOL Code is BG1TSQ9.

The ZDP Subsidiary does not guarantee that at any particular time market maker(s) will be willing to make a market in the ZDP Shares, nor does it guarantee the price at which a market will be made in the ZDP Shares. Accordingly, the dealing price of the ZDP Shares may not necessarily reflect changes in the Net Asset Value per ZDP Share.

Where applicable, definitive share certificates in respect of the ZDP Shares are expected to be despatched, by post at the risk of the recipients, to the relevant holders, not later than the week commencing 9 April 2018 in respect of the Initial ZDP Placing. The ZDP Shares are in registered form and can also be held in uncertificated form. Prior to the despatch of definitive share certificates in respect of any ZDP Shares which are held in certificated form, transfers of those ZDP Shares will be certified against the register of members of the ZDP Subsidiary. No temporary documents of title will be issued.

11. Use of Proceeds

The ZDP Directors intend to advance the entirety of the Gross ZDP Placing Proceeds to the Company pursuant to the ZDP Loan Agreement, to be invested by the Company in accordance with its Investment Policy.

12. ZDP Placing Programme

Pursuant to the ZDP Placing Programme, following completion of the Initial ZDP Placing, the ZDP Directors may, at their sole and absolute discretion, decide to carry out one or more Subsequent ZDP Placings before the Final Closing Date, should the ZDP Board determine that market conditions are appropriate.

As described in paragraph 2.2 of Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus, the ZDP Directors have been authorised to issue and allot up to 60 million ZDP Shares (inclusive of any ZDP Shares issued pursuant to the Initial ZDP Placing), without first having to offer those ZDP Shares to existing ZDP Shareholders. However, the maximum number of ZDP Shares that may be issued is limited to 20 million (in respect of the Initial ZDP Placing) and restricted (in respect of the ZDP Placing Programme) to ensure total gearing does not reach more than 20 per cent. of Net Asset Value in accordance with the Company's borrowing and gearing policy as referred to in paragraph 1.4 of Part 2 (*Information on the Company and the*

ZDP Subsidiary) of this Prospectus and further explained in paragraph 1 of Part 5 (*Initial ZDP Placing and ZDP Placing Programme*) of this Prospectus.

The actual number of ZDP Shares to be issued under the Subsequent ZDP Placings will be determined by the ZDP Subsidiary (in consultation with N+1 Singer and the Investment Manager) after taking into account demand for the ZDP Shares and the requirements of the Group. The ZDP Placing Programme is intended to be flexible and may have a number of closing dates in order to provide the ZDP Subsidiary with the ability to issue and allot ZDP Shares over a period of time. The maximum number of ZDP Shares available under the ZDP Placing Programme should not be taken as an indication of the number of ZDP Shares to be issued. Any Subsequent ZDP Placings under the ZDP Placing Programme will be notified by the ZDP Subsidiary by an RIS announcement and the Company's website prior to each Subsequent ZDP Placing.

Details of any ZDP Shares to be issued pursuant to the ZDP Placing Programme (including the issue price of such ZDP Shares, which shall be calculated by reference to the: (i) prevailing NAV per ZDP Share; (ii) the costs of such Subsequent ZDP Placing; and (iii) prevailing market conditions) shall be determined by the ZDP Directors at their sole and absolute discretion and announced to the market by an RIS in due course.

The issue proceeds from any Subsequent ZDP Placing under the ZDP Placing Programme will be advanced to the Company under the terms of the ZDP Loan Agreement.

PART 6

THE ZDP SHARES AND PRINCIPAL BASES AND ASSUMPTIONS

1. Rights Attaching to the ZDP Shares

The rights attaching to the ZDP Shares are set out in the ZDP Articles and include the following provisions:

1.1 *Limited life*

The ZDP Subsidiary has a limited life and unless: (i) a ZDP Recommended Resolution or a ZDP Reconstruction Proposal (as defined in paragraph 1.6 below) has previously been approved or made in accordance with the ZDP Articles; or (ii) the ZDP Directors have previously been released from their obligations by the passing of a special resolution of the ZDP Subsidiary in general meeting and by way of ZDP Class Consent, the ZDP Subsidiary will be placed into voluntary liquidation following a general meeting of the ZDP Subsidiary which the ZDP Directors shall be required to convene on 6 April 2021 (the “**ZDP Repayment Date**”) for the purposes of proposing a resolution to wind up the ZDP Subsidiary voluntarily (the “**Scheduled Winding-Up Resolution**”).

In addition to the general meeting required to be convened by the ZDP Directors for the purposes of proposing the Scheduled Winding-Up Resolution, a general meeting:

- 1.1.1 may be called by the ZDP Directors at any time prior to the ZDP Repayment Date for the purposes of proposing a resolution to wind up the ZDP Subsidiary voluntarily (a “**Permitted Winding-Up Resolution**”) where, notwithstanding the fact that the ZDP Subsidiary will be placed into voluntary liquidation prior to the ZDP Repayment Date, the ZDP Directors are of the reasonable opinion that the ZDP Shareholders will be entitled to receive the full Final Capital Entitlement upon such early winding-up of the ZDP Subsidiary; or
- 1.1.2 shall be called by the ZDP Directors for the purposes of proposing a resolution to wind up the ZDP Subsidiary voluntarily (an “**Accelerated Winding-Up Resolution**”) in circumstances where a Continuation Resolution has not been approved, as described in paragraph 1.7 below.

For these purposes each of a Permitted Winding-Up Resolution and an Accelerated Winding-Up Resolution, shall be an “**Early Winding-Up Resolution**” and each of an Early Wind-Up Resolution and a Scheduled Winding-Up Resolution shall be a “**Winding-Up Resolution**”.

Pursuant to the Undertaking, the Company has undertaken to vote in favour of any Winding-Up Resolution.

1.2 *Income*

The ZDP Shares carry no right to receive dividends or other distributions out of revenue or any other profits of the ZDP Subsidiary.

1.3 *Capital*

On a return of capital, on a winding-up or otherwise, the assets of the ZDP Subsidiary available for distribution to its members in accordance with the Companies Act shall be applied as follows:

- 1.3.1 first, there shall be paid to holders of the ZDP Shares an amount equal to the Initial Capital Entitlement of 100 pence as increased at such rate as accrues daily (the first such increase to be deemed to occur on 3 April 2018) and compounds annually on the anniversary of Admission of the ZDP Shares to give an entitlement of 110.91 pence at 6 April 2021; and
- 1.3.2 second, there shall be paid to the holders of the Subsidiary Ordinary Shares the balance of the assets of the ZDP Subsidiary available for distribution in accordance with the Companies Act and the ZDP Articles.

1.4 **Voting rights**

The ZDP Shareholders shall have the right to receive notice of all general meetings of the ZDP Subsidiary for information purposes, but shall have no right to attend or vote at any such meeting of the ZDP Subsidiary. For the avoidance of doubt:

- 1.4.1 any resolution to alter, modify or abrogate the special rights or privileges attached to the ZDP Shares shall require separate class consent (by special resolution) at a class meeting of ZDP Shareholders convened and held in accordance with Article 5.1(b) of the ZDP Articles (a “**ZDP Class Consent**”); and
- 1.4.2 any ZDP Recommended Resolution (as defined in paragraph 1.6 below) or any resolution to approve a ZDP Reconstruction Proposal (if required) (as defined in paragraph 1.6 below) shall only be approved by Subsidiary Ordinary Shareholders provided they have first been approved by way of ZDP Class Consent.

Notwithstanding any other provision of the ZDP Articles, on any vote on a ZDP Recommended Resolution or ZDP Reconstruction Proposal (if required), each ZDP Shareholder present in person or by proxy and entitled to vote, who votes for such ZDP Recommended Resolution or ZDP Reconstruction Proposal, shall, on a poll, have such number of votes in respect of each ZDP Share held by him (including fractions of a vote) that the aggregate number of votes cast in favour of such ZDP Recommended Resolution or ZDP Reconstruction Proposal is four times the aggregate number of votes cast against such ZDP Recommended Resolution or ZDP Reconstruction Proposal, and each member present in person or by proxy and entitled to vote who votes against such ZDP Recommended Resolution or ZDP Reconstruction Proposal shall on a poll have one vote for each ZDP Share held by him; provided that, if any term of any offer or arrangement referred to in paragraph 1.6 below shall (as regards any one or more members) have been breached in any material respect of which the Chairman of the relevant meeting has written notice prior to the commencement of such meeting then, notwithstanding anything in the ZDP Articles to the contrary, each member shall, at any such meeting at which such ZDP Shareholder is present in person or by proxy, and entitled to vote, on a poll have one vote for every ZDP Share held by him. Any vote on any ZDP Reconstruction Resolution or ZDP Recommended Proposal shall be by means of a poll.

1.5 **Class rights**

The ZDP Subsidiary shall not without the previous sanction of a ZDP Class Consent:

- 1.5.1 issue any further shares or rights to subscribe or convert any securities into shares or reclassify issued share capital into shares of a particular class where, in each case, such shares rank, or would on issue, conversion or reclassification rank, as to capital in priority to or *pari passu* with the ZDP Shares, save that the ZDP Subsidiary may, subject to the provisions of the ZDP Articles, issue such further shares, rights or securities provided that the ZDP Directors shall have calculated and the auditors of the ZDP Subsidiary shall have reported to the ZDP Directors on such calculations within 60 days prior to the proposed issue or reclassification that, were the further shares to be issued or the shares to be reclassified or rights of subscription or conversion to be issued and immediately exercised at the date of the report, the ZDP Shares in issue immediately thereafter would have a Cover of not less than 3 times. For this purpose, the “Cover” of the ZDP Shares shall represent a fraction where the numerator is equal to the Net Asset Value of the Company and its Group on a consolidated basis adjusted to: (i) add back any liability in respect of ZDP Shares; and (ii) deduct the estimated liquidation costs of the ZDP Subsidiary, and the denominator is equal to the amount which would be paid on the ZDP Shares as a class (and on all ZDP Shares ranking as to capital in priority thereto or *pari passu* therewith, save to the extent already taken into account in the calculation of the Net Asset Value) in a winding-up of the ZDP Subsidiary on the ZDP Repayment Date. In calculating such Cover, the ZDP Directors shall:
 - (A) use the most recent monthly Net Asset Value published by the Company by way of an RIS;
 - (B) assume that the share capital or rights proposed to be issued or arising on reclassification had been issued and/or exercised and/or reclassified at the end of the month to which such Net Asset Value relates;

- (C) adjust the last published Net Asset Value of the Company by adding the minimum gross consideration (if any) which would be received upon such issue, reclassification or exercise;
 - (D) take account of the entitlements to be attached to the new shares or securities or rights to be issued;
 - (E) aggregate the capital entitlements of the ZDP Shares already in issue at that time and the capital entitlements of the new shares or securities or rights to be issued as aforesaid; and
 - (F) make such other adjustments as they consider appropriate; or
- 1.5.2 pass any resolution, other than any ZDP Recommended Resolution or a resolution approving a ZDP Reconstruction Proposal (if required), releasing the ZDP Directors from their obligation to convene a general meeting at which a Scheduled Winding-Up Resolution is to be proposed or otherwise vary the effect of paragraph 1.6 below; or
- 1.5.3 pass a resolution, other than a Scheduled Winding-Up Resolution, a ZDP Reconstruction Resolution, a resolution approving a ZDP Recommended Proposal (if required) or any equivalent resolutions in respect of ZDP Shares, to reduce the capital of the ZDP Subsidiary (including undistributable reserves and uncalled capital) in any manner, or any resolution authorising the ZDP Directors to purchase shares in the ZDP Subsidiary; or
- 1.5.4 pass any resolution which authorises the ZDP Directors to pay a dividend out of the ZDP Subsidiary's capital reserve; or
- 1.5.5 pass any resolution authorising or permitting any borrowings of the ZDP Subsidiary other than:
- (A) money owed by the ZDP Subsidiary or its subsidiaries (if any) to any other member of the Group;
 - (B) any currency hedging arrangements entered into by the ZDP Subsidiary or its subsidiaries (if any); or
 - (C) borrowings incurred in connection with the payment of the Final Capital Entitlement; or
- 1.5.6 make any variation to the terms of the ZDP Loan Agreement or the Undertaking which, at the time of such amendment, would, in the reasonable opinion of the ZDP Directors, be materially prejudicial to the interests of the ZDP Shareholders; or
- 1.5.7 permit or ratify any waiver or grant any consent under the terms of the ZDP Loan Agreement or the Undertaking relating to any change in the Company's Investment Policy which, at the time of such amendment, would, in the reasonable opinion of the ZDP Directors, be materially prejudicial to the interests of ZDP Shareholders; or
- 1.5.8 pass any resolution to wind up the ZDP Subsidiary voluntarily other than: (i) the Scheduled Winding-Up Resolution; or (ii) any Early Winding-Up Resolution.

Notwithstanding anything to the contrary in the ZDP Articles, one of the rights attaching to the Subsidiary Ordinary Shares and the ZDP Shares shall be that the passing and implementation of any Scheduled Winding-Up Resolution, Early Winding-Up Resolution, a resolution approving a ZDP Reconstruction Proposal (if required) or ZDP Recommended Resolution shall be in accordance with the rights attached to the Subsidiary Ordinary Shares and the ZDP Shares, with the result that (save as provided for in paragraph 1.4.2 above) neither the passing nor the implementation of any such resolution shall be treated as varying, modifying or abrogating such rights and so that the consent or sanction of any such class of shares as a separate class shall not be required thereto.

1.6 **ZDP Recommended Resolution and ZDP Reconstruction Proposal**

- 1.6.1 Notwithstanding the provisions of the ZDP Articles described in paragraphs 1.1 and 1.4 above, if all the holders of the ZDP Shares receive an offer (whether by the ZDP Subsidiary or any other person, including any proposals for a reduction or cancellation of capital, capitalisation issue, share purchase or repurchase and/or redemption of shares of the relevant class or any shares issued in substitution therefor) recommended by the ZDP Directors and complying with the provisions of paragraph 1.6.2 below which becomes or is declared unconditional on or prior to the ZDP Repayment Date (and before the passing of a Scheduled Winding-Up

Resolution), under which such holders (or holders other than the offeror and/or persons acting in concert with the offeror) would receive not later than the ZDP Repayment Date, an amount in cash estimated by the ZDP Directors to be not less than that to which the ZDP Directors estimate such holders would otherwise have been entitled on the winding up of the ZDP Subsidiary as a result of the passing of a Scheduled Winding-Up Resolution (ignoring any option any ZDP Shareholders may be given to elect to receive alternative consideration pursuant to the offer), then such offer shall be a “**ZDP Reconstruction Proposal**”.

1.6.2 Any such offer as is referred to in paragraph 1.6.1 above must be stated to be, in the opinion of a financial adviser appointed by the ZDP Directors, fair and reasonable and in the interests of the members as a whole.

1.6.3 Notwithstanding the provisions of paragraphs 1.1 and 1.4 above, in the event that at any general meeting(s) held on or prior to the ZDP Repayment Date (and before the passing of a Scheduled Winding-Up Resolution) there is proposed any resolution or resolutions recommended by the ZDP Directors and complying with the provisions of paragraph 1.6.4 below to:

- (A) sanction any form of arrangement for the transfer of all or part of the ZDP Subsidiary’s assets to another entity; or
- (B) effect any other arrangement by means of a reduction of capital, distribution in specie or any other lawful procedure or arrangement whatsoever whether or not involving the winding-up of the ZDP Subsidiary,

in either case such that the holders of the Subsidiary Ordinary Shares and the ZDP Shares shall receive not later than the ZDP Repayment Date an amount in cash estimated by the ZDP Directors to be not less than that to which the ZDP Directors estimate such holders (or holders other than the offeror and/or persons acting in concert with the offeror) would otherwise have been entitled on the winding-up of the ZDP Subsidiary as a result of the passing of a Scheduled Winding-Up Resolution (ignoring any option any of them may be given to elect to receive their entitlements otherwise than in cash pursuant to the arrangement), then such resolution shall be a “**ZDP Recommended Resolution**”.

1.6.4 Any ZDP Recommended Resolution must be stated to be, in the opinion of a financial adviser appointed by the ZDP Directors, fair and reasonable and in the interests of the members as a whole.

1.7 **Continuation Resolution**

The ZDP Loan Agreement and Undertaking entered into between the Company and the ZDP Subsidiary will impose certain obligations on the Company. Any breach by the Company of such obligations will require the ZDP Directors to call a separate class meeting of the ZDP Shareholders within 25 Business Days of such breach coming to the attention of the ZDP Directors to propose (as an ordinary class resolution) that, notwithstanding the breach of the ZDP Loan Agreement and/or the Undertaking (as the case may be) by the Company, the ZDP Subsidiary continue in its current form and structure (a “**Continuation Resolution**”).

If a Continuation Resolution is not passed, then the ZDP Directors shall call a general meeting of the ZDP Subsidiary within 20 Business Days to propose an Accelerated Winding-Up Resolution and, on the approval of such Accelerated Winding-Up Resolution, ZDP Shareholders shall be entitled to a return of capital calculated in accordance with paragraph 1.3.1 above as at the date of winding-up and not, for the avoidance of doubt, to the Final Capital Entitlement.

2. **The ZDP Loan Agreement and Undertaking**

2.1 **The ZDP Loan Agreement**

It is expected that, shortly prior to Admission, the ZDP Subsidiary (as lender) and the Company (as borrower) will enter into the ZDP Loan Agreement.

Pursuant to the ZDP Loan Agreement, immediately following Admission, the ZDP Subsidiary will lend the Company the Gross ZDP Placing Proceeds, which will be applied by the Company towards making investments in accordance with its Investment Policy and for working capital purposes.

The ZDP Loan Agreement will provide that interest will accrue on the Loan daily at a rate of two per cent. per annum, compounded annually on each anniversary of Admission of the ZDP Shares and will be rolled up and paid to the ZDP Subsidiary along with repayment of the principal amount of the ZDP Loan on the date falling 2 Business Days before the ZDP Repayment Date, provided that the ZDP Loan shall become repayable by the Company immediately upon the passing of a Winding-Up Resolution, a ZDP Recommended Resolution or a resolution approving a ZDP Reconstruction Proposal (if required).

2.2 Undertaking

It is expected that, shortly prior to Admission, the ZDP Subsidiary (as beneficiary) and the Company (as grantor) will also enter into the Undertaking. Pursuant to the Undertaking, to the extent that the Final Capital Entitlement multiplied by the number of outstanding ZDP Shares as at the ZDP Repayment Date (or, if earlier, the accrued capital entitlement multiplied by the number of outstanding ZDP Shares following the date on which a Winding-Up Resolution is approved) exceeds the aggregate principal amount and accrued interest due from the Company to the ZDP Subsidiary pursuant to the ZDP Loan Agreement as at the ZDP Repayment Date (the “**Additional Funding Requirement**”), the Company shall: (i) subscribe an amount equal to or greater than the Additional Funding Requirement for Subsidiary Ordinary Shares (the “**Additional Shares**”); or (ii) make a capital contribution or gift or otherwise pay an amount equal to or greater than (where rounding is required) the Additional Funding Requirement. Where applicable, the Additional Shares may be Subsidiary Ordinary Shares or such other class of shares in the ZDP Subsidiary as is agreed between the Company and the ZDP Subsidiary.

In addition, pursuant to the Undertaking, the Company has undertaken to the ZDP Subsidiary that, for so long as the ZDP Shares are in issue, the Company will not without the previous sanction of a ZDP Class Consent:

- (i) issue (or procure the issue of) any further Ordinary Shares or Group Shares or rights to subscribe for further Ordinary Shares or Group Shares or securities convertible into Ordinary Shares or Group Shares or reclassify any issued share capital of the Company into shares of a particular class where, in each case, such shares rank, or would on issue, conversion or reclassification rank, as to capital, in priority to or *pari passu* with the Company’s payment obligations under the ZDP Loan Agreement or this Undertaking, save that the Company may, subject to the provisions of the Articles, issue (or procure the issue of) any such further Ordinary Shares, Group Shares, rights or securities provided the Directors shall have calculated and the auditors of the Company shall have reported to the Directors on such calculations within 60 days prior to the proposed issue or reclassification that, were the further shares to be issued or the shares to be reclassified or rights of subscription or conversion to be issued immediately exercised at the date of the report, the ZDP Shares in issue immediately thereafter would have a Cover of not less than 3 times. Further, this restriction shall not apply to the issuance of Ordinary Shares in connection with the establishment by the Company of any directly or indirectly owned subsidiary undertaking established for the purposes of holding investments made in accordance with its Investment Policy;
- (ii) except as required from time to time by the UKLA or any other relevant legal or regulatory requirement, from the date of the Admission, amend the Investment Policy in such a manner that would, in the reasonable opinion of the ZDP Directors, be materially prejudicial to the interests of the ZDP Shareholders provided always (and for the avoidance of doubt), this provision shall not apply to the proposed amendment to the Investment Policy to be considered at the General Meeting;
- (iii) incur Bank Borrowings if, following such borrowing, its aggregate Bank Borrowings would thereby result in the ZDP Shares then in issue having a Cover of less than 3 times provided that this restriction shall not apply to any Bank Borrowings incurred for the purposes of repaying the ZDP Loan or satisfying the Additional Funding Requirement;
- (iv) make any distribution of capital or reserves, provided that any such distribution will be permitted where the ZDP Shares then in issue would have a Cover of not less than 3 times immediately after the distribution has been made;
- (v) purchase any of its own shares out of capital reserves if such purchase would result in the ZDP Shares then in issue, having a Cover of less than 3 times immediately after the purchase has been made; or

- (vi) implement any reduction of capital which would result in the ZDP Shares having a Cover of less than 3 times immediately after such reduction of capital,

and with respect to the Cover calculation referred to in paragraphs 2.2(iii) to 2.2(vi) above, such calculation to be made in the same manner as provided for in paragraph 1.5.1 above but without the requirement for a report of the auditors of the Company.

In addition, the Undertaking provides that the Company shall:

- (i) remain the holder of all of the Subsidiary Ordinary Shares from time to time in issue;
- (ii) meet, or fund through the subscription of further Subsidiary Ordinary Shares, all establishment and ongoing operating costs and expenses of the ZDP Subsidiary which are properly and reasonably incurred;
- (iii) notify the ZDP Subsidiary without delay if:
 - (A) the Company becomes aware of any breach of the terms of the ZDP Loan Agreement or the Undertaking;
 - (B) the Company reasonably considers that it will not (or there is a reasonable likelihood that the Company may not) on the ZDP Repayment Date be able to: (1) meet its repayment obligations under the ZDP Loan Agreement in full; or (2) subscribe for Additional Shares or otherwise satisfy the Additional Funding Requirement;
- (iv) vote in favour of the Scheduled Winding-Up Resolution and any Early Winding-Up Resolution; and
- (v) calculate the Cover as soon as practicable following the finalisation of the Group's monthly net asset valuations and, in any event, at least once at the end of each calendar month and shall notify the ZDP Directors without delay in the event that the Cover shall at any time be less than 3 times.

The Undertaking also provides that, except with the previous sanction of a ZDP Class Consent or as required from time to time by the UK Listing Authority or any other relevant legal or regulatory requirement, from Admission, the ZDP Subsidiary shall ensure that the ZDP Board, as constituted from time to time, comprises only individuals who are directors of the Company.

The Undertaking also provides that the obligations of the Company pursuant to the Undertaking shall, in the event of a winding-up of the Company, be subordinated in point of payment to the claims of the other unsecured creditors of the Company and no amount in respect of the Undertaking shall be payable to the ZDP Subsidiary until all of the claims of the other unsecured creditors have been paid in full. In such a winding-up the Company shall make payment under the Undertaking only to the extent of the Company's assets following the payment in full of its other unsecured creditors.

3. Principal Bases and Assumptions

Set out below are the principal bases and assumptions used in calculating the Cover and Hurdle Rate contained in this Prospectus.

For the avoidance of doubt, the Assumptions have not been used in preparing the working capital statement set out in paragraph 15 of Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus.

There can be no guarantee that the Assumptions set out below will be realised. In particular, the Net Offering Proceeds may differ from the assumed amounts; market gains or losses will affect the amount of the Company's assets at Admission; costs will be incurred in investing the Gross ZDP Placing Proceeds advanced to the Company pursuant to the ZDP Loan Agreement and costs will be incurred in investing the Net Offering Proceeds; annual running expenses of the Group may exceed the previous levels; and exchange rate differences may prove material. Accordingly, no reliance should be placed on the illustrative financial statistics derived from the Assumptions set out below.

The Assumptions used are:

- 3.1 On the anticipated date of the Admission the Group's gross assets are £126 million, net assets are £106 million and its capital structure includes 20 million ZDP Shares, there are no amounts drawn under the RCF and no other borrowings.
- 3.2 Based on an Issue Price of 100 pence and a gross capital accrual on the ZDP Shares of 3.5 per cent. per annum, accruing daily but compounding annually from the anticipated date of Admission, the Final Capital Entitlement will be 110.91 pence per ZDP Share paid in full on the ZDP Repayment Date of 6 April 2021.
- 3.3 No corporation tax or capital gains tax is payable by the ZDP Subsidiary and no other changes occur in any relevant taxation law and practice.
- 3.4 The gross yield on the Portfolio is 84 per cent., its operating costs including 100 per cent. of its Management Fee are charged to revenue and all of the net revenue is paid in dividends to Ordinary Shareholders. The capital accrual on the ZDP Shares is charged to capital.
- 3.5 The rights attaching to the Subsidiary Ordinary Shares and the ZDP Shares are not altered and no further New Ordinary Shares, Subsidiary Ordinary Shares or ZDP Shares are issued (pursuant to the ZDP Placing Programme or otherwise) and no Ordinary Shares, Subsidiary Ordinary Shares or ZDP Shares are cancelled or re-purchased, no amounts are drawn under the RCF and no other borrowings are incurred.
- 3.6 There are no changes to generally accepted accounting practices relevant to the ZDP Subsidiary and no material change to its or the Company's accounting policies.
- 3.7 On the basis of the Assumptions, the Hurdle Rate (calculated as the minimum annual growth rate of the Group's assets required to cover fully the Final Capital Entitlement) is – 43.87 per cent. and the Final Cover (calculated as the ratio of the Group's net assets on the anticipated date of Admission, plus the proceeds of the Initial ZDP Placing to the sum of the Group's net assets required to cover fully the Final Capital Entitlement) is 5.68 times.
- 3.8 The total estimated costs of the Proposals have been provided for before stating the Group's assets in paragraph (1) above.
- 3.9 No allowance is made for the costs of investing the Net Offering Proceeds.

PART 7

FINANCIAL INFORMATION OF THE COMPANY

1. HISTORICAL FINANCIAL INFORMATION FOR THE PERIOD ENDED 31 DECEMBER 2017

The following pages set out the audited financial information of the Company for the period from incorporation to 31 December 2017, in respect of which the Company's auditor, Ernst & Young LLP, Chartered Accountants and Statutory Auditor, of 1 More Place, London SE1 2AF, has given unqualified opinions that the accounts give a true and fair view of the state of affairs of the Company as at 31 December 2017 and its profits for the period then ended, have been properly prepared in accordance with the Companies Act, have been delivered to Companies House and are incorporated into this document in full by reference to the same.

1.1 Historical Financial Information

2017 Annual Report

The published annual report and audited accounts of the Company for the period from incorporation to 31 December 2017 (the "2017 Annual Report") (which is incorporated in this Prospectus by reference) included, on the pages specified in the table below, the following information:

	<i>Page nos</i>
Independent auditors' report	28 – 33
Statement of Comprehensive Income	34
Statement of Financial Position	35
Statement of Changes in Equity	36
Statement of Cash Flows	37
Notes to the Financial Statements	38 – 52

1.2 Selected Financial Information

The key audited figures that summarise the financial condition of the Company in respect of the period from incorporation to 31 December 2017, which have been extracted without material adjustment from the historical financial information referred to in paragraph 1 above (unless otherwise indicated in the notes below the following tables), are set out in the following tables.

Investors should read the whole of such report and not rely solely on the key or summarised information set out below:

Statement of Comprehensive Income

	<i>PE2017 Total Return £'000</i>
Loss on investments	(853)
Income	3,586
Investment management fee	(370)
Other expenses	(777)
Return before finance costs and taxation	1,586
Finance costs	(206)
Return on ordinary activities before taxation	1,380
Taxation	–
Return on ordinary activities after taxation	1,380
Return per Ordinary Share (pence)	2.54p

Statement of Financial Position*PE2017*
*£'000***Fixed assets**

Investments at fair value through profit or loss

76,957

Current assets

Receivables

1,069

Cash and cash equivalents

15,441

16,510**Payables: amounts falling due within one year**

Payables

(7,624)

C Shares in issue

(29,574)

Net current assets**(20,688)****Total assets less current liabilities****56,269****Net assets****56,269****Capital and reserves: equity**

Share capital

573

Share premium

6,845

Special reserve

48,502

Capital reserve

(983)

Revenue reserve

1,332

Total shareholders' funds**56,269****Statement of Changes in Equity***PE2017*
Total Equity
£'000

Balance as at beginning of the period

–

Return on ordinary activities

1,380

Issue of Ordinary Shares

57,388

Share issue costs

(1,215)

Transfer to special reserve

–

Special reserve costs

(24)

Dividend paid

(1,260)

Balance as at 31 December 2017**56,269**

Statement of Cash Flows

	<i>PE2017</i> <i>Total Equity</i> <i>£'000</i>
Operating activities	
Return on ordinary activities before finance costs and taxation	1,586
Adjustments for losses on investments	844
Increase in debtors	(1,069)
Increase in creditors	691
Net cash flow from operating activities	2,052
Investing activities	
Proceeds from sale of investments	29,676
Purchase of investments	(100,617)
Net cash flow from investing activities	(70,941)
Financing activities	
Share issue proceeds	57,388
Share issue costs	(1,215)
Existing C Share issue proceeds	30,000
Existing C Share issue costs	(559)
Transfer to special reserve costs	(24)
Equity dividends paid	(1,260)
Net cash flow from financing activities	84,330
Increase in cash	15,441
Opening balance at beginning of the period	–
Balance as at 31 December 2017	15,441

1.3 Operating and Financial Review

The 2017 Annual Report (which is incorporated in this Prospectus by reference) included, on the pages specified in the table below, descriptions of the Company's financial condition (in both capital and revenue terms), changes in its financial condition and details of the Company's portfolio of investments for that period:

<i>Nature of information</i>	<i>Period ended</i> <i>31 December 2017</i> <i>(audited)</i> <i>Page nos</i>
Chairman's Statement	2 – 3
Investment Manager's Report	4 – 5
Portfolio Information	11

2. DOCUMENTS INCORPORATED BY REFERENCE

The 2017 Annual Report which has been previously published, shall be deemed to be incorporated in, and form part of, this Prospectus. The parts of the 2017 Annual Report not incorporated in this Part 7 (*Financial Information of the Company*) of this Prospectus are either not relevant for investors or are covered elsewhere in this Prospectus.

3. AVAILABILITY OF REPORT AND FINANCIAL STATEMENTS FOR INSPECTION

Copies of the 2017 Annual Report are available for inspection on the Company's website and at the Company's registered office, set out on page 55 of this Prospectus.

PART 8

UK TAXATION

1. Introduction

The following statements are based upon current UK tax law and what is understood to be the current published practice of HMRC, both of which are subject to change, possibly with retrospective effect. The statements are intended only as a general guide, are not exhaustive and may not apply to certain Shareholders and/or ZDP Shareholders, such as dealers in securities, insurance companies, collective investment schemes or Shareholders and/or ZDP Shareholders who have (or are deemed to have) acquired their Ordinary Shares and/or ZDP Shares, as relevant, by virtue of an office or employment, who may be subject to special rules. They apply only to Shareholders and/or ZDP Shareholders resident (and, in the case of individuals, domiciled) for UK tax purposes in the UK (except in so far as express reference is made to the treatment of non-UK residents), who hold Ordinary Shares and/or ZDP Shares as an investment rather than trading stock and who are the absolute beneficial owners of those Ordinary Shares and/or ZDP Shares.

The information contained in this Prospectus relating to UK taxation matters is a summary of the UK taxation matters which the Directors consider should be brought to the attention of prospective investors and is based upon UK tax law currently in force and current published HMRC practice and is subject to changes therein (possibly with retrospective effect). All potential investors, and in particular those who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the UK, should consult their own professional advisers on the potential tax consequences of subscribing for, purchasing, holding or selling Ordinary Shares and/or ZDP Shares under the laws of their country and/or state of citizenship, domicile or residence.

2. The Company

The Directors have obtained approval from HMRC as an investment trust company and intend at all times to conduct the affairs of the Company so as to enable it to satisfy the conditions necessary for it to be eligible as an investment trust under Chapter 4 of Part 24 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011 (as amended). However, neither the Investment Manager nor the Directors can guarantee that this eligibility will be maintained. One of the conditions for a company to qualify as an investment trust is that it is not a “close company” for UK tax purposes. The Directors consider that the Company should not be a close company immediately following Admission. In respect of each accounting period for which the Company is approved by HMRC as an investment trust, the Company will be exempt from UK taxation on its chargeable gains. The Company will, however, (subject to what follows) be liable to UK corporation tax on its income in the normal way. Income arising from overseas investments may be subject to foreign withholding taxes at varying rates, but double taxation relief may be available. The Company should in practice be exempt from UK corporation tax on dividend income received, provided that such dividends (whether from UK or non UK companies) fall within one of the “exempt classes” in Part 9A of the Corporation Tax Act 2009.

An investment trust approved under Chapter 4 of Part 24 of the Corporation Tax Act 2010, or one that intends to seek such approval and which has a reasonable belief that such approval will be obtained, is able to elect to take advantage of modified UK tax treatment in respect of its “qualifying interest income” for an accounting period (referred to here as the “streaming” regime). The Company may, if it so chooses, designate as an “interest distribution” all or part of the amount it distributes to Shareholders as dividends, to the extent that it has “qualifying interest income” for the accounting period. Were the Company to designate any dividend it pays in this manner, it should be able to deduct such interest distributions from its income in calculating its taxable profit for the relevant accounting period.

3. Shareholders

Taxation of chargeable gains

(a) *Acquisition of C Shares*

For the purpose of UK tax on chargeable gains, the purchase of C Shares will be regarded as an acquisition of a new holding in the share capital of the Company. To the extent that a Shareholder acquires C Shares allotted to him, the C Shares so acquired will, for the purpose of tax on chargeable gains, be treated as acquired on the date of the purchase becoming unconditional.

The amount of subscription monies paid for the C Shares will constitute the capital gains base cost of the new shareholding.

A conversion of C Shares into Ordinary Shares should be treated as a reorganisation of share capital and should not give rise to a disposal for UK tax purposes.

(b) *Disposal of C Shares and/or Ordinary Shares*

A disposal of Shares (including a disposal on a winding-up of the Company) by a Shareholder who is resident in the UK for tax purposes, or who is not so resident but carries on a trade, profession or vocation in the United Kingdom through a branch agency or permanent establishment in connection with which their investment in the Company is used, held or acquired, may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains, depending on the Shareholder's circumstances and subject to any available exemption or relief.

For the purposes of UK tax on chargeable gains, the amounts paid by a Shareholder for Ordinary Shares will generally constitute the base cost of his holdings in those shares.

UK-resident and domiciled individual Shareholders have an annual exemption, such that capital gains tax is chargeable only on gains arising from all sources during the tax year in excess of this figure. The annual exemption is £11,300 for the tax year 2017 – 2018. The annual exemption will increase to £11,700 from 6 April for the tax year 2018 – 2019. For such individual Shareholders, capital gains tax will be chargeable on a disposal of Shares at the applicable rate (the current rate being 10 per cent. for basic rate taxpayers or 20 per cent. for higher or additional rate taxpayers).

Generally, an individual Shareholder who has ceased to be resident in the UK for tax purposes for a period of five years or less and who disposes of Shares during that period may be liable on their return to the UK, to UK taxation, on any chargeable gain realised (subject to any available exemption or relief). Special rules apply to Shareholders who are subject to tax on a "split-year" basis, who should seek specific professional advice if they are in any doubt about their position.

Corporate Shareholders who are resident in the UK for tax purposes will generally be subject to corporation tax at the rate of corporation tax applicable to that Shareholder (currently at a rate of 19 per cent. and reducing to 17 per cent. from 1 April 2020) on chargeable gains arising on a disposal of their Shares. Indexation allowance may apply to reduce the amount of chargeable gain that is subject to corporation tax but may not create or increase any allowable loss. The UK government has announced that the indexation allowance will be frozen from 1 January 2018.

Shareholders who are neither resident in the United Kingdom, nor temporarily non-resident for the purposes of the anti-avoidance legislation referred to above, and who do not carry on a trade, profession or vocation in the United Kingdom through a branch, agency or permanent establishment with which their investment in the Company is connected, should not be subject to United Kingdom taxation on chargeable gains on a disposal of their Shares.

Taxation of dividends – individuals

(a) *Non "interest distributions"*

In the event that the Directors do not elect for the "streaming" regime to apply to any dividends paid by the Company, the following statements summarise the expected UK tax treatment for individual Shareholders who receive dividends from the Company. The following statements would also apply to any dividends not treated as "interest distributions" were the Directors to elect for the streaming regime to apply.

The Company will not be required to withhold tax at source when paying a dividend.

An individual Shareholder who is resident for tax purposes in the UK will pay no tax on the first £5,000 of dividend income received in a year (the “**Nil Rate Amount**”). From 6 April 2018, the Nil Rate Amount will reduce to £2,000. Any dividend income received by a UK resident individual Shareholder in excess of the Nil Rate Amount will be subject to income tax at a rate of 7.5 per cent. to the extent that it is within the basic rate band, 32.5 per cent. to the extent that it is within the higher rate band and 38.1 per cent. to the extent that it is within the additional rate band.

Dividend income that is within the Nil Rate Amount counts towards an individual’s basic or higher rate limits – and will therefore affect the level of savings allowance to which they are entitled, and the rate of tax that is due on any dividend income in excess of the Nil Rate Amount. In calculating into which tax band any dividend income over the Nil Rate Amount falls, savings and dividend income are treated as the highest part of an individual’s income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice.

(b) *“Interest distributions”*

Should the Directors elect to apply the “streaming” regime to any dividends paid by the Company, a UK tax resident individual Shareholder in receipt of such a dividend would be treated for UK tax purposes as though they had received a payment of interest. Such an Shareholder would be subject to UK income tax at the applicable rate (the current rates being 0 per cent., 20 per cent., 40 per cent. or 45 per cent., depending on the level of the Shareholder’s income). The Company will not be required to withhold tax at source when paying such distributions.

Taxation of dividends – others

(a) *Non “interest distributions”*

In respect of dividends to which the Directors have not elected for the “streaming” regime to apply a corporate Shareholder who is tax resident in the UK or carries on a trade in the UK through a permanent establishment in connection with which its Shares are held will be subject to UK corporation tax on the gross amount of any dividends paid by the Company, unless the dividend falls within one of the exempt classes set out in Part 9A of the Corporation Tax Act 2009. It is anticipated that dividends paid to UK tax resident corporate Shareholders would generally (subject to anti-avoidance rules) fall within one of those exempt classes, however, such Shareholders are advised to consult their independent professional tax advisers to determine whether such dividends will be subject to UK corporation tax. If the dividends do not fall within any of the exempt classes, the dividends will be subject to tax currently at a rate of 19 per cent. and reducing to 17 per cent. from 1 April 2020.

The Company will not be required to withhold tax at source when paying a dividend.

(b) *“Interest distributions”*

If, however, the Board did elect for the “streaming” rules to apply, and corporate Shareholders within the charge to corporation tax were to receive dividends designated by the Company as “interest distributions”, they would be subject to corporation tax on any such amounts received. The dividends would be subject to tax currently at a rate of 19 per cent. from and reducing to 17 per cent. from 1 April 2020. The Company will not be required to withhold tax at source when paying such distributions.

It is particularly important that prospective investors who are not resident in the UK for tax purposes obtain their own tax advice concerning tax liabilities on dividends received from the Company.

Stamp duty and stamp duty reserve tax (“SDRT”)

The issue of C Shares and/or New Ordinary Shares pursuant to the Company Offerings should not generally be subject to UK stamp duty or SDRT.

Transfers on the sale of Ordinary Shares and/or C Shares held in certificated form will generally be subject to UK stamp duty at the rate of 0.5 per cent. of the amount or value of the consideration given for the transfer

(rounded up to the nearest £5). However, an exemption from stamp duty will be available on an instrument transferring Ordinary Shares or C Shares where the amount or value of the consideration is £1,000 or less, and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000. The purchaser normally pays the stamp duty.

An unconditional agreement to transfer Ordinary Shares or C Shares will normally give rise to a charge to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer. However, if a duly stamped or exempt transfer in respect of the agreement is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional) any SDRT paid is repayable, generally with interest, and otherwise the SDRT charge is cancelled. SDRT is, in general, payable by the purchaser.

Paperless transfers of Ordinary Shares or C Shares within the CREST system will generally be liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system (but in practice the cost will be passed on to the purchaser). Deposits of Ordinary Shares or C Shares into CREST will not generally be subject to SDRT, unless the transfer into CREST is itself for consideration in the form of money or money's worth.

The above statements are intended as a general guide to the current stamp duty and SDRT position. Certain categories of person, including market makers, brokers and dealers may not be liable to stamp duty or SDRT and others (including persons connected with depositary arrangements and clearance services), may be liable at a higher rate of 1.5 per cent., or may, although not primarily liable for tax, be required to notify and account for it under the Stamp Duty Reserve Tax Regulations 1986.

ISAs, SIPPs and SSASs

C Shares and New Ordinary Shares issued by the Company should be eligible to be held in a stocks and shares New ISA, subject to applicable annual subscription limits (£20,000 in the tax years 2017 – 2018 and 2018 – 2019).

Investments held in ISAs will be free of UK tax on both capital gains and income. The opportunity to invest in shares through an ISA is restricted to certain UK tax resident individuals aged 18 or over.

Selling shares within an ISA to reinvest would not count towards the shareholder's annual limit and for "flexible" ISAs (which does not include junior ISAs) shareholders may be entitled to withdraw and replace funds in their stocks and shares ISA, in the same tax year, without using up their annual subscription limit.

The Board have been advised that the C Shares and New Ordinary Shares should be eligible for inclusion in a self-invested personal pension ("**SIPP**") or a small self-administered scheme ("**SSAS**"), subject to the discretion of the trustees of the SIPP or the SSAS, as the case may be.

Individuals wishing to invest in C Shares and New Ordinary Shares through an ISA, SSAS or SIPP should contact their professional advisers regarding their eligibility.

4. ZDP Subsidiary

The ZDP Subsidiary will not be required to withhold UK tax at source when paying the Final Capital Entitlement to ZDP Shareholders.

5. ZDP Shareholders

Taxation of Dividends

The ZDP Shares carry no right to receive dividends. Accordingly, the UK rules on the taxation of dividends should not be relevant to a holding of ZDP Shares.

Taxation of chargeable gains

(a) UK Individual Shareholders

Individual ZDP Shareholders will generally be subject to capital gains tax in respect of any gain arising on a disposal, or deemed disposal, of their ZDP Shares (on the sale of the ZDP Shares to a third party or the disposal of the ZDP shares on a winding-up). Please see paragraph 3(b) above under the heading “Taxation of chargeable gains” regarding capital gains tax on a disposal.

UK resident individual ZDP Shareholders should note that proceeds (over and above the amount originally subscribed for the ZDP Shares) received on a redemption or repurchase of the ZDP Shares by the ZDP Subsidiary other than in the course of a winding-up of the ZDP Subsidiary would fall to be treated as a distribution to ZDP Shareholders. Such a distribution may be chargeable to income tax.

(b) UK Corporate Shareholders

A gain on the disposal or deemed disposal of ZDP Shares (such as on the sale of the ZDP Shares to third parties or where the ZDP Capital Entitlement is received pursuant to a winding-up) by a ZDP Shareholder within the charge to UK corporation tax will form part of the ZDP Shareholders’ profits chargeable to UK corporation tax (the rate of which is currently 19 per cent., reducing to 17 per cent. from April 2020). Indexation allowance will not be available to reduce the amount of chargeable gain that is subject to UK corporation tax.

UK resident corporate ZDP Shareholders should note that proceeds (over and above the amount originally subscribed for the ZDP Shares) received on a redemption or repurchase of the ZDP Shares by the ZDP Subsidiary other than in the course of a winding-up of the ZDP Subsidiary, would fall to be treated as a distribution to ZDP Shareholders. Such a distribution may potentially be taxable as income, but may qualify to be treated as exempt under Part 9A of the Corporation Tax Act 2009 if the Shareholder falls within an exempt class.

Disguised interest rules

The statements above relating to the taxation of ZDP Shareholders in respect of the ZDP Shares assume that the “disguised interest” rules contained in Chapter 2A of Part 4 of the Income Tax (Trading and Other Income) Act 2005 and Chapter 2A (*Disguised interest*) and 6A (*Shares Accounted for as Liabilities*) of Part 6 to the Corporation Tax Act 2009 do not apply. Were these provisions to apply, amounts received by ZDP Shareholders in relation to a disposal of their ZDP Shares could be subject to tax as income, rather than as capital.

The disguised interest provisions can apply where there are arrangements relating to shares which would produce a return which is “economically equivalent to interest”, one of the requirements for which is that there must be no “practical likelihood” that the return will cease to be produced. In principle, the disguised interest rules are capable of applying to zero dividend preference shares. Whilst HMRC’s published guidance confirms that an investment portfolio genuinely exposed to investment risk is unlikely to be caught by these rules, there is no guarantee that HMRC’s guidance would apply in these circumstances. The Investment Policy is set out in full in Part I (*Overview of the Issuers*) of this Prospectus.

ISAs, SIPPS and SSASs

The ZDP Shares should qualify as investments which are eligible for inclusion in an ISA. The ZDP Shares in a UK company should be eligible for inclusion in a SIPP or a SSAS, subject to the terms of, and the discretion of the trustees (or, where applicable, the providers) of, the SIPP or the SASS as the case may be.

Stamp duty and stamp duty reserve tax

Please see paragraph above entitled “Stamp duty and stamp duty reserve tax”.

PART 9

ADDITIONAL INFORMATION ON THE COMPANY

1. The Company

- 1.1 The Company was incorporated in England and Wales on 27 October 2016 with registered number 10449530 as a public company limited by shares under the Companies Act.
- 1.2 The principal place of business and the registered office of the Company is Mermaid House, 2 Puddle Dock, London EC4V 3DB with telephone number +44 (0) 20 7653 9690.
- 1.3 The principal legislation under which the Company operates is the Companies Act. As an investment trust, the Company is not regulated as a collective investment scheme by the FCA. However the Ordinary Shares and C Shares are admitted to the premium listing segment of the Official List and to trading on the Premium Segment. The Company and the Shareholders are subject to the Listing Rules, Prospectus Rules and the Disclosure Guidance and Transparency Rules.
- 1.4 The Company's accounting period ends on 31 December of each year. The Company's audited annual report and accounts from the period from incorporation to 31 December 2017 were published on 9 March 2018. The annual report and accounts are prepared in Sterling according to accounting standards laid out under IFRS.
- 1.5 On 7 November 2016, the Company was granted a certificate under section 761 of the Companies Act entitling it to commence business and to exercise its borrowing powers.
- 1.6 The Company is domiciled in England and Wales, does not have any employees and does not own any premises.
- 1.7 The Company is the holding company of a group consisting of the Company and the ZDP Subsidiary.
- 1.8 The Company has given notice to the Registrar of Companies of its intention to carry on business as an investment company pursuant to section 833 of the Companies Act.
- 1.9 The Company will continue to conduct its affairs as an investment trust for the purposes of sections 1158 and 1159 (and regulations made thereunder) of the CTA 2010. In summary, the conditions that must be met for approval as an investment trust are that:
 - (a) the Company must not be a close company at any time during any accounting period in which it is approved as an investment trust;
 - (b) each class of the Company's ordinary share capital is admitted to trading on a regulated market;
 - (c) the Company must not retain in respect of any accounting period an amount greater than 15 per cent. of its income;
 - (d) the business of the Company must consist of investing its funds in shares, land or other assets with the aim of spreading investment risk and giving Shareholders the benefit of the results of the management of its funds; and
 - (e) the Company must not be a venture capital trust or a UK REIT within the meaning of the CTA 2010.

2. Share Capital

- 2.1 On incorporation, the issued share capital of the Company was one Ordinary Share of a nominal value of £0.01, which was subscribed for by the Investment Manager.
- 2.2 The following changes in the share capital of the Company have taken place between incorporation of the Company and the date of this Prospectus:

- (a) on 3 November 2016, 50,000 redeemable management shares of £1.00 each were issued at par (fully paid) to the Investment Manager;
 - (b) on its initial public offering on 15 December 2016, 50,300,000 Ordinary Shares were issued pursuant to a placing and offer for subscription at an issue price of £1.00 per Ordinary Share;
 - (c) on 15 December 2016, the 50,000 redeemable management shares were redeemed out of the proceeds of the placing and offer for subscription at par value and cancelled;
 - (d) on 24 May 2017, 7,000,000 Ordinary Shares were issued pursuant to a placing at an issue price of £101.25 per Ordinary Share; and
 - (e) on 25 October 2017, 30,000,000 C Shares were issued pursuant to a placing at an issue price of £1.00 per C Share.
- 2.3 Accordingly, as at the date of this Prospectus, the Company has 57,300,000 Ordinary Shares and 30,000,000 Existing C Shares in issue. The total number of voting rights of the Company is 87,300,000.
- 2.4 As announced on 15 February 2018 the Company intends to convert the Existing C Shares into Ordinary Shares at the Conversion Ratio. It is expected that cancellation of the Existing C Shares and Admission and dealings in the new Ordinary Shares created pursuant to the Existing C Share conversion will take place on 19 March 2018.
- 2.5 At the General Meeting, convened for 28 March 2018, resolutions will be proposed whereby, if passed, *inter alia*,:
- (a) the Company will adopt the proposed changes to its Investment Policy, as set out in Part 2 of the circular to Shareholders dated 5 March 2018;
 - (b) the Directors will be generally and unconditionally authorised in accordance with section 551 of the Companies Act to exercise all of the powers of the Company to allot up to 250 million C Shares and/or Ordinary Shares, such authority to expire on the earlier of the Company's annual general meeting to be held in 2019 or 31 March 2019 (unless previously renewed, varied or revoked by the Company in general meeting), save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of Ordinary Shares and/or C Shares in pursuance of such an offer or agreement as if such authority had not expired. The authority granted pursuant to this resolution (b) is in substitution for the authority granted to Directors in accordance with section 551 of the CA 2006 on 23 November 2016.
 - (c) conditionally upon the passing of resolution (b), the Directors will be generally empowered (pursuant to section 570 of the CA 2006) to allot Ordinary Shares and/or C Shares for cash pursuant to the authority referred to in resolution (b) above as if section 561 of the CA 2006 did not apply to any such allotment, such authority to expire on the earlier of the Company's annual general meeting to be held in 2019 or 31 March 2019 (unless previously renewed, varied or revoked by the Company in general meeting), save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of Ordinary Shares and/or C Shares in pursuance of such an offer or agreement as if such authority had not expired. The authority granted pursuant to this resolution (c) is in substitution for the authority granted to Directors in accordance with section 570 of the CA 2006 on 23 November 2016.
- 2.6 The provisions of section 561(1) of the Companies Act (which, to the extent not disapplied pursuant to sections 570 and 573 of the Companies Act, confer on Shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) apply to issues by the Company of equity securities save to the extent disapplied as mentioned in paragraphs 2.5 (c).
- 2.7 In accordance with the power granted to the Directors by the Articles, it is expected that the C Shares will be allotted (conditionally upon Admission) pursuant to a resolution of the Board to be passed shortly before Admission in accordance with the Companies Act.
- 2.8 Save as disclosed in this paragraph 2, since incorporation: (i) there has been no alteration in the share capital of the Company; (ii) no share or loan capital of the Company has been issued or been agreed

to be issued, fully or partly paid, either for cash or for a consideration other than cash, and no such issue is now proposed, (iii) no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any such capital and (iv) no share or loan capital is under option or agreed, conditionally or unconditionally, to be put under option.

- 2.9 Applicants under the Initial Company Offerings may not withdraw their applications for C Shares subject to their statutory rights of withdrawal in the event of the publication of a supplementary prospectus.

3. Interests of Directors, Major Shareholders and Related Party Transactions

- 3.1 As at the date of this Prospectus, the Directors held the following interests in the share capital of the Company:

<i>Director</i>	<i>Number of Ordinary Shares</i>	<i>% of voting rights</i>
Norman Crighton	20,000	0.02
Guy Heald	20,000	0.02
Marlene Wood	20,000	0.02

Save as disclosed in this paragraph, no Director has any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

- 3.2 The following Director has agreed to subscribe under the Initial Company Offerings for the number of C Shares set out against their name below:

<i>Director</i>	<i>Number of C Shares</i>	<i>% of issued C Share capital*</i>
Norman Crighton	10,000	0.01

*Assuming gross proceeds of the Initial Company Offerings of £20 million

- 3.3 No Director has a service contract with the Company, nor are any such contracts proposed, each Director having been appointed pursuant to a letter of appointment entered into with the Company. The Directors' appointments can be terminated in accordance with the Articles and without compensation. Each of the Directors intends to stand for re-election on an annual basis. There is no notice period specified in the letters of appointment or Articles for the removal of Directors. The Articles provide that the office of Director shall be terminated by, among other things: (i) written resignation; (ii) unauthorised absences from board meetings for six consecutive months or more; or (iii) written request of all of the other Directors.
- 3.4 Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chairman, the current fees are £30,000 for each Director per annum. The Chairman's current fee is £36,000 per annum. The Chairman of the Audit and Management Engagement Committee receives an additional £3,000 per annum. The Directors are also entitled to out-of-pocket expenses incurred in the proper performance of their duties.
- 3.5 No amount has been set aside or accrued by the Company to provide pensions, retirement or other similar benefits.
- 3.6 None of the Directors has, or has had, an interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company or that has been effected by the Company since its incorporation.
- 3.7 The Company has not made any loans to the Directors which are outstanding, nor has it ever provided any guarantees for the benefit of any Director or the Directors collectively.

3.8 Over the five years preceding the date of this Prospectus, the Directors hold or have held the following directorships (apart from their directorships of the Company) or memberships of administrative, management or supervisory bodies and/or partnerships:

<i>Name</i>	<i>Current</i>	<i>Previous</i>
Norman Crighton	Global Fixed Income Realisation Limited Universal Umwelt Limited Weiss Korea Opportunity Fund	Private Equity Investor plc Rangers International Football Club plc SME Loan Fund plc The Rangers Football Club Limited Trading Emissions plc World Firsts Organization Limited
Guy Heald	Orford Road Tapas Limited Adnams plc Jennings Underwriting Limited Melianthus Limited Soho Theatre Bar Limited Zakari Investments Limited TA Hotel Collection Limited Zakari Wines Limited BBA (2010) Limited Argenta Private Capital Limited Silver Lining 55 Limited Sagittarus Royaume-Uni Limited	Hazelwood Hall Management Company Limited GB Bloodstock Limited Alexie Design and Construction Limited Pacific Asset Management (S) Pte Limited
Marlene Wood	One Parent Families Scotland GCP Brunswick limited GCP Scape East Limited GCP Topco Limited GCP Brunswick 2 Limited GCP RHUL 2 Limited GCP RHUL Limited GCP Student Living plc 2010 Finance Limited GCP Holdco Limited GCP APEX Limited GCP WL Limited GCP SG Limited GCP Operations Limited Scottish Funding Council GCP QMUL Limited GCP Brighton Limited GCP Holdco 2 Limited GCP Topco Limited GCP Bloomsbury Limited GCP Wembley Limited GCP Wembley 2 Limited Scottish Funding Council for Further and Higher Education	Sanderson Bros Limited Aviva Investors Secured Income REIT Limited Edinburgh Printmakers Limited

3.9 The Directors in the five years before the date of this Prospectus:

- (a) do not have any convictions in relation to fraudulent offences;
- (b) have not been associated with any bankruptcies, receiverships or liquidations of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
- (c) do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

- 3.10 As at 9 March 2018 (being the latest practicable date prior to the publication of this Prospectus), insofar as is known to the Company, the following persons were interested, directly or indirectly, in 3 per cent. or more of the voting rights in the Company as a Shareholder or through a direct or indirect holding of financial instruments (in each case for the purposes of Chapter 5 of the Disclosure Guidance and Transparency Rules):

<i>Name</i>	<i>Total voting rights</i>	<i>% of voting rights</i>
Funds managed by CCLA Investment Management Limited	17,426,746	19.96
Funds managed by Old Mutual Plc	15,000,000	17.18
CG Asset Management	5,705,000	6.53
Charles Taylor Investment Management Ltd	3,680,000	4.22
Seneca Investment Managers	3,500,000	4.01
Hawksmoor Investment Management Limited	3,400,000	3.89

- 3.11 The Company and the Directors are not aware of any other person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company. The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.
- 3.12 All Shareholders have the same voting rights in respect of the share capital of the Company.
- 3.13 Save for the entry into of the Investment Management Agreement, the Company has not entered into any related party transaction at any time during the period from incorporation to 9 March 2018 (being the latest practicable date prior to the publication of this Prospectus).
- 3.14 As at the date of this Prospectus, none of the Directors has any conflict of interest or potential conflict of interest between any duties to the Company and their private interests and/or other duties.
- 3.15 The Company intends to maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

4. The Company's Articles of Association

The Articles contain provisions, *inter alia*, to the following effect:

4.1 Objects/Purposes

The Articles do not provide for any objects of the Company and accordingly the Company's objects are unrestricted.

4.2 Voting rights

- (a) Subject to the provisions of the Companies Act, to any special terms as to voting on which any shares may have been issued or may from time-to-time be held and any suspension or abrogation of voting rights pursuant to the Articles, at a general meeting of the Company every member who is present in person shall, on a show of hands, have one vote, every proxy who has been appointed by a member entitled to vote on the resolution shall, on a show of hands, have one vote and every member present in person or by proxy shall, on a poll, have one vote for each share of which he is a holder. A Shareholder entitled to more than one vote need not, if he votes, use all his votes or vest all the votes he uses the same way. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (b) Unless the Board otherwise determines, no member is entitled to vote at a general meeting or at a separate meeting of Shareholders of any class of shares, either in person or by proxy, or to exercise any other right or privilege as a member in respect of any share held by him, unless all calls presently payable by him in respect of that share, whether alone or jointly with any other person, together with interest and expenses (if any) payable by such member to the Company have been paid or if he, or any other person whom the Company reasonably believes

to be interested in such shares, has been issued with a notice pursuant to the Companies Act requiring such person to provide information about his interests in the Company's shares and has failed in relation to any such shares to give the Company the required information within 14 days.

- (c) Notwithstanding any other provision of the Articles, where required by the Listing Rules, a vote must be decided by a resolution of the holders of the Company's shares that have been admitted to premium listing. In addition, where the Listing Rules require that a particular resolution must in addition be approved by the independent shareholders (as such term is defined in the Listing Rules), only independent shareholders who hold the Company's shares that have been admitted to premium listing can vote on such separate resolution.

4.3 **Dividends**

- (a) Subject to the provisions of the Companies Act and of the Articles, the Company may by ordinary resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.
- (b) Subject to the provisions of the Companies Act, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appears to the Board to be justified by the profits of the Company available for distribution. If at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends on Shares which rank after shares conferring preferential rights with regard to dividends as well as on shares conferring preferential rights, unless at the time of payment any preferential dividend is in arrears. Provided that the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those preferential rights.
- (c) All dividends, interest or other sums payable and unclaimed for a period of 12 months after having become payable may be invested or otherwise used by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of 12 years after having become payable shall, if the Board so resolves, be forfeited and shall cease to remain owing by, and shall become the property of, the Company.
- (d) The Board may, with the authority of an ordinary resolution of the Company, direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, or in any one or more of such ways.
- (e) The Board may also, with the prior authority of an ordinary resolution of the Company and subject to such terms and conditions as the Board may determine, offer to holders of shares the right to elect to receive shares, credited as fully paid, instead of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution.
- (f) Unless the Board otherwise determines, the payment of any dividend or other money that would otherwise be payable in respect of shares will be withheld if such shares represent at least 0.25 per cent. in nominal value of their class and the holder, or any other person whom the Company reasonably believes to be interested in those shares, has been duly served with a notice pursuant to the Companies Act requiring such person to provide information about his interests in the Company's shares and has failed to supply the required information within 14 days. Furthermore such a holder shall not be entitled to elect to receive shares instead of a dividend.

4.4 **Winding up**

If the Company is wound up, with the sanction of a special resolution and any other sanction required by law and subject to the Companies Act, the liquidator may divide among the Shareholders in specie the whole or any part of the assets of the Company and for that purpose may value any assets and determine how the division shall be carried out as between the Shareholders or different classes of

shareholders. With the like sanction, the liquidator may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the shareholders as he may with the like sanction determine, but no shareholder shall be compelled to accept any shares or other securities upon which there is a liability.

4.5 **Transfer of shares**

- (a) Subject to any applicable restrictions in the Articles, each member may transfer all or any of his shares which are in certificated form by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument must be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor is deemed to remain the holder of the share until the transferee's name is entered in the register of members.
- (b) The Board may, in its absolute discretion, refuse to register any transfer of a share in certificated form (or renunciation of a renounceable letter of allotment) unless:
 - (i) it is in respect of a share which is fully paid up;
 - (ii) it is in respect of only one class of shares;
 - (iii) it is in favour of a single transferee or not more than four joint transferees;
 - (iv) it is duly stamped (if so required); and
 - (v) it is delivered for registration to the registered office for the time being of the Company or such other place as the Board may from time-to-time determine, accompanied (except in the case of (a) a transfer by a recognised person where a certificate has not been issued (b) a transfer of an uncertificated share or (c) a renunciation) by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor or person renouncing and the due execution of the transfer or renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so, provided that the Board shall not refuse to register a transfer or renunciation of a partly paid share in certificated form on the grounds that it is partly paid in circumstances where such refusal would prevent dealings in such share from taking place on an open and proper basis on the market on which such share is admitted to trading. The Board may refuse to register a transfer of an uncertificated share in such other circumstances as may be permitted or required by the regulations and the relevant electronic system.
- (c) Unless the Board otherwise determines, a transfer of shares will not be registered if the transferor or any other person whom the Company reasonably believes to be interested in the transferor's shares has been duly served with a notice pursuant to the Companies Act requiring such person to provide information about his interests in the Company's shares, has failed to supply the required information within 14 days and the shares in respect of which such notice has been served represent at least 0.25 per cent. in nominal value of their class, unless the member is not himself in default as regards supplying the information required and proves to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer, or unless such transfer is by way of acceptance of a takeover offer, in consequence of a sale on a recognised investment exchange or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded or is in consequence of a *bona fide* sale to an unconnected party.
- (d) If the Board refuses to register a transfer of a share, it shall send the transferee notice of its refusal, together with its reasons for refusal, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company.
- (e) No fee shall be charged for the registration of any instrument of transfer or any other document relating to or affecting the title to any shares.
- (f) If at any time the holding or beneficial ownership of any shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Directors (i) would cause the assets of the Company to be treated as "plan assets" of any benefit plan investor under

section 3(42) of ERISA or the US Tax Code; or (ii) would or might result in the Company and/or its shares being required to register or qualify under the Investment Company Act and/or the Securities Act and/or the Exchange Act and/or any laws of any state of the US that regulate the offering and sale of securities; or (iii) may cause the Company not to be considered a “Foreign Private Issuer” under the Exchange Act; or (iv) may cause the Company to be a “controlled foreign corporation” for the purpose of the US Tax Code; or (v) creates a significant legal or regulatory issue for the Company under the US Bank Holding Company Act of 1956 (as amended) or regulations or interpretations thereunder, or (vi) would cause the Company adverse consequences under the foreign account tax compliance provisions of the US Hiring Incentives to Restore Employment Act of 2010, then any shares which the Directors decide are shares which are so held or beneficially owned (“**Prohibited Shares**”) must be dealt with in accordance with paragraph 4.5.7 below. The Directors may at any time give notice in writing to the holder of a share requiring him to make a declaration as to whether or not the share is a Prohibited Share.

- (g) The Directors shall give written notice to the holder of any share which appears to them to be a Prohibited Share requiring him within 21 days (or such extended time as the Directors consider reasonable) to transfer (and/or procure the disposal of interests in) such share to another person so that it will cease to be a Prohibited Share. From the date of such notice until registration for such a transfer or a transfer arranged by the Directors as referred to below, the share will not confer any right on the holder to receive notice of or to attend and vote at a general meeting of the Company and of any class of shareholder and those rights will vest in the Chairman of any such meeting, who may exercise or refrain from exercising them entirely at his discretion. If the notice is not complied with within 21 days to the satisfaction of the Directors, the Directors shall arrange for the Company to sell the share at the best price reasonably obtainable to any other person so that the share will cease to be a Prohibited Share. The net proceeds of sale (after payment of the Company’s costs of sale and together with interest at such rate as the Directors consider appropriate) shall be paid over by the Company to the former holder upon surrender by him of the relevant share certificate (if applicable).
- (h) Upon transfer of a share the transferee of such share shall be deemed to have represented and warranted to the Company that such transferee is acquiring shares in an offshore transaction meeting the requirements of Regulation S and is not, nor is acting on behalf of: (i) a benefit plan investor and no portion of the assets used by such transferee to acquire or hold an interest in such share constitutes or will be treated as “plan assets” of any benefit plan investor under Section 3(42) of ERISA; and/or (ii) a US Person.

4.6 **Variation of rights**

- (a) Subject to the provisions of the Companies Act, if at any time the share capital of the Company is divided into shares of different classes, any of the rights for the time being attached to any shares (whether or not the Company may be or is about to be wound up) may from time-to-time be varied or abrogated in such manner (if any) as may be provided in the Articles by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the relevant class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the class.
- (b) The quorum at every such meeting shall be not less than two persons present (in person or by proxy) holding at least one-third of the nominal amount paid up on the issued shares of the relevant class (excluding any shares of that class held as treasury shares) and at an adjourned meeting not less than one person holding shares of the relevant class or his proxy.

4.7 **Alteration of share capital**

The Company may by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger nominal value than its existing shares;

- (b) subject to the provisions of the Companies Act, sub-divide its shares, or any of them, into shares of smaller nominal value than its existing shares;
- (c) determine that, as between the shares resulting from such a sub-division, one or more shares may, as compared with the others, have any such preferred, deferred or other rights or be subject to any such restrictions, as the Company has power to attach to unissued or new shares; and
- (d) redenominate its share capital by converting shares from having a fixed nominal value in one currency to having a fixed nominal value in another currency.

4.8 **General meetings**

- (a) The Board may convene a general meeting (which is not an annual general meeting) whenever it thinks fit.
- (b) A general meeting shall be convened by such notice as may be required by law from time-to-time.
- (c) The notice of any general meeting shall include such statements as are required by the Companies Act and shall in any event specify:
 - (i) whether the meeting is convened as an annual general meeting or any other general meeting;
 - (ii) the place, the day, and the time of the meeting;
 - (iii) the general nature of the business to be transacted at the meeting;
 - (iv) if the meeting is convened to consider a special resolution, the text of the resolution and the intention to propose the resolution as such; and
 - (v) with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or (provided each proxy is appointed to exercise the rights attached to a different share held by the member) more proxies to attend and to speak and vote instead of the member and that a proxy need not also be a member.
- (d) The notice must be given to the members (other than any who, under the provisions of the Articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the Directors and the auditors and to any other person who may be entitled to receive it. The accidental omission to give or send notice of any general meeting, or, in cases where it is intended that it be given or sent out with the notice, any other document relating to the meeting including an appointment of proxy to, or the non-receipt of notice by, any person entitled to receive the same, shall not invalidate the proceedings at the meeting.
- (e) The right of a member to participate in the business of any general meeting shall include without limitation the right to speak, vote, be represented by a proxy or proxies and have access to all documents which are required by the Companies Act or the Articles to be made available at the meeting.
- (f) Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares of the Company. The Chairman of any general meeting may also invite any person to attend and speak at that meeting if he considers that this will assist in the deliberations of the meeting.
- (g) No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Subject to the Articles, two persons entitled to attend and to vote on the business to be transacted, each being a member so entitled or a proxy for a member so entitled or a duly authorised representative of a corporation which is a member so entitled, shall be a quorum. If, at any time, there is only one person entitled to attend and to vote on the business to be transacted, such person being the sole member so entitled or a proxy for such sole member so entitled or a duly authorised representative of a corporation which is such sole member so entitled, shall be a quorum. The Chairman of the meeting may, with the consent of the meeting at which a quorum is present, and shall, if so directed by the

meeting, adjourn the meeting from time-to-time (or indefinitely) and from place to place as the meeting shall determine. Where a meeting is adjourned indefinitely, the Board shall fix a time and place for the adjourned meeting. Whenever a meeting is adjourned for 30 days or more or indefinitely, seven clear days' notice at the least, specifying the place, the day and time of the adjourned meeting and the general nature of the business to be transacted, must be given in the same manner as in the case of the original meeting.

- (h) A resolution put to a vote of the meeting shall be decided on a show of hands unless a poll is duly demanded. Subject to the provisions of the Companies Act, a poll may be demanded by:
- (i) the Chairman;
 - (ii) at least five members having the right to vote on the resolution;
 - (iii) a member or members representing not less than five per cent. of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to shares held as treasury shares); or
 - (iv) member or members holding shares conferring the right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than ten per cent. of the total sum paid up on all the shares conferring that right (excluding any voting rights attached to shares in the Company conferring a right to vote on the resolution held as treasury shares).

4.9 ***Borrowing powers***

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets (present and future) and, subject to the provisions of the Companies Act, to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The Directors shall restrict the borrowings of the Company that the aggregate principal amount (including any premium payable on final repayment) outstanding of all money borrowed by the Company shall not, save with the previous sanction of an ordinary resolution of the Company, exceed an amount equal to 20 per cent. of the Company's net assets at the time of draw down.

4.10 ***Issue of shares***

Subject to the provisions of the Companies Act and to any rights for the time being attached to any shares, any shares may be allotted or issued with or have attached to them such preferred, deferred or other rights or restrictions, whether in regard to dividend, voting, transfer, return of capital or otherwise, as the Company may from time-to-time by ordinary resolution determine or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may determine, and any share may be issued which is, or at the option of the Company or the holder of such share is liable to be, redeemed in accordance with the Articles or as the Directors may determine.

- 4.11 The business of the Company shall be managed by the Directors who, subject to the provisions of the Articles and to any directions given by special resolution to take, or refrain from taking, specified action, may exercise all the powers of the Company, whether relating to the management of the business or not. Any Director may appoint any other Director, or any other person approved by resolution of the Directors and willing to act and permitted by law to do so, to be an alternate Director.

4.12 ***Directors' fees***

- (a) The Directors (other than alternate Directors) shall be entitled to receive by way of fees for their services as Directors such sum as the Board may from time-to-time determine (not exceeding in aggregate £250,000 per annum or such other sum as the Company in general meeting shall from time-to-time determine). Any such fees payable shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provision of the Articles or otherwise and shall accrue from day to day.
- (b) The Directors are entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors.

4.13 **Directors' interests**

- (a) The Board may authorise any matter proposed to it in accordance with the Articles which would otherwise involve a breach by a Director of his duty to avoid conflicts of interest under the Companies Act, including any matter which relates to a situation in which a Director has or can have an interest which conflicts, or possibly may conflict, with the interest of the Company or the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it (excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest). This does not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company. Any authorisation will only be effective if any quorum requirement at any meeting at which the matter was considered is met without counting the Director in question or any other interested Director and the matter was agreed to without their voting or would have been agreed to if their votes had not been counted. The Board may impose limits or conditions on any such authorisation or may vary or terminate it at any time.
- (b) Subject to having, where required, obtained authorisation of the conflict from the Board, a Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director and in respect of which he has a duty of confidentiality to another person and will not be in breach of the general duties he owes to the Company under the Companies Act because he fails to disclose any such information to the Board or to use or apply any such information in performing his duties as a Director, or because he absents himself from meetings of the Board at which any matter relating to a conflict of interest, or possible conflict, of interest is discussed and/or makes arrangements not to receive documents or information relating to any matter which gives rise to a conflict of interest or possible conflict of interest and/or makes arrangements for such documents and information to be received and read by a professional adviser.
- (c) Provided that his interest is disclosed at a meeting of the Board, or in the case of a transaction or arrangement with the Company, in the manner set out in the Companies Act, a Director, notwithstanding his office:
- (i) may be a party to or otherwise be interested in any transaction arrangement or proposal with the Company or in which the Company is otherwise interested;
 - (ii) may hold any other office or place of profit at the Company (except that of auditor of the Company or any of its subsidiaries) and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Board may arrange;
 - (iii) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has powers of appointment; and
 - (iv) shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any office or employment or from any transaction, arrangement or proposal or from any interest in any body corporate. No such transaction, arrangement or proposal shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such profit, remuneration or any other benefit constitute a breach of his duty not to accept benefits from third parties.
- (d) 4.13.4 A Director need not declare an interest in the case of a transaction or arrangement with the Company if the other Directors are already aware, or ought reasonably to be aware, of the interest or it concerns the terms of his service contract that have been or are to be considered at a meeting of the Directors or if the interest consists of him being a director, officer or employee of a company in which the Company is interested.
- (e) 4.13.5 The Board may cause the voting rights conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as it thinks fit and a Director may vote on and be counted in the quorum in relation to any of these matters.

4.14 **Restrictions on Directors voting**

- (a) A Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee of the Board concerning any transaction or arrangement in which he has an interest which is to his knowledge a material interest and, if he purports to do so, his vote will not be counted, but this prohibition shall not apply in respect of any resolution concerning any one or more of the following matters:
- (i) any transaction or arrangement in which he is interested by means of an interest in shares, debentures or other securities or otherwise in or through the Company;
 - (ii) the giving of any guarantee, security or indemnity in respect of money lent to, or obligations incurred by him or any other person at the request of or for the benefit of, the Company or any of its subsidiary undertakings;
 - (iii) the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - (iv) the giving of any other indemnity where all other Directors are also being offered indemnities on substantially the same terms;
 - (v) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
 - (vi) any proposal concerning any other body corporate in which he does not to his knowledge have an interest (as the term is used in Part 22 of the Companies Act) in one per cent. or more of the issued equity share capital of any class of such body corporate nor to his knowledge holds one per cent. or more of the voting rights which he holds as shareholder or through his direct or indirect holding of financial instruments (within the meaning of the Disclosure and Transparency Rules) in such body corporate;
 - (vii) any proposal relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;
 - (viii) any proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors;
 - (ix) any proposal concerning the funding of expenditure by one or more Directors on defending proceedings against him or them, or doing anything to enable such Director or Directors to avoid incurring such expenditure; or
 - (x) any transaction or arrangement in respect of which his interest, or the interest of Directors generally has been authorised by ordinary resolution.
- (b) A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested.

4.15 **Number of Directors**

Unless and until otherwise determined by an ordinary resolution of the Company, the number of Directors shall be not less than two and the number is not subject to a maximum.

4.16 **Directors' appointment and retirement**

- (a) Directors may be appointed by the Company by ordinary resolution or by the Board. If appointed by the Board, a Director shall hold office only until the next annual general meeting.

- (b) At each annual general meeting of the Company, any Directors appointed by the Board since the last annual general meeting shall retire. In addition each of the Directors will stand for re-election on an annual basis.

4.17 **Notice requiring disclosure of interest in shares**

- (a) The Company may, by notice in writing, require a person whom the Company knows to be, or has reasonable cause to believe is, interested in any shares or at any time during the three years immediately preceding the date on which the notice is issued to have been interested in any shares, to confirm that fact or (as the case may be) to indicate whether or not this is the case and to give such further information as may be required by the Directors. Such information may include, without limitation, particulars of the person's identity, particulars of the person's own past or present interest in any shares and to disclose the identity of any other person who has a present interest in the shares held by him, where the interest is a present interest and any other interest, in any shares, which 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 and where a person's interest is a past interest to give (so far as is within his knowledge) like particulars for the person who held that interest immediately upon his ceasing to hold it.
- (b) If any shareholder is in default in supplying to the Company the information required by the Company within the prescribed period (which is 14 days after service of the notice), or such other reasonable period as the Directors may determine, the Directors in their absolute discretion may serve a direction notice on the shareholder. The direction notice may direct that in respect of the shares in respect of which the default has occurred (the "**default shares**") the shareholder shall not be entitled to vote in general meetings or class meetings. Where the default shares represent at least 0.25 per cent. in nominal value 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.

4.18 **Untraced shareholders**

Subject to the Articles, the Company may sell any shares registered in the name of a member remaining untraced for 12 years who fails to communicate with the Company following advertisement of an intention to make such a disposal. Until the Company can account to the member, the net proceeds of sale will be available for use in the business of the Company or for investment, in either case at the discretion of the Board. The proceeds will not carry interest.

4.19 **Indemnity of officers**

Subject to the provisions of the Companies Act, but without prejudice to any indemnity to which he might otherwise be entitled, every past or present Director (including an alternate Director) or officer of the Company or a director or officer of an associated company (except the auditors or the auditors of an associated company) may at the discretion of the Board be indemnified out of the assets of the Company against all costs, charges, losses, damages and liabilities incurred by him for negligence, default, breach of duty, breach of trust or otherwise in relation to the affairs of the Company or of an associated company, or in connection with the activities of the Company, or of an associated company, or as a trustee of an occupational pension scheme (as defined in section 235(6) Companies Act). In addition the Board may purchase and maintain insurance at the expense of the Company for the benefit of any such person indemnifying him against any liability or expenditure incurred by him for acts or omissions as a Director or officer of the Company (or of an associated company).

4.20 **C Shares and Deferred Shares**

The rights and restrictions attaching to the C Shares and the Deferred Shares arising on their conversion are summarised below.

(a) The following definitions apply for the purposes of this paragraph 4.21 only:

“Calculation Date” means, in relation to any tranche of C Shares, the earliest of the:

- (i) close of business on the date to be determined by the Directors occurring not more than 10 Business Days after the day on which the Investment Manager shall have given notice to the Directors that at least 85 per cent. of the Net Proceeds (or such other percentage as the Directors and Investment Manager shall agree) shall have been invested; or
- (ii) close of business on the date falling six calendar months after the allotment of that tranche of C Shares or if such a date is not a Business Day the next following Business Day; or
- (iii) the close of business on such date as the Directors may decide is necessary to enable the Company to comply with its obligations in respect of Conversion of that tranche of C Shares; or
- (iv) close of business on the day on which the Directors resolve that Force Majeure Circumstances have arisen or are in contemplation in relation to any tranche of C Shares;

“Conversion” means conversion of any tranche of C Shares into Shares and Deferred Shares in accordance with paragraph 4.21.8 below;

“Conversion Date” means, in relation to any tranche of C Shares, the close of business on such Business Day as may be selected by the Directors falling not more than 10 Business Days after the Calculation Date of such tranche of C Shares;

“Conversion Ratio” is the ratio of the net asset value per C Share of the relevant tranche to the net asset value per Share, which is calculated as:

Conversion Ratio = $\frac{A}{B}$

$$A = \frac{C-D}{E}$$

$$B = \frac{F-G}{H}$$

where:

“C” is the aggregate of:

- (i) the value of the investments of the Company attributable to the C Shares of the relevant tranche (other than investments which are subject to restrictions on transfer or a suspension of dealings, which are in each case to be valued in accordance with (ii) below) which are listed, quoted, dealt in or traded on a stock exchange calculated by reference to the bid-market quotations at close of business of, or, if appropriate, the daily average of the prices marked for, those investments on the relevant Calculation Date on the principal stock exchange or market where the relevant investment is listed, quoted, dealt in or traded, as derived from the relevant exchange's or market's recognised method of publication of prices for such investments where such published prices are available;
- (ii) the value of all other investments of the Company attributable to the C Shares of the relevant tranche (other than investments included in (i) above) calculated by reference to the Directors' belief as to a fair current value for those investments on the relevant Calculation Date after taking into account any other price publication services reasonably available to the Directors; and
- (iii) the amount which, in the Directors' opinion, fairly reflects, on the relevant Calculation Date, the value of the current assets of the Company attributable to the C Shares of the relevant tranche (excluding the investments valued under (i))

and (ii) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature);

“**D**” is the amount (to the extent not otherwise deducted from the assets attributable to the C Shares of the relevant tranche) which, in the Directors’ opinion, fairly reflects the amount of the liabilities of the Company attributable to the C Shares of the relevant tranche on the relevant Calculation Date;

“**E**” is the number of C Shares of the relevant tranche in issue on the relevant Calculation Date;

“**F**” is the aggregate of:

(i) the value of all the investments of the Company attributable to the Shares (other than investments which are subject to restrictions on transfer or a suspension of dealings, which are in each case to be valued in accordance with (ii) below) which are listed, quoted, dealt in or traded on a stock exchange calculated by reference to the bid-market quotations at close of business of, or, if appropriate, the daily average of the prices marked for, those investments on the relevant Calculation Date on the principal stock exchange or market where the relevant investment is listed, quoted, dealt in or traded as derived from the relevant exchange’s or market’s recognised method of publication of prices for such investments where such published prices are available; and

(ii) the value of all other investments of the Company attributable to the Shares (other than investments included in (i) above) calculated by reference to the Directors’ belief as to a fair current value for those investments on the relevant Calculation Date after taking into account any other price publication services reasonably available to the Directors; and

(iii) the amount which, in the Directors’ opinion, fairly reflects, on the relevant Calculation Date, the value of the current assets of the Company attributable to the Shares (excluding the investments valued under (i) and (ii) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature);

“**G**” is the amount (to the extent not otherwise deducted in the calculation of F) which, in the Directors’ opinion, fairly reflects the amount of the liabilities of the Company attributable to the Shares on the relevant Calculation Date; and

“**H**” is the number of Shares in issue on the relevant Calculation Date (excluding any Shares held in treasury),

provided that the Directors shall make such adjustments to the value or amount of A and B as the Directors believe to be appropriate having regard among other things, to the assets of the Company immediately prior to the date on which the Company first receives the Net Proceeds relating to the C Shares of the relevant tranche and/or to the reasons for the issue of the C Shares of the relevant tranche;

“**Deferred Shares**” means deferred shares of one penny each in the capital of the Company arising on Conversion;

“**Existing Shares**” means the Shares in issue immediately prior to Conversion;

“**Force Majeure Circumstances**” means, in relation to any tranche of C Shares (i) any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable; (ii) the issue of any proceedings challenging, or seeking to challenge, the power of the Company and/or its Directors to issue the C Shares of the relevant tranche with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are proposed to be issued; or (iii) the giving of notice of any general meeting of the Company at which a resolution is to be proposed to wind up the Company, whichever shall happen earliest; and

“**Net Proceeds**” means the net cash proceeds of the issue of any tranche of C Shares (after deduction of those commissions and expenses relating thereto and payable by the Company).

References to Shareholders, C shareholders and deferred shareholders should be construed as references to holders for the time being of Shares, C Shares of the relevant tranche and Deferred Shares respectively.

- (b) The holders of the Shares, any tranche of C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights to be paid dividends:
- (i) the Deferred Shares (to the extent that any are in issue and extant) shall entitle the holders thereof to a cumulative dividend at a fixed rate of one per cent. of the nominal amount thereof (the “**Deferred Dividend**”) on the date six months after the Conversion Date on which such Deferred Shares were created in accordance with paragraph 4.21(h) (the “**Relevant Conversion Date**”) and on each anniversary of such date payable to the holders thereof on the register of members on that date as holders of Deferred Shares but shall confer no other right, save as provided herein, on the holders thereof to share in the profits of the Company. The Deferred Dividend shall not accrue or become payable in any way until the date six months after the Conversion Date and shall then only be payable to those holders of Deferred Shares registered in the register of members of the Company as holders of Deferred Shares on that date. It should be noted that given the proposed redemption of the Deferred Shares as described below, it is not expected that any dividends will accrue or be paid on such shares;
 - (ii) the holders of any tranche of C Shares shall be entitled to receive in that capacity such dividends as the Directors may resolve to pay out of the assets attributable to the C Shares of that tranche and from profits available for distribution which is attributable to the C Shares of that tranche;
 - (iii) the Existing Shares shall confer the right to dividends declared in accordance with the Articles;
 - (iv) the Shares into which any tranche of C Shares shall convert shall rank *pari passu* with the Existing Shares for dividends and other distributions made or declared by reference to a record date falling after the relevant Calculation Date; and
 - (v) no dividend or other distribution shall be made or paid by the Company on any of its shares (other than any Deferred Shares for the time being in issue) between any Calculation Date and the relevant Conversion Date (both dates inclusive) and no such dividend shall be declared with a record date falling between any Calculation Date and the relevant Conversion Date (both dates inclusive).
- (c) The holders of the Shares, any tranche of C Shares, the Deferred Shares and the redeemable management shares of £1.00 each shall, subject to the provisions of the Articles, have the following rights as to capital:
- (i) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase or redemption by the Company of any of its shares) at a time when one or more tranches of C Shares are for the time being in issue and prior to the Conversion Date be applied amongst the holders of the Existing Shares *pro rata* according to the nominal capital paid up on their holdings of Existing Shares, after having deducted therefrom:
 - (A) first, an amount equivalent to (C-D) for each tranche of C Shares in issue using the methods of calculation of C and D given in the definition of Conversion Ratio, which amount(s) shall be applied amongst the C shareholders of the relevant tranche(s) *pro rata* according to the nominal capital paid up on their holdings of C Shares of the relevant tranche;
 - (B) secondly, if there are Deferred Shares in issue, in paying to the holders of Deferred Shares one penny in aggregate in respect of every one million Deferred Shares (or part thereof) of which they are respectively the holders;

- (C) thirdly, in paying to the holders of the redeemable management shares of £1.00 each in respect of each such share the amount paid up or treated as paid up thereon, for the purposes of this paragraph 4.21(c)(i) the Calculation Date shall be such date as the liquidator may determine; and
 - (ii) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase or redemption by the Company of any of its shares) at a time when no C Shares of any tranche are for the time being in issue be applied as follows:
 - (A) first, if there are Deferred Shares in issue, in paying to the deferred shareholders one penny in aggregate in respect of every one million Deferred Shares (or part thereof) of which they are respectively the holders;
 - (B) secondly, there will be paid to the holders of the redeemable management shares of £1.00 each in respect of each such share the amount paid up or treated as paid up thereon; and
 - (C) thirdly, the surplus shall be divided amongst the Shareholders *pro rata* according to the nominal capital paid up on their holdings of Shares.
- (d) As regards voting:
 - (i) the C Shares shall carry the right to receive notice of and to attend and vote at any general meeting of the Company. The voting rights of holders of C Shares will be the same as that applying to holders of Existing Shares as set out in the Articles as if the C Shares and Existing Shares were a single class; and
 - (ii) the Deferred Shares shall not carry any right to receive notice of nor to attend or vote at any general meeting of the Company.
- (e) The following shall apply to the Deferred Shares:
 - (i) the C Shares shall be issued on such terms that the Deferred Shares arising upon Conversion (but not the Shares arising on Conversion) may be redeemed by the Company in accordance with the terms set out herein;
 - (ii) immediately upon Conversion of any tranche of C Shares, the Company shall redeem all of the Deferred Shares which arise as a result of Conversion of that tranche for an aggregate consideration of one penny for all of the Deferred Shares so redeemed and the notice referred to in paragraph 4.21.8.2 below shall be deemed to constitute notice to each C Shareholder of the relevant tranche (and any person or persons having rights to acquire or acquiring C Shares of the relevant tranche on or after the Calculation Date) that the Deferred Shares shall be so redeemed; and
 - (iii) the Company shall not be obliged to: (i) issue share certificates to the deferred shareholders in respect of the Deferred Shares; or (ii) account to any deferred shareholder for the redemption moneys in respect of such Deferred Shares.
- (f) Without prejudice to the generality of the Articles, for so long as any C Shares are for the time being in issue it shall be a special right attaching to the Existing Shares as a class and to the C Shares as a separate class that without the sanction or consent of such holders given in accordance with the Company's Articles:
 - (i) no alteration shall be made to the Articles of the Company;
 - (ii) no allotment or issue will be made of any security convertible into or carrying a right to subscribe for any share capital of the Company other than the allotment or issue of further C Shares; and
 - (iii) no resolution of the Company shall be passed to wind-up the Company.

For the avoidance of doubt but subject to the rights or privileges attached to any other class of shares, the previous sanction of a special resolution of the holders of Existing Shares and C Shares, as described above, shall not be required in respect of:

- (iv) the issue of further Shares ranking pari passu in all respects with the Existing Shares (otherwise than in respect of any dividend or other distribution declared, paid or made on the Existing Shares by the issue of such further Shares); or
 - (v) the sale of any shares held as treasury shares (as such term is defined in section 724 of the Companies Act) in accordance with sections 727 and 731 of the Companies Act or the purchase or redemption of any shares by the Company (whether or not such shares are to be held in treasury).
- (g) For so long as any tranche of C Shares are for the time being in issue, until Conversion of such tranche of C Shares and without prejudice to its obligations under applicable laws the Company shall:
- (i) procure that the Company's records, and bank and custody accounts shall be operated so that the assets attributable to the C Shares of that tranche can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall, without prejudice to any obligations pursuant to applicable laws, procure that separate cash accounts, broker settlement accounts and investment ledger accounts shall be created and maintained in the books of the Company for the assets attributable to the C Shares of that tranche;
 - (ii) allocate to the assets attributable to the C Shares of that tranche such proportion of the income, expenses and liabilities of the Company incurred or accrued between the date on which the Company first receives the Net Proceeds and the Calculation Date relating to such tranche of C Shares (both dates inclusive) as the Directors fairly consider to be attributable to that tranche of C Shares; and
 - (iii) give appropriate instructions to the Investment Manager to manage the Company's assets so that such undertakings can be complied with by the Company.
- (h) In relation to any tranche of C Shares, the C Shares for the time being in issue of that tranche shall be sub-divided and converted into Shares and Deferred Shares on the relevant Conversion Date in accordance with the following provisions of this paragraph 4.21(h):
- (i) the Directors shall procure that within 10 Business Days of the relevant Calculation Date:
 - (A) the Conversion Ratio as at the relevant Calculation Date and the numbers of Shares and Deferred Shares to which each C Shareholder of that tranche shall be entitled on Conversion of that tranche shall be calculated; and
 - (B) the Auditors shall confirm that such calculations as have been made by the Company have, in their opinion, been performed in accordance with the Articles and are arithmetically accurate whereupon such calculations shall become final and binding on the Company and all holders of the Company's shares and any other securities issued by the Company which are convertible into the Company's shares, subject to the proviso immediately after the definition of H in paragraph 4.21(a) above.
 - (ii) The Directors shall procure that, as soon as practicable following such confirmation and in any event within 10 Business Days of the relevant Calculation Date, a notice is sent to each C shareholder of the relevant tranche advising such shareholder of the Conversion Date, the Conversion Ratio and the numbers of Shares and Deferred Shares to which such C shareholder of the relevant tranche will be entitled on Conversion.
 - (iii) On conversion each C Share of the relevant tranche shall automatically subdivide into 10 conversion shares of 1p each and such conversion shares of 1p each shall automatically convert into such number of Shares and Deferred Shares as shall be necessary to ensure that, upon such Conversion being completed:

- (A) the aggregate number of Shares into which the same number of conversion shares of 1p each are converted equals the number of C Shares of the relevant tranche in issue on the relevant Calculation Date multiplied by the relevant Conversion Ratio (rounded down to the nearest whole Share); and
 - (B) each conversion share of 1p which does not so convert into a Share shall convert into one Deferred Share.
- (iv) The Shares and Deferred Shares arising upon Conversion shall be divided amongst the former C shareholders of the relevant tranche *pro rata* according to their respective former holdings of C Shares of the relevant tranche (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to Shares and Deferred Shares arising upon Conversion including, without prejudice to the generality of the foregoing, selling any Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company).
 - (v) Forthwith upon Conversion, the share certificates relating to the C Shares of the relevant tranche shall be cancelled and the Company shall issue to each former C shareholder of the relevant tranche new certificates in respect of the Shares which have arisen upon Conversion to which he or she is entitled. Share certificates in respect of the Deferred Shares will not be issued.
 - (vi) The Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider are fair and reasonable having regard to the interests of all Shareholders.

5. City Code on Takeovers and Mergers

5.1 Mandatory bid

The City Code applies to the Company. Under Rule 9 of the City Code, if:

- (a) a person acquires an interest in Shares which, when taken together with Shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the Company; or
- (b) a person who, together with persons acting in concert with him, is interested in not less than 30 per cent. and not more than 50 per cent. of the voting rights in the Company acquires additional interests in Shares which increase the percentage of Shares carrying voting rights in which that person is interested, the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding Shares at a price not less than the highest price paid for any interests in the Shares by the acquirer or its concert parties during the previous 12 months.

5.2 Compulsory acquisition

Under sections 974 to 991 of the Companies Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of the shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares not assented to the offer. It would do so by sending a notice to outstanding holders of shares telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the company, which would hold the consideration on trust for the outstanding holders of shares. The consideration offered to the holders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

In addition, pursuant to section 983 of the Companies Act, if an offeror acquires or agrees to acquire not less than 90 per cent. of the shares (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire his shares on the same terms as the takeover offer.

The offeror would be required to give any holder of shares notice of his right to be bought out within one month of that right arising. Sell-out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of shares notifying them of their sell-out rights. If a holder of shares exercises its rights, the offeror is bound to acquire those shares on the terms of the takeover offer or on such other terms as may be agreed.

6. Material Contracts of the Company

The following are all of the contracts, not being contracts entered into in the ordinary course of business that have been entered into by the Company since its incorporation and are, or may be, material or contain any provision under which the Company has any obligation or entitlement which is or may be material to it as at the date of this Prospectus:

6.1 ZDP Loan Agreement

The ZDP Loan Agreement to be entered into immediately prior to Admission between the ZDP Subsidiary (as lender) and the Company (as borrower) pursuant to which, immediately following Admission, the ZDP Subsidiary will lend the Company the Gross ZDP Placing Proceeds, which will be applied by the Company towards making investments in accordance with its Investment Policy and for working capital purposes.

The ZDP Loan Agreement will provide that interest will accrue on the ZDP Loan daily at a rate of two per cent. per annum, compounded annually on each anniversary of Admission of the ZDP Shares and will be rolled up and paid to the ZDP Subsidiary along with repayment of the principal amount of the ZDP Loan on the date falling 2 Business Days before the ZDP Repayment Date, provided that the ZDP Loan shall become repayable by the Company immediately upon the passing of a Winding-Up Resolution, a ZDP Recommended Resolution or a ZDP Reconstruction Resolution.

The ZDP Loan Agreement is governed by the laws of England and Wales.

6.2 Undertaking

The Undertaking to be entered into immediately prior to Admission between the ZDP Subsidiary (as beneficiary) and the Company (as grantor) pursuant to which, to the extent that the Final Capital Entitlement multiplied by the number of outstanding ZDP Shares as at the ZDP Repayment Date (or, if earlier, the accrued capital entitlement multiplied by the number of outstanding ZDP Shares following the date on which a Winding-Up Resolution is approved) exceeds the aggregate principal amount and accrued interest due from the Company to the ZDP Subsidiary pursuant to the ZDP Loan Agreement as at the ZDP Repayment Date (the “**Additional Funding Requirement**”), the Company shall: (i) subscribe an amount equal to or greater than the Additional Funding Requirement for Subsidiary Ordinary Shares (the “**Additional Shares**”); or (ii) make a capital contribution or gift or otherwise pay an amount equal to or greater than (where rounding is required) the Additional Funding Requirement. Where applicable, the Additional Shares may be Subsidiary Ordinary Shares or such other class of shares in the ZDP Subsidiary as is agreed between the Company and the ZDP Subsidiary.

In addition, pursuant to the Undertaking, the Company has undertaken to the ZDP Subsidiary that, for so long as the ZDP Shares are in issue, the Company will not, without the previous sanction of a ZDP Class Consent:

- (a) issue (or procure the issue of) any further Ordinary Shares or Group Shares or rights to subscribe for further Ordinary Shares or Group Shares or securities convertible into Ordinary Shares or Group Shares or reclassify any issued share capital of the Company into shares of a particular class where, in each case, such shares rank, or would on issue, conversion or reclassification rank, as to capital in priority to or *pari passu* with the Company’s payment obligations under the ZDP Loan Agreement or the Undertaking, save that the Company may, subject to the provisions of the Articles, issue (or procure the issue of) any such further Ordinary Shares, Group Shares, rights or securities provided the Directors shall have calculated and the auditors of the Company shall have reported to the Directors on such calculations within 60 days prior to the proposed issue or reclassification that, were the further shares to be issued

or the shares to be reclassified or rights of subscription or conversion to be issued immediately exercised at the date of the report, the ZDP Shares in issue immediately thereafter would have a Cover of not less than 3 times. Further, this restriction shall not apply to the issuance of Ordinary Shares in connection with the establishment by the Company of any directly or indirectly owned subsidiary undertaking established for the purposes of holding investments made in accordance with the Investment Policy;

- (b) except as required from time to time by the UKLA or any other relevant legal or regulatory requirement, from the date of the Admissions, amend the Investment Policy in such a manner that would, in the reasonable opinion of the ZDP Directors, be materially prejudicial to the interests of the ZDP Shareholders provided always (and for the avoidance of doubt), this provision shall not apply to the proposed amendment to the Investment Policy to be considered at the General Meeting;
- (c) incur Bank Borrowings if, following such borrowing, its aggregate Bank Borrowings would thereby result in the ZDP Shares then in issue having a Cover of less than 3 times provided that this restriction shall not apply to any Bank Borrowings incurred for the purposes of repaying the ZDP Loan or satisfying the Additional Funding Requirement;
- (d) make any distribution of capital or reserves, provided that any such distribution will be permitted where the ZDP Shares then in issue would have a Cover of not less than 3 times immediately after the distribution has been made;
- (e) purchase any of its own shares out of capital reserves if such purchase would result in the ZDP Shares then in issue having a Cover of less than 3 times immediately after the purchase has been made; or
- (f) implement any reduction of capital which would result in the ZDP Shares having a Cover of less than 3 times immediately after such reduction of capital,

and with respect to the Cover calculation referred to in paragraphs 6.2(c) to 6.2(f) above, such calculation to be made in the same manner as provided for in paragraph 1.5.1 of Part 6 (*The ZDP Shares and Principal Bases and Assumptions*) of this Prospectus but without the requirement for a report of the auditors of the Company.

In addition the Undertaking provides that the Company shall:

- (a) remain the holder of all of the Subsidiary Ordinary Shares from time to time in issue;
- (b) meet, or fund through the subscription of further Subsidiary Ordinary Shares, all establishment and ongoing operating costs and expenses of the ZDP Subsidiary which are properly and reasonably incurred;
- (c) notify the ZDP Subsidiary without delay if:
 - (i) the Company becomes aware of any breach of the terms of the ZDP Loan Agreement or the Undertaking; or
 - (ii) the Company reasonably considers that it will not (or there is a reasonable likelihood that the Company may not) on the ZDP Repayment Date be able to: (1) meet its repayment obligations under the ZDP Loan Agreement in full; or (2) subscribe for Additional Shares or otherwise satisfy the Additional Funding Requirement;
- (d) vote in favour of the Scheduled Winding-Up Resolution and any Early Winding-Up Resolution; and
- (e) calculate the Cover as soon as practicable following the finalisation of the Group's monthly net asset valuations and, in any event, at least once at the end of each calendar month and shall notify the ZDP Directors without delay in the event that the Cover shall at any time be less than 3 times.

The Undertaking also provides that, except with the previous sanction of a ZDP Class Consent or as required from time to time by the UK Listing Authority or any other relevant legal or regulatory requirement, from Admission, the ZDP Subsidiary shall ensure that the ZDP Board, as constituted from time to time, comprises only individuals who are directors of the Company.

The Undertaking is governed by the laws of England and Wales.

6.3 **Placing Agreement**

The Placing Agreement dated 12 March 2018 between the Company, the ZDP Subsidiary, the Investment Manager and N+1 Singer, pursuant to which, subject to certain conditions, N+1 Singer has agreed to use reasonable endeavours to procure subscribers for Shares pursuant to the Initial Placing and the Initial ZDP Placing at the Issue Price and to use reasonable endeavours to procure subscribers under subsequent Placings and for subsequent ZDP Placings for Shares at the Share Issuance Programme Price or ZDP Placing Programme Price (as the case may be).

The Placing Agreement may be terminated by N+1 Singer in certain customary circumstances prior to Admission. The Company has appointed N+1 Singer as sole sponsor, broker and placing agent to the Company in connection with the Initial Offering. The ZDP Subsidiary has appointed N+1 Singer as sole placing agent in connection with the ZDP Placing.

The obligation of the Company and/or the ZDP Subsidiary to issue the Shares and the obligation of N+1 Singer to use its reasonable endeavours to procure subscribers for Shares pursuant to the Initial Placing and the Initial ZDP Placing is conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, among others: (i) Admission occurring and becoming effective by 8.00 a.m. on or prior to 3 April 2018 (or such later time and/or date, not being later than 30 April 2018, as the Company and N+1 Singer may agree) and (ii) the Placing Agreement not having been terminated in accordance with its terms.

Each allotment and issue of Shares pursuant to a Subsequent Placing or subsequent ZDP Placing is conditional, *inter alia*, on the Admission of those Shares by 8.00 a.m. on such date as the Company, the ZDP Subsidiary and N+1 Singer may agree from time to time in relation to that subsequent admission, a valid supplementary prospectus being published by the Company (or the ZDP Subsidiary as the case may be) if such is required and the Placing Agreement becoming wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms prior to any subsequent Admission.

In consideration for its services in relation to the Initial Offerings and conditional upon completion of the Initial Offerings, N+1 Singer will be paid a commission based on the amount of the Gross Offering Proceeds.

The Company, the ZDP Subsidiary and the Investment Manager have given warranties to N+1 Singer concerning, *inter alia*, the accuracy of the information contained in this Prospectus. The Company, the ZDP Subsidiary and the Investment Manager have also given indemnities to N+1 Singer. The warranties and indemnities given by the Company, the ZDP Subsidiary and the Investment Manager are standard for an agreement of this nature.

The Placing Agreement is governed by the laws of England and Wales.

6.4 **2016 Placing and Offer Agreement**

The Placing and Offer Agreement dated 23 November 2016 between the Company, the Investment Manager, the Directors and N+1 Singer, pursuant to which, subject to certain conditions, N+1 Singer agreed to use reasonable endeavours to:

- (a) procure subscribers for Ordinary Shares pursuant to the initial placing under the 2016 Placing Programme; and
- (b) procure subscribers for Ordinary Shares and/or C Shares made available under any further placings under the 2016 Placing Programme.

The 2016 Placing and Offer Agreement is governed by the laws of England and Wales.

6.5 **Facility Agreement**

The Facility Agreement dated 6 November 2017 between OakNorth Bank Limited (as lender) and the Company (as borrower) pursuant to which OakNorth Bank Limited has agreed to lend the Company a £10 million revolving credit facility ("**RCF**").

Under the terms of the Facility Agreement, the RCF can be drawn in a number of different loans, subject to the relevant drawdown conditions and a minimum each time of £500,000. The RCF is repayable within 90 days following written demand from the lender (except in the event of a breach of any of the Company's obligations under the Facility Agreement in which case payment may be due immediately). In any event the RCF is repayable on 5 November 2018 at which time the RCF will be cancelled.

Monthly interest is due and payable on the RCF as well as an arrangement fee.

The Company has given various market standard indemnities to the lender under the Facility Agreement. There are also a number of representations given in the Facility Agreement by the Company including that the aggregate value of the Portfolio must be at no times less than £35 million.

The Facility Agreement is governed by the laws of England & Wales.

6.6 **Inter-creditor Agreement**

An inter-creditor agreement ("**ICA**") will be entered into shortly prior to Admission between the Company, OakNorth and the ZDP Subsidiary.

The ICA will contractually regulate the priority arrangement between the ZDP Subsidiary as an unsecured lender of the Company and OakNorth as a secured lender of the Company.

Under the terms of the ICA, the repayment of the ZDP Loan will be subordinated to the repayment of the RCF. However the Company is permitted to make (and the ZDP Subsidiary as the subordinated creditor is entitled to receive) all payments due in accordance with the terms of the ZDP Loan Agreement and the Undertaking provided that there is no default under the terms of the Facility Agreement (as summarised at paragraph 6.5 above).

The ICA is governed by the laws of England and Wales.

6.7 **Investment Management Agreement**

The Investment Management Agreement dated 23 November 2016 between the Company, the Investment Manager and the AIFM under which the Investment Manager is appointed to act as investment manager of the Company with the responsibility to manage the assets of the Company and to advise the Company on a day-to-day basis in accordance with the investment policy of the Company and subject to the overall control and supervision of the Board.

Under the terms of the Investment Management Agreement and with effect from 15 December 2016, the Investment Manager has discretion to buy, sell, retain, exchange or otherwise deal in investments or other assets for the account of the Company and shall be responsible for the portfolio management of the Company's portfolio. The Investment Manager will also make arrangements, with the approval of the AIFM, for the oversight and safe keeping of the Company's assets.

The Investment Manager is entitled to receive from the Company in respect of its services provided under the Investment Management Agreement, a management fee payable monthly in arrears. Where the prevailing Net Asset Value is equal to or in excess of £75 million, the Investment Manager shall be entitled to a fee calculated at the rate of 0.875 per cent. per annum of the prevailing Net Asset Value. Where the prevailing Net Asset Value is less than £75 million, the Investment Manager shall be entitled to a fee calculated at the rate of 0.50 per cent. per annum of the Net Asset Value, together with reimbursement of reasonable expenses properly incurred by it in the performance of its duties. No performance fee will be payable by the Company to the Investment Manager. From the management fees payable to it by the Company the Investment Manager shall be entitled, at its discretion, to make payments to Placees and/or other investors in the Company.

In calculating Net Asset Value for these purposes all assets referable to the issue of ZDP Shares shall be counted as though they were assets of the Company but, for the avoidance of doubt, no liabilities referable to the issue of any ZDP Shares shall be deducted.

50 per cent. of the management fee received by the Investment Manager will be reinvested into Ordinary Shares for three years until 15 December 2019. The Investment Manager has irrevocably agreed and undertaken to subscribe for the allotment of new Ordinary Shares (to the value of 50 per cent. of the management fee). Such new Ordinary Shares shall be issued by the Company to the Investment Manager on a quarterly basis and credited as fully paid at a price equal to the Net Asset Value per Ordinary Share calculated at the end of the relevant quarter. In circumstances where the Ordinary Shares are trading at a discount to Net Asset Value at a time when a management fee is payable, the Investment Manager is obliged, provided it is lawful to do so, to use its reasonable endeavours to purchase Ordinary Shares in the market. Any such Ordinary Shares allotted to the Investment Manager shall be subject to the Lock-in Deed.

As agreed by the parties in a side letter to the Investment Management Agreement dated 19 May 2017, the Investment Manager is also entitled to retain an arrangement fee if, on the making of any Loan, the arrangement fee charged to the borrower is equal to or lower than 1.25 per cent. of the principal amount of the Loan as well as any documentation fee charged to a borrower in a hire purchase transaction and/or any security agent fee charged to a borrower where the Investment Manager acts as security and payment agent (provided that any amounts fall within the relevant exemptions of the Listing Rules so as not to be classified as a related party transaction).

The Investment Management Agreement may be terminated by the Company or the Investment Manager giving the other party at least 12 months' notice in writing, such notice not to be given prior to 15 December 2019. The Investment Management Agreement may be terminated earlier by either party with immediate effect on the occurrence of certain events, including:

- (a) where the other party commits any material breach of any of the terms of the Investment Management Agreement and either such breach is incapable of remedy or the other party fails to remedy such breach within 30 days of being requested in writing by the innocent party to do so;
- (b) where the other party goes into liquidation (apart from voluntary liquidation for the purposes of reconstruction or amalgamation on the terms previously agreed by the first party (such agreement not to be unreasonably withheld or delayed)) or if a receiver is appointed over the whole or any of the other party's assets or if any analogous event occurs; or
- (c) such termination is required by any competent governmental or regulatory authority.

The Investment Management Agreement shall also terminate automatically if the AIFM Agreement is terminated for whatever reason. In such circumstances if the Investment Manager is able and authorised to act as alternative investment fund manager to the Company, the Company shall appoint the Investment Manager to carry on the portfolio management and risk management services on the terms substantially as set out in the Investment Management Agreement and the AIFM Agreement.

The Investment Management Agreement contains provisions dealing with conflicts of interest.

The Company has given certain market standard indemnities in favour of the Investment Manager in respect of the Investment Manager's potential loss in carrying on its responsibilities under the Investment Management Agreement.

The Investment Management Agreement is governed by the laws of England and Wales.

6.8 **AIFM Agreement**

The AIFM Agreement dated 23 November 2016 entered into between the Company and the AIFM pursuant to which the AIFM has been given responsibility, subject to the supervision of the Board, for the management of the Company in accordance with the Company's investment objective and Investment Policy. The AIFM has delegated responsibility for the management of the Portfolio to the Investment Manager under the terms of the Investment Management Agreement.

The AIFM shall be entitled to receive from the Company a fee to be calculated and accrue at a rate equivalent to 0.125 per cent. of the Net Asset Value subject to an annualised minimum of £85,000 applied on a monthly basis.

In calculating Net Asset Value for these purposes all assets referable to the issue of ZDP Shares shall be counted as though they were assets of the Company but, for the avoidance of doubt, no liabilities referable to the issue of any ZDP Shares shall be deducted.

The fee will be subject to annual review and as a minimum, the annualised minimum fee will be varied in accordance with the Guernsey Retail Price Index.

The AIFM will also be entitled to reimbursement of certain expenses properly and reasonably incurred.

The AIFM Agreement is terminable on either party giving the other not less than 6 month's written notice or on immediate notice on the occurrence of certain events. The AIFM Agreement shall also terminate automatically if the Investment Management Agreement is terminated for whatever reason. The Company has given certain market standards indemnities to the AIFM in respect of losses suffered by the AIFM in the performance of its duties. The AIFM will, in the Company's sole discretion, be entitled to payment *in lieu* of notice.

The AIFM Agreement is governed by the laws of England and Wales.

6.9 **Administration Agreement**

The Administration Agreement dated 23 November 2016 between the Company and the Administrator and Company Secretary whereby the Administrator and Company Secretary is appointed to act as administrator and company secretary of the Company.

Under the terms of the Administration Agreement, an administration fee will be charged for the provision of the administration services. The administration fee will be payable monthly and shall be calculated at the rate of 0.085 per cent. of Net Asset Value per annum subject to a minimum fee of £75,000 per annum plus disbursements.

In calculating Net Asset Value for these purposes all assets referable to the issue of ZDP Shares shall be counted as though they were assets of the Company but, for the avoidance of doubt, no liabilities referable to the issue of any ZDP Shares shall be deducted.

A company secretarial fee will be charged for the company secretarial services which shall be calculated on a time spent basis.

The Administrator shall also be entitled to make reasonable charges based on time spent for work performed in connection with the issuance of C Shares and the administration of any C Share portfolios including the calculation of Net Asset Value per C Share.

The Administrator shall also be entitled to reimbursement of all out-of-pocket costs, expenses and charges reasonably and properly incurred on behalf of the Company.

The above fees are stated exclusive of VAT and will be subject to VAT at applicable rates.

The Administration Agreement may be terminated by either party on 180 days' notice and may be immediately terminated by either party in certain circumstances such as a material breach which is not remedied. The Administration Agreement contains customary indemnities from the Company in favour of the Administrator.

The Administration Agreement is governed by the laws of England and Wales.

6.10 **Registrar Agreement**

The Registrar Agreement dated 23 November 2016 between the Company and the Registrar pursuant to which the Registrar has agreed to act as registrar to the Company.

Under the agreement, the Registrar is entitled to a fee calculated on the basis of the number of Shareholders and the number of transfers processed (exclusive of any VAT). The Registrar is also entitled to reimbursement of all out of pocket costs, expenses and charges properly incurred on behalf of the Company.

The initial term of the Registrar's appointment is to 15 December 2019 and thereafter the appointment will continue unless it is terminated on six months' notice by either party, and is also terminable on shorter notice in the event of a disagreement regarding a fee increase, a material breach of the agreement or insolvency.

The Company has given certain market standard indemnities in favour of the Registrar in respect of the Registrar's potential losses in carrying on its responsibilities under the Registrar Agreement. The Registrar's liabilities under the Registrar Agreement are subject to a cap.

The Registrar Agreement is governed by the laws of England and Wales.

6.11 **Receiving Agent Agreement**

The Receiving Agent Agreement dated 12 March 2018 between the Company and the Receiving Agent pursuant to which the Receiving Agent has agreed to act as receiving agent in connection with the Offer for Subscription and the Initial Intermediaries Offer. Under the terms of the agreement, the Receiving Agent is entitled to a management fee of £8,000, plus a processing fee per application. The Receiving Agent will also be entitled to reimbursement of all out of pocket expenses reasonably incurred by it in connection with its duties.

The Company has given certain market standard indemnities in favour of the Receiving Agent in respect of the Receiving Agent's potential losses in carrying on its responsibilities under the Receiving Agent Agreement. The Receiving Agent's liabilities under the Receiving Agent Agreement are subject to a financial cap.

The Receiving Agent Agreement is governed by the laws of England and Wales.

6.12 **N+1 Singer Engagement Letter**

The N+1 Singer Engagement Letter dated 23 November 2016 between the Company and N+1 Singer pursuant to which N+1 Singer will act as corporate broker to the Company.

N+1 Singer shall be entitled to a fee of £75,000 per annum except in certain limited circumstances, quarterly in advance. All fees and other expenses are exclusive of VAT, if any.

The N+1 Singer Engagement Letter may be terminated by either party on three months' notice provided that the Company shall not serve any written notice prior to the first anniversary of Admission.

The Company has agreed to provide a customary indemnity to N+1 Singer against all losses which N+1 Singer may suffer or incur by reason of or arising out of or in connection with its engagement under the N+1 Singer Engagement Letter.

The N+1 Singer Engagement Letter is governed by the laws of England and Wales.

6.13 **Valuation Agent Engagement Letter**

The Valuation Agent Engagement Letter dated 17 January 2017 from Mazars LLP to the Company pursuant to which the Valuation Agent has agreed to act as valuation agent to the Company. The Valuation Agent will value the Loans by taking the financial information on such Loans supplied by the Company and selecting an appropriate set of comparators based on the particular Loan being valued. In the main it is anticipated that the standard valuation methodology will be to use a discounted cash flow analysis and benchmarked discount/interest rates appropriate to the nature of the underlying investment and the date of valuation. However, the Valuation Agent will use alternative valuation methodologies if appropriate if the particular Loan is "non-standard". Under the terms of the Valuation Agent Engagement Letter on each illiquid investment, the Valuation Agent is entitled to an initial fee of an amount equal to 0.08 per cent. of the nominal value of the investment made subject to a minimum amount of £1,000 and a maximum amount of £5,000. In addition, the Valuation Agent shall receive an annual fee of 0.04 per cent. of the aggregate nominal value of the investments held by the Company up to an aggregate nominal value of £200 million and to the extent that the aggregate nominal value of the investments held by the Company is more than £200 million an additional 0.03 per cent. of the aggregate nominal value of the investments above £200 million. The Valuation

Agent's liability under the Valuation Agent engagement letter is limited to £1 million. The Valuation Agent Engagement Letter may be terminated on 90 days' notice.

The Valuation Agent engagement letter is governed by the laws of England and Wales.

6.14 **Lock-In Deed**

The Investment Manager and its principals have agreed with the Company and N+1 Singer that, save for certain limited circumstances, they will not dispose of, directly or indirectly, any of the Ordinary Shares held by them at the date of the Lock-in Deed or acquired during the Issue Lock-in Period (as defined below) for the period commencing on 15 December 2016 and ending on 15 December 2019 (the "**Issue Lock-in Period**"). The Investment Manager and its principals have further agreed that they will not, and will procure that their Permitted Transferees (as defined below) will not, save for certain limited circumstances, dispose of, directly or indirectly, any of the Ordinary Shares issued to them pursuant to the Investment Management Agreement (the "**Investment Manager Shares**") for the period commencing on the date of issue of any Investment Manager Shares to the first anniversary of such date of issue. The Investment Manager Shares may at any time be transferred to any of the Investment Manager's members or employees (the "**Permitted Transferees**").

The Investment Manager and its principals will also, where practicable, for a period of 12 months following the date of expiration of the Issue Lock-in Period, dispose of any Ordinary Shares through N+1 Singer so as to create an orderly market for the Ordinary Shares provided that N+1 Singer's terms are competitive and the sale price for the Ordinary Shares is equivalent to the price that could be obtained elsewhere.

The Lock-In Deed is governed by the laws of England and Wales.

6.15 **Custody Agreement**

The Custody Agreement dated 30 January 2017 between the Company and Elavon Financial Services pursuant to which Elavon Financial Services provides certain custodial services to the Company in relation to any tradeable investments it acquires or bonds (which are held in Elavon's Euroclear account). Under the Custody Agreement Elavon Financial Services is entitled to an annual fee of 0.02 per cent. of the value of the investments it holds as custodian and/or loan administrator as well as any reasonable out of pocket expenses.

Under the Custody Agreement, Elavon Financial Services may delegate its duties to a sub-custodian if appropriate.

The Company has given certain market standard indemnities in favour of Elavon Financial Services in respect of its potential losses in carrying on its responsibilities under the Custody Agreement. The Custody Agreement may be terminated by either party on 30 days' notice and may be immediately terminated by either party in certain circumstances such as a material breach which is not remedied.

The Custody Agreement is governed by the laws of England & Wales.

6.16 **Loan Administration Agreement**

The Loan Administration Agreement dated 30 January 2017 between the Company and Elavon Financial Services pursuant to which Elavon Financial Services is appointed in connection with certain administrative matters including facilitating loan settlements on behalf of the Company. Under the Loan Administration Agreement, Elavon Financial Services is entitled to a fee of 0.02 per cent. of the value of the investments it holds as custodian and/or loan administrator as well as any reasonable out of pocket expenses.

The Loan Administration Agreement remains in force until the earliest of (i) entry by all parties into an agreement to terminate the Loan Administration Agreement and (ii) the date on which Elavon Financial Services' resignation becomes effective. The Loan Administration Agreement contains customary indemnities from the Company in favour of Elavon Financial Services.

The Loan Administration Agreement is governed by the laws of England & Wales.

7. Litigation

There have been no governmental, legal or arbitration proceedings, and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened, nor of any such proceedings having been pending or threatened at any time preceding the date of this Prospectus which may have, or have had in the recent past, a significant effect on the Company and/or the financial position or profitability of the Group.

8. Working Capital

The Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, that is, for at least the next 12 months from the date of this Prospectus.

9. No Significant Change

Save for (i) the Company declaring an interim dividend of 2 pence per Ordinary Share in respect of the quarter to 31 December 2017 and (ii) the Company announcing its intention to convert the Existing C Shares into new Ordinary Shares, there has been no significant change in the financial or trading position of the Company or its Group since 31 December 2017, being the date to which the Company's latest audited annual financial statements were prepared.

10. Capitalisation and Indebtedness

The following table, sourced from the Company's internal accounting records, shows the Company's audited indebtedness (distinguishing between guaranteed and unguaranteed, secured and unsecured indebtedness) and capitalisation as at 31 December 2017 (being the latest date in respect of which the Company has published audited financial information):

	<i>31 December 2017</i> <i>(audited)</i> <i>(£'000)</i>
Total current debt:	
Guaranteed	–
Secured	–
Unguaranteed/unsecured	–
	<hr/>
Total non-current debt (excluding current portion of long-term debt):	
Guaranteed	–
Secured	–
Unguaranteed/unsecured	29,574
	<hr/>
Total indebtedness	29,574
	<hr/>
Shareholder Equity(*)	<i>31 December 2017</i> <i>(audited)</i> <i>(£'000)</i>
Capitalisation:	
Share capital	573
Share premium	6,845
Legal reserves	48,502
Other reserves	349
	<hr/>
Total capitalisation	56,269
	<hr/>

(*) in accordance with ESMA update of the CESR recommendations, retained earnings (comprising retained revenue reserves and other capital reserves) have been excluded from Shareholder's equity.

The following table shows the Company's audited net indebtedness as at 31 December 2017:

	31 December 2017 (audited) (£'000)
Cash	15,441
Cash equivalent	–
Trading securities	36,074
Liquidity	51,515
Current financial receivables	1,069
Current bank debt	–
Current portion of non-current debt	–
Other current financial debt	7,624
Current financial debt	7,624
Net-current financial indebtedness	44,960
Non-current bank loans	–
Bonds issued	–
Other non-current loans	–
Non-current financial indebtedness	–
Net financial indebtedness	44,960

As at 31 December 2017 the Company had no indirect or contingent indebtedness.

11. INTERMEDIARIES

11.1 The Intermediaries authorised at the date of this Prospectus to use the Prospectus in connection with the offering of the C Shares pursuant to the Initial Company Offerings are:

<i>Name</i>	<i>Address</i>
AJ Bell Securities Limited (T/A Youinvest)	4 Exchange Quay, Salford Quays, Manchester, M5 3EE
Alliance Trust Savings Limited	PO Box 164, 8 West Marketgait, Dundee, DD1 9YP
Cornhill Capital Limited	4th Floor, 18 St Swithin's Lane, London EC4N 8AD
Equiniti Financial Services Limited (T/A Selftrade, Shareview, Saga Share Direct)	Aspect House, Spencer Road, Lancing, BN99 6DA
Interactive Investor Services Limited	Exchange Court, Duncombe Street, Leeds, LS1 4AX
Redmayne-Bentley LLP	9 Bond Court, Leeds LS2 2JZ

12. GENERAL

- 12.1 No Director has any interest in the promotion of, or in any property acquired or proposed to be acquired by, the Company.
- 12.2 No application is being made for the Ordinary Shares to be dealt with in or on any stock exchange or investment exchange other than the main market for listed securities of the London Stock Exchange.
- 12.3 N+1 Singer is acting as sponsor to the Company Offerings. N+1 Singer has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which it appears.
- 12.4 RM Capital Markets Limited was incorporated as a Scottish private limited company on 21 June 2010 under the Companies Act 2006 and is authorised and regulated by the FCA. The registered office of the Investment Manager is 7 Melville Crescent, Edinburgh, EH3 7JA (tel +44 (0)131 603 7060). The

Investment Manager has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear.

- 12.5 International Fund Management Limited is acting as the Company's external AIFM. The AIFM has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear.
- 12.6 Elavon Financial Services DAC, UK Branch is a designated activity company registered in Ireland with the Companies Registration Office (registered number 418442) with its registered office at Block E, Cherrywood Business Park, Loughlinstown, Dublin, Ireland acting through its UK Branch (registered number BR009373) opened on 14 May 2007 from its offices at 125 Old Broad Street, London EC2N 1AR (tel +44 (0) 207 330 2000). Elavon Financial Services DAC is EEA authorised by the FCA.
- 12.7 Where third party information has been referenced in this Prospectus, the source of that third party information has been disclosed. All information in this Prospectus that has been sourced from third parties has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 12.8 The auditors of the Company are Ernst & Young LLP of 25 Churchill Place, London E14 5EY and have been the only auditors of the Company since its incorporation. Ernst & Young LLP is a member of the Institute of Chartered Accountants in England and Wales.
- 12.9 The Company does not own or lease any premises.

13. AVAILABILITY OF THIS PROSPECTUS

Copies of this Prospectus are available, for inspection only from the date of this Prospectus from the National Storage Mechanism (<http://www.morningstar.co.uk/uk/NSM>) and may be obtained from the date of this Prospectus until Admission from the offices of Gowling WLG (UK) LLP at 4 More London Riverside, London SE1 2AU.

14. DOCUMENTS AVAILABLE FOR INSPECTION

- 14.1 Copies of the following documents will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this Prospectus until Admission:
- the Memorandum and Articles of the Company;
 - the 2017 Annual Report; and
 - this Prospectus.

PART 10

ADDITIONAL INFORMATION ON THE ZDP SUBSIDIARY

1. Information on the ZDP Subsidiary

- 1.1 The ZDP Subsidiary was incorporated and registered in England and Wales on 21 February 2018 with registered number 11217952 as a public company limited by shares with the name RM ZDP PLC. The ZDP Subsidiary is not authorised or regulated as a collective investment scheme by the FCA.
- 1.2 Although the ZDP Subsidiary is subject to the Listing Rules, the Disclosure Guidance and Transparency Rules and MAR potential investors should note that, as a company which is admitted to the standard segment of the Official List pursuant to Chapter 14 of the Listing Rules, the ZDP Subsidiary is not subject to the ongoing requirements applicable to premium-listed companies under the Listing Rules. Full details of the consequences of a standard listing are set out in the section of this Prospectus entitled “Consequences of a Standard Listing” on page 50 of this Prospectus.
- 1.3 The principal legislation under which the ZDP Subsidiary operates and under which the ZDP Shares are issued is the Companies Act.
- 1.4 The ZDP Subsidiary does not have any subsidiaries.
- 1.5 On 5 March 2018, the ZDP Subsidiary was granted a certificate under section 761 of the Companies Act entitling it to commence business and exercise its borrowing powers.
- 1.6 The registered office of the ZDP Subsidiary is at Mermaid House, 2 Puddle Dock, London EC4V 3DB and the telephone number of the ZDP Subsidiary is +44 (0) 20 7653 9690.
- 1.7 The ZDP Subsidiary’s registrar is Link Market Services which will be responsible for maintaining the register of members of the ZDP Subsidiary.

2. Share capital of the ZDP Subsidiary

- 2.1 On incorporation, the issued share capital of the ZDP Subsidiary was 50,000 Subsidiary Ordinary Shares of a nominal value of £1.00 each which were subscribed by the Company and fully paid up.

Accordingly, the issued share capital of the ZDP Subsidiary as at the date of this Prospectus is as follows:

	<i>Nominal value (£)</i>	<i>Number</i>
Subsidiary Ordinary Shares	1.00	50,000

- 2.2 At a general meeting of the ZDP Subsidiary held on 7 March 2018, a special resolution was proposed to, *inter alia*, provide the ZDP Directors with authority to allot ZDP Shares and authority to issue up to 60 million ZDP Shares. The Company was the only shareholder entitled to vote at the general meeting and, as a result, such authority to issue up to 60 million ZDP Shares was granted prior to the issue and allotment of ZDP Shares pursuant to the Initial ZDP Placing and the ZDP Placing Programme. However, the maximum number of ZDP Shares that may be issued pursuant to the Initial ZDP Placing and the ZDP Placing Programme is limited as explained in paragraph 2 of Part 1 (*Overview of the Issuers*) of this Prospectus.
- 2.3 Following the passing of the resolution described in paragraph 2.2 above, the ZDP Directors have absolute authority to allot the ZDP Shares subscribed for pursuant to the Initial ZDP Placing and the ZDP Placing Programme under the ZDP Articles and are expected to resolve to do so shortly prior to Admission and each Subsequent ZDP Placing.
- 2.4 No share or loan capital of the ZDP Subsidiary is under option or agreed conditionally or unconditionally to be put under option and no convertible securities, exchangeable securities or securities with warrants have been issued by the ZDP Subsidiary.

- 2.5 The ZDP Shares will be listed on the standard segment of the Official List and will be traded on the Standard Segment. The ZDP Shares are not listed or traded on, and no application has been or is being made for the admission of the ZDP Shares to listing or trading on, any other stock exchange or securities market.
- 2.6 The ZDP Shares are in registered form and, from the relevant Admission of ZDP Shares pursuant to the Initial ZDP Placing and/or the ZDP Placing Programme, will be capable of being held in uncertificated form. Title to such ZDP Shares may be transferred by a relevant system (as defined in the CREST Regulations). Where the ZDP Shares are held in certificated form, share certificates will be sent to the registered members or their nominated agent (at their own risk) within 21 days of the completion of the registration process or transfer, as the case may be, of the ZDP Shares. Where ZDP Shares are held in CREST, the relevant CREST stock account of the registered members will be credited. The Registrar, whose registered address is set out on page 55 of this Prospectus, maintains a register of ZDP Shareholders holding their ZDP Shares in CREST.
- 2.7 ZDP Shares are being issued pursuant to the Initial ZDP Placing at a price of 100 pence per ZDP Share. Details of any ZDP Shares to be issued pursuant to the ZDP Placing Programme (including the issue price of such ZDP Shares, which shall be calculated by reference to the: (i) prevailing NAV per ZDP Share; (ii) the costs of such Subsequent ZDP Placing; and (iii) prevailing market conditions) shall be determined by the ZDP Directors at their sole and absolute discretion and announced to the market by an RIS in due course.
- 2.8 Each new ZDP Share will rank *pari passu* in all respects with each other ZDP Share issued in the same tranche and will have the same rights (including voting and rights on a return of capital) and restrictions as each existing other ZDP Share issued in the same tranche, as set out in the ZDP Articles. The ZDP Shares will be denominated in Sterling.

3. The ZDP Subsidiary's Articles of Association

Memorandum

The Memorandum does not restrict the objects of the ZDP Subsidiary.

Articles of Association

The ZDP Articles contain provisions, *inter alia*, to the following effect:

3.1 **Limited life**

The ZDP Subsidiary has a limited life and unless: (i) a ZDP Recommended Resolution or a ZDP Reconstruction Resolution has previously been approved in accordance with the ZDP Articles; or (ii) the ZDP Directors have previously been released from their obligations by the passing of a special resolution of the ZDP Subsidiary in general meeting and by way of ZDP Class Consent, the ZDP Subsidiary will be placed into voluntary liquidation following a general meeting of the ZDP Subsidiary which the ZDP Directors shall be required to convene on 6 April 2021 (the "**ZDP Repayment Date**") for the purposes of proposing a resolution to wind up the ZDP Subsidiary voluntarily (the "**Scheduled Winding-Up Resolution**").

In addition to the general meeting required to be convened by the ZDP Directors for the purposes of proposing the Scheduled Winding-Up Resolution, a general meeting:

- 3.1.1 may called by the ZDP Directors at any time prior to the ZDP Repayment Date for the purposes of proposing a resolution to wind up the Company voluntarily (a "**Permitted Winding-Up Resolution**") where, notwithstanding the fact that the ZDP Subsidiary will be placed into voluntary liquidation prior to the ZDP Repayment Date, the ZDP Directors are of the reasonable opinion that the ZDP Shareholders will be entitled to receive the full Final Capital Entitlement upon such early winding-up of the ZDP Subsidiary; or
- 3.1.2 shall be called by the ZDP Directors for the purposes of proposing a resolution to wind up the ZDP Subsidiary voluntarily (an "Accelerated Winding-Up Resolution") in circumstances where a Continuation Resolution has not been approved as described in paragraph 3.9 of this Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus.

For these purposes, each of a Permitted Winding-Up Resolution and an Accelerated Winding-Up Resolution shall be an “**Early Winding-Up Resolution**” and each of an Early Winding-Up Resolution and a Scheduled Winding-Up Resolution, shall be a “**Winding-Up Resolution**”).

3.2 **Voting Rights**

The ZDP Shareholders shall have a right to receive notice of general meetings of the ZDP Subsidiary for information purposes, but shall have no right to attend or vote at any such meeting of the ZDP Subsidiary. For the avoidance of doubt:

3.2.1 any resolution to alter, modify or abrogate the special rights or privileges attached to the ZDP Shares shall require separate class consent (by special resolution) at a class meeting of ZDP Shareholders convened and held in accordance with article 5.1(b) of the ZDP Articles (a “**ZDP Class Consent**”); and

3.2.2 any ZDP Recommended Resolution or any resolution approving a ZDP Reconstruction Proposal (if required) shall only be approved by Subsidiary Ordinary Shareholders provided they have first been approved by way of ZDP Class Consent.

Notwithstanding any other provision of the ZDP Articles, on any vote on a ZDP Recommended Resolution or a resolution approving a ZDP Reconstruction Proposal, each ZDP Shareholder present in person or by proxy and entitled to vote, who votes for such ZDP Recommended Resolution or a resolution approving a ZDP Reconstruction Proposal, shall, on a poll, have such number of votes in respect of each ZDP Share held by him (including fractions of a vote) that the aggregate number of votes cast in favour of such ZDP Recommended Resolution or ZDP Reconstruction Proposal is four times the aggregate number of votes cast against such ZDP Recommended Resolution or ZDP Reconstruction Proposal, and each member present in person or by proxy and entitled to vote who votes against such ZDP Recommended Resolution or ZDP Reconstruction Proposal shall, on a poll, have one vote for each ZDP Share held by him; provided that, if any term of any offer or arrangement referred to in paragraph 3.8 below shall (as regards any one or more members) have been breached in any material respect of which the Chairman of the relevant meeting has written notice prior to the commencement of such meeting then, notwithstanding anything in the ZDP Articles to the contrary, each member shall, at any such meeting at which such ZDP Shareholder is present in person or by proxy, and entitled to vote, on a poll have one vote for every ZDP Share held by him. Any vote on any ZDP Reconstruction Proposal or ZDP Recommended Resolution shall be by means of a poll.

3.3 **General meetings**

Subject always to the provisions of the ZDP Articles, specifically the matters contemplated by paragraphs 3.2 and 3.7 of this Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus, general meetings may be called by the ZDP Directors. If there are not sufficient ZDP Directors to form a quorum in order to call a general meeting, any ZDP Director may call a general meeting. If there is no ZDP Director, any Subsidiary Ordinary Shareholder may call a general meeting.

Subject to the provisions of the Companies Act, an annual general meeting and all other general meetings of the ZDP Subsidiary shall be called by at least such minimum period of notice as is prescribed or permitted under the Companies Act.

No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a Subsidiary Ordinary Shareholder or a proxy for a Subsidiary Ordinary Shareholder or a duly authorised representative of a corporation which is a Subsidiary Ordinary Shareholder (including for this purpose two persons who are proxies or corporate representatives of the same Subsidiary Ordinary Shareholder), shall be a quorum.

A Subsidiary Ordinary Shareholder is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the ZDP Subsidiary. A Subsidiary Ordinary Shareholder may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different Subsidiary Ordinary Share or Subsidiary Ordinary Shares held by him. Subject to the provisions of the Companies Act, any corporation (other than the ZDP Subsidiary itself) which is a Subsidiary Ordinary Shareholder may, by resolution of its directors or other governing body, authorise any person(s) to act as its representative(s) at any meeting of the ZDP Subsidiary, or at any separate meeting of the holders of any class of shares in the ZDP

Subsidiary. Delivery of an appointment of proxy shall not preclude a holder of shares in the ZDP Subsidiary from attending and voting at the meeting or at any adjournment of it.

ZDP Directors may attend and speak at general meetings and at any separate meeting of the holders of any class of shares, whether or not they are holders of shares in the ZDP Subsidiary. The chairman of the meeting may permit other persons who are not members of the ZDP Subsidiary or otherwise entitled to exercise the rights of members in relation to general meetings to attend and, at the chairman of the meeting's discretion, speak at a general meeting or at any separate class meeting.

A poll on a resolution may be demanded at a general meeting either before a vote on a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

3.4 **Dividends**

The ZDP Subsidiary shall not, without the previous sanction of a ZDP Class Consent, pass any resolution which authorises the ZDP Directors to pay a dividend out of the ZDP Subsidiary's capital reserve. Subject to the Companies Act and the ZDP Articles, the ZDP Subsidiary may by ordinary resolution declare a dividend to be paid to the members according to their respective rights and interests, but no dividend may exceed the amount recommended by the ZDP Board.

The ZDP Shares carry no right to receive dividends or other distributions out of revenue or any other profits of the ZDP Subsidiary.

3.5 **Return of capital**

On a return of capital, on a winding-up or otherwise, the assets of the ZDP Subsidiary available for distribution to members in accordance with the Companies Act shall be applied as follows: (i) first, there shall be paid to holders of the ZDP Shares an amount equal to the Initial Capital Entitlement of 100 pence as increased at such rate as accrues daily (the first such increase to be deemed to occur on 3 April 2018) and compounds annually on the anniversary of the relevant Admission of the ZDP Shares to give an entitlement of 110.91 pence at 6 April 2021; and (ii) second, there shall be paid to the holders of the Subsidiary Ordinary Shares the balance of the assets of the ZDP Subsidiary available for distribution in accordance with the Companies Act and the ZDP Articles.

3.6 **Transfer of shares**

A share in certificated form may be transferred by an instrument of transfer, which may be in any usual form or in any other form approved by the ZDP Directors, executed by or on behalf of the transferor and, where the share is not fully paid, by or on behalf of the transferee. A share in uncertificated form may be transferred by means of the relevant system concerned.

In their sole and absolute discretion, the ZDP Directors may refuse to register the transfer of a share in certificated form which is not fully paid provided that if the share is listed on the Official List such refusal does not prevent dealings in the shares from taking place on an open and proper basis. The ZDP Directors may also refuse to register a transfer of a share in certificated form unless the instrument of transfer:

- 3.6.1 is lodged, duly stamped, at the registered office of the ZDP Subsidiary or such other place as the ZDP Directors may appoint and is accompanied by the certificate for the share to which it relates and such other evidence as the ZDP Directors may reasonably require to show the right of the transferor to make the transfer;
- 3.6.2 is in respect of only one class of share; and
- 3.6.3 is not in favour of more than four transferees.

The ZDP Directors may refuse to register a transfer of a share in uncertificated form to a person who is to hold it thereafter in certificated form in any case where the ZDP Subsidiary is entitled to refuse (or is excepted from the requirement) the transfer under the CREST Regulations.

If the ZDP Directors refuse to register a transfer of a share, they shall as soon as practicable and in any event within two months after the date on which the transfer was lodged with the ZDP Subsidiary

(in the case of a transfer of a share in certificated form) or the date on which the Operator-instruction was received by the ZDP Subsidiary (in the case of a transfer of a share in uncertificated form to a person who is to hold it thereafter in certificated form) send to the transferee notice of the refusal together with reasons for the refusal. The ZDP Directors shall send such further information about the reasons for the refusal to the transferee as the transferee may reasonably request.

No fee shall be charged for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any share.

3.7 **Class Rights**

The ZDP Subsidiary shall not without the previous sanction of a ZDP Class Consent:

- 3.7.1 issue any further shares or rights to subscribe or convert any securities into shares or reclassify issued share capital into shares of a particular class where, in each case, such shares rank, or would on issue, conversion or reclassification rank, as to capital in priority to or *pari passu* with the ZDP Shares, save that the ZDP Subsidiary may, subject to the provisions of the ZDP Articles, issue such further shares, rights or securities provided that the ZDP Directors shall have calculated and the auditors of the ZDP Subsidiary shall have reported to the ZDP Directors on such calculations within 60 days prior to the proposed issue or reclassification that, were the further shares to be issued or the shares to be reclassified or rights of subscription or conversion to be issued and immediately exercised at the date of the report, the ZDP Shares in issue immediately thereafter would have a Cover of not less than 3 times. For this purpose, the “**Cover**” of the ZDP Shares shall represent a fraction where the numerator is equal to the Net Asset Value of the Company and its Group on a consolidated basis adjusted to: (i) add back any liability in respect of ZDP Shares; and (ii) deduct the estimated liquidation costs of the ZDP Subsidiary, and the denominator is equal to the amount which would be paid on the ZDP Shares as a class (and on all ZDP Shares ranking as to capital in priority thereto or *pari passu* therewith, save to the extent already taken into account in the calculation of the Net Asset Value) in a winding-up of the ZDP Subsidiary on the ZDP Repayment Date.
- 3.7.2 In calculating such Cover, the ZDP Directors shall:
 - (A) use the most recent monthly Net Asset Value published by the Company by way of RIS;
 - (B) assume that the share capital or rights proposed to be issued or arising on reclassification had been issued and/or exercised and/or reclassified at the end of the month to which such Net Asset Value relates;
 - (C) adjust the last published Net Asset Value of the Company by adding the minimum gross consideration (if any) which would be received upon such issue, reclassification or exercise;
 - (D) take account of the entitlements to be attached to the new shares or securities or rights to be issued;
 - (E) aggregate the capital entitlements of the ZDP Shares already in issue at that time and the capital entitlements of the new shares or securities or rights to be issued as aforesaid; and
 - (F) make such other adjustments as they consider appropriate; or
- 3.7.3 pass any resolution, other than any ZDP Recommended Resolution or a resolution approving a ZDP Reconstruction Proposal (if required), releasing the ZDP Directors from their obligation to convene a general meeting at which a Scheduled Winding-Up Resolution is to be proposed or otherwise vary the effect of paragraph 3.8 of this Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus; or
- 3.7.4 pass a resolution, other than a Scheduled Winding-Up Resolution, a resolution approving a ZDP Reconstruction Proposal (if required), a ZDP Recommended Resolution or any equivalent resolutions in respect of ZDP shares, to reduce the capital of the ZDP Subsidiary (including undistributable reserves and uncalled capital) in any manner, or any resolution authorising the ZDP Directors to purchase ZDP Shares in the ZDP Subsidiary; or
- 3.7.5 pass any resolution which authorises the ZDP Directors to pay a dividend out of the ZDP Subsidiary's capital reserve; or

- 3.7.6 pass any resolution authorising or permitting any borrowings of the ZDP Subsidiary other than as described in paragraph 3.11 of this Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus; or
- 3.7.7 make any variation to the terms of the ZDP Loan Agreement or the Undertaking which, at the time of such amendment, would, in the reasonable opinion of the ZDP Directors, be materially prejudicial to the interests of the ZDP Shareholders; or
- 3.7.8 permit or ratify any waiver or grant any consent under the terms of the ZDP Loan Agreement or the Undertaking relating to any change in the Company's Investment Policy which, at the time of such amendment, would in the reasonable opinion of the ZDP Directors be materially prejudicial to the interests of ZDP Shareholders; or
- 3.7.9 pass any resolution to wind up the ZDP Subsidiary voluntarily other than: (i) the Scheduled Winding-Up Resolution; or (ii) any Early Winding-Up Resolution.

Notwithstanding anything to the contrary in the ZDP Articles, one of the rights attaching to the Subsidiary Ordinary Shares and ZDP Shares shall be that the passing and implementation of any Scheduled Winding-Up Resolution, Early Winding-Up Resolution, ZDP Reconstruction Resolution or ZDP Recommended Resolution shall be in accordance with the rights attached to the Subsidiary Ordinary Shares and the ZDP Shares, with the result that (save as provided for in paragraph 3.2.2 above) neither the passing nor the implementation of any such resolution shall be treated as varying, modifying or abrogating such rights and so that the consent or sanction of any such class of shares as a separate class shall not be required thereto.

3.8 **ZDP Recommended Resolution and ZDP Reconstruction Proposal**

Notwithstanding the provisions of the ZDP Articles described in paragraphs 3.1 and 3.2 of this Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus, if all the holders of the ZDP Shares receive an offer (whether by the ZDP Subsidiary or any other person, including any proposals for a reduction or cancellation of capital, capitalisation issue, share purchase or repurchase and/or redemption of shares of the relevant class or any shares issued in substitution therefor) recommended by the ZDP Directors and complying with the provisions of paragraph 3.8 of this Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus which becomes or is declared unconditional on or prior to the ZDP Repayment Date (and before the passing of a Scheduled Winding-Up Resolution), under which such holders (or holders other than the offeror and/or persons acting in concert with the offeror) would receive, not later than the ZDP Repayment Date, an amount in cash estimated by the ZDP Directors to be not less than that to which the ZDP Directors estimate such holders would otherwise have been entitled on the winding-up of the ZDP Subsidiary as a result of the passing of a Scheduled Winding-Up Resolution (ignoring any option any ZDP Shareholders may be given to elect to receive alternative consideration pursuant to the offer), then such offer shall be a "**ZDP Reconstruction Proposal**".

Any such offer as is referred to in paragraph 3.8 of this Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus must be stated to be, in the opinion of a financial adviser appointed by the ZDP Directors, fair and reasonable and in the interests of the members as a whole.

Notwithstanding the provisions of paragraphs 3.1 and 3.2 of this Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus, in the event that at any general meeting(s) held on or prior to the ZDP Repayment Date (and before the passing of a Scheduled Winding-Up Resolution) there is proposed any resolution or resolutions recommended by the ZDP Directors and complying with the provisions of this paragraph 3.8 below to:

- 3.8.1 sanction any form of arrangement for the transfer of all or part of the ZDP Subsidiary's assets to another entity; or
- 3.8.2 effect any other arrangement by means of a reduction of capital, distribution in specie or any other lawful procedure or arrangement whatsoever whether or not involving the winding-up of the ZDP Subsidiary,

in either case such that the holders of the Subsidiary Ordinary Shares and the ZDP Shares shall receive, not later than the ZDP Repayment Date, an amount in cash estimated by the ZDP Directors to be not less than that to which the ZDP Directors estimate such holders (or holders other than the offeror

and/or persons acting in concert with the offeror) would otherwise have been entitled on the winding-up of the ZDP Subsidiary as a result of the passing of a Scheduled Winding-Up Resolution (ignoring any option any of them may be given to elect to receive their entitlements otherwise than in cash pursuant to the arrangement), then such resolution shall be a **“ZDP Recommended Resolution”**.

Any ZDP Recommended Resolution must be stated to be, in the opinion of a financial adviser appointed by the ZDP Directors, fair and reasonable and in the interests of the members as a whole.

3.9 **Continuation Resolution**

The ZDP Loan Agreement and Undertaking to be entered into between the ZDP Subsidiary and the Company will impose certain obligations on the Company. Any breach by the Company of such obligations will require the ZDP Directors to call a separate class meeting of the ZDP Shareholders within 25 Business Days of such breach coming to the attention of the ZDP Directors to propose (as an ordinary class resolution) that, notwithstanding the breach of the ZDP Loan Agreement or the Undertaking (as the case may be) by the Company, the ZDP Subsidiary continue in its current form and structure (a **“Continuation Resolution”**).

If a Continuation Resolution is not passed, then the ZDP Directors shall call a general meeting of the ZDP Subsidiary within 20 Business Days to propose an Accelerated Winding-Up Resolution and, on the approval of such Accelerated Winding-Up Resolution, ZDP Shareholders shall be entitled to a return of capital calculated in accordance with paragraph 3.5 above as at the date of winding-up and not, for the avoidance of doubt, to the Final Capital Entitlement.

3.10 **Untraced shareholders**

Subject to various notice requirements, the ZDP Subsidiary may sell any of a shareholder's shares if, during a period of 12 years, at least three dividends (either interim or final) on such shares have become payable and no cheque for amounts payable in respect of such shares has been presented and no warrant or other method of payment has been effected and no communication has been received by the ZDP Subsidiary from the shareholder or person concerned.

3.11 **Borrowing powers**

The ZDP Board is not permitted to incur any borrowings on behalf of the ZDP Subsidiary other than:

- 3.11.1 money owed by the ZDP Subsidiary or its subsidiaries (if any) to any other member of the Group;
- 3.11.2 any currency hedging arrangements entered into by the ZDP Subsidiary or its subsidiaries (if any); or
- 3.11.3 borrowings incurred in connection with the payment of the Final Capital Entitlement.

This restriction may be varied by an alteration to the ZDP Articles which would require a special resolution of the shareholders.

3.12 **ZDP Directors**

Unless the ZDP Subsidiary determines otherwise by ordinary resolution, the number of ZDP Directors (other than alternate ZDP Directors) shall not be subject to any maximum but shall not be less than two.

Subject to the ZDP Articles, the ZDP Subsidiary may by ordinary resolution appoint a person who is willing to act as a ZDP Director, and is permitted by law to do so, to be a ZDP Director either to fill a vacancy or as an additional ZDP Director. The ZDP Directors may appoint a person who is willing to act as a ZDP Director, and is permitted by law to do so, to be a ZDP Director, either to fill a vacancy or as an additional ZDP Director. A person appointed as a ZDP Director by the other ZDP Directors is required to retire at the ZDP Subsidiary's next annual general meeting and shall then be eligible for reappointment by shareholders.

The business of the ZDP Subsidiary shall be managed by the ZDP Directors who, subject to the provisions of the ZDP Articles and to any directions given by special resolution to take, or refrain from taking, specified action, may exercise all the powers of the ZDP Subsidiary.

The ZDP Directors may appoint one or more of their number to the office of managing ZDP Director or to any other executive office of the ZDP Subsidiary and, subject to the provisions of the Act, any such appointment may be made for such term and on such other conditions as the ZDP Directors think fit.

Any ZDP Director (other than an alternate ZDP Director) may appoint any other ZDP Director, or any other person approved by resolution of the ZDP Directors and willing to act and permitted by law to do so, to be an alternate ZDP Director and may remove such an alternate ZDP Director from office.

No business shall be transacted at any meeting of the ZDP Directors unless a quorum, which may be fixed by the ZDP Directors from time to time, is present; unless so fixed at any other number, the quorum shall be two. A ZDP Director shall not be counted in the quorum present in relation to a matter or resolution on which he is not entitled to vote but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the meeting. An alternate ZDP Director who is not himself a ZDP Director shall, if his or her appointor is not present, be counted in the quorum.

Questions arising at a meeting of the ZDP Directors shall be decided by a majority of votes. In case of an equality of votes, the Chairman shall (unless he is not entitled to vote on the resolution in question) have a second or casting vote. A ZDP Director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote; and an alternate director who is appointed by two or more directors shall be entitled to a separate vote on behalf of each of his appointors in the appointor's absence.

Subject to any other provision of the ZDP Articles, a ZDP Director shall not vote at a meeting of the ZDP Directors on any resolution concerning a matter in which he has, directly or indirectly, a material interest (other than an interest in shares, debentures or other securities of, or otherwise in or through, the ZDP Subsidiary) unless his or her interest arises only because the case falls within certain limited categories specified in the ZDP Articles.

Subject to the provisions of the Companies Act and provided that the ZDP Director has disclosed to the other ZDP Directors the nature and extent of any material interest of his or hers, a ZDP Director, notwithstanding his or her office, may be a party to, or otherwise interested in, any transaction or arrangement with the ZDP Subsidiary or in which the ZDP Subsidiary is otherwise interested and may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the ZDP Subsidiary is interested.

The ZDP Directors shall not be entitled to receive any remuneration from the ZDP Subsidiary in respect of their appointment as a director of the ZDP Subsidiary nor shall they be entitled to receive any expenses in relation to their function as ZDP Directors.

3.13 Redemption

Neither the Subsidiary Ordinary Shares nor the ZDP Shares are redeemable

3.14 Electronic communication

The ZDP Subsidiary may communicate electronically with its members.

The above is a summary only of certain provisions of the ZDP Articles, the full provisions of which are available for inspection as described in paragraph 17 below.

4. Information on the Directors

4.1 Details of the names of companies and partnerships (excluding directorships of the Company and the ZDP Subsidiary) of which the ZDP Directors are or have been members of the administrative, management or supervisory bodies or partners at any time in the five years preceding the date of this Prospectus:

<i>Name</i>	<i>Current directorships and partnerships</i>	<i>Past directorships and partnerships</i>
Norman Crighton	Global Fixed Income Realisation Limited Universal Umwelt Limited Weiss Korea Opportunity Fund	Private Equity Investor plc Rangers International Football Club plc SME Loan Fund plc The Rangers Football Club Limited Trading Emissions plc World Firsts Organization Limited
Guy Heald	Orford Road Tapas Limited Adnams plc Jennings Underwriting Limited Melianthus Limited Soho Theatre Bar Limited Zakari Investments Limited TA Hotel Collection Limited Zakari Wines Limited BBA (2010) Limited Argenta Private Capital Limited Silver Lining 55 Limited Sagittarus Royaume-Uni Limited	Hazelwood Hall Management Company Limited GB Bloodstock Limited Alexie Design and Construction Limited Pacific Asset Management (S) Pte Limited
Marlene Wood	One Parent Families Scotland GCP Brunswick limited GCP Scape East Limited GCP Topco Limited GCP Brunswick 2 Limited GCP RHUL 2 Limited GCP RHUL Limited GCP Student Living plc 2010 Finance Limited GCP Holdco Limited GCP APEX Limited GCP WL Limited GCP SG Limited GCP Operations Limited Scottish Funding Council GCP QMUL Limited GCP Brighton Limited GCP Holdco 2 Limited GCP Topco Limited GCP Bloomsbury Limited RM Secured Direct lending plc GCP Wembley Limited GCP Wembley 2 Limited Scottish Funding Council for Further and Higher Education	Sanderson Bros Limited Aviva Investors Secured Income REIT Limited Edinburgh Printmakers Limited

4.2 **None of the ZDP Directors:**

- 4.2.1 has any convictions in relation to fraudulent offences for at least the previous five years;
- 4.2.2 has been declared bankrupt or been a director or member of the administrative, management or supervisory body of a company or a senior manager of a company at the time of any receivership or liquidation for at least the previous five years; or
- 4.2.3 has been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including designated professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company for at least the previous five years.

5. **Directors' and others' interests**

The ZDP Directors currently have no interests in the share capital of the ZDP Subsidiary and immediately following Admission, no ZDP Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the ZDP Subsidiary. No amount has been set aside by the ZDP Subsidiary to provide pensions, retirement or other similar benefits.

Subject to the provision of paragraph 3.2 above, the voting rights of the holders of shares in the ZDP Subsidiary are the same in respect of each share of the relevant class held in the share capital of the ZDP Subsidiary.

As at the date of this Prospectus and save for the Company which holds (and will, immediately following Admission, hold) 100 per cent. of the voting rights in the ZDP Subsidiary, the ZDP Subsidiary is not aware of any other person who currently holds (or will, immediately following Admission, hold) three per cent. or more of the voting rights in the ZDP Subsidiary as a holder of shares in the ZDP Subsidiary or through a direct or indirect holding of financial instruments (in each case for the purposes of Chapter 5 of the Disclosure Guidance and Transparency Rules).

As a result of its holding of the entire issued ordinary share capital of the ZDP Subsidiary, the Company directly controls the ZDP Subsidiary. The ZDP Subsidiary is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the ZDP Subsidiary.

The ZDP Directors are in addition to the Company and the ZDP Subsidiary, directors/partners of the companies listed in paragraph 4 above. The ZDP Articles contain provisions whereby a ZDP Director shall not vote *inter alia* in respect of any matter in which he has, directly or indirectly, any material interest.

Save, in relation to the directorships listed in paragraph 4 above, there are no potential conflicts of interest between any duties owed by the ZDP Directors to the ZDP Subsidiary and their private interests and/or other duties.

6. **Directors' appointments**

Each of the ZDP Directors were appointed to the ZDP Board with effect from incorporation and they are each required to retire in accordance with the ZDP Articles. No service contracts have been entered into between any of the ZDP Directors and the ZDP Subsidiary. The ZDP Directors are not entitled to any remuneration in respect of their appointment as directors of the ZDP Subsidiary. The annual fees received by each of the Directors as a result of their appointment as Directors of the Company are set out in paragraph 3.3 of Part 9 (*Additional Information on the Company*) of this Prospectus.

7. **Employees of the ZDP Subsidiary**

The ZDP Subsidiary does not have any employees.

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 ZDP Subsidiary since its incorporation and which are or may be material to the ZDP Subsidiary or have been entered into by the ZDP Subsidiary at any time and contain a provision under which the ZDP Subsidiary has any obligation or entitlement which is material to the ZDP Subsidiary at the date of this Prospectus.

The ZDP Subsidiary has not been a party to any related party transaction since its incorporation.

8.1 The ZDP Loan Agreement

It is expected that, shortly prior to Admission, the ZDP Subsidiary (as lender) and the Company (as borrower) will enter into the ZDP Loan Agreement as described in paragraph 6.1 of Part 9 (*Additional Information on the Company*) of this Prospectus.

8.2 Undertaking

It is expected that, shortly prior to Admission, the ZDP Subsidiary (as beneficiary) and the Company (as grantor) will also enter into the Undertaking as described in paragraph 6.2 of Part 9 (*Additional Information on the Company*) of this Prospectus.

8.3 Placing Agreement

The ZDP Subsidiary has entered into the Placing Agreement, as described in paragraph 6.3 of Part 9 (*Additional Information on the Company*) of this Prospectus, above.

8.4 ZDP AIFM Agreement

The ZDP AIFM Agreement dated 12 March 2018 entered into between the ZDP Subsidiary and the AIFM pursuant to which the AIFM has been given responsibility, subject to the supervision of the ZDP Directors, for the management of the ZDP Subsidiary.

The AIFM shall be entitled to receive a fixed fee of £3,000 per annum. The AIFM will also be entitled to reimbursement of certain expenses properly and reasonably incurred.

The ZDP AIFM Agreement is terminable on either party giving the other not less than 6 month's written notice provided such notice may not be given prior to the first anniversary of Admission or on immediate notice on the occurrence of certain events.

The AIFM Agreement is governed by the laws of England and Wales.

8.5 ZDP Administration Agreement

The ZDP Administration Agreement dated 12 March 2018 between the ZDP Subsidiary and the Administrator and Company Secretary whereby the Administrator and Company Secretary is appointed to act as administrator and company secretary of the ZDP Subsidiary.

Under the terms of the ZDP Administration Agreement, an administration fee will be charged for the provision of the administration services. The administration fee will be £20,000 per annum. A company secretarial fee will be charged for the company secretarial services which shall be calculated on a time spent basis.

The Administrator shall also be entitled to reimbursement of all out-of-pocket costs, expenses and charges reasonably and properly incurred on behalf of the Company.

The ZDP Administration Agreement may be terminated by either party on 180 days' notice and may be immediately terminated by either party in certain circumstances such as a material breach which is not remedied. The ZDP Administration Agreement contains customary indemnities from the ZDP Subsidiary in favour of the Administrator.

The ZDP Administration Agreement is governed by the laws of England and Wales.

8.6 **ZDP Registrar Agreement**

The ZDP Registrar Agreement dated 12 March 2018 between the ZDP Subsidiary and the Registrar pursuant to which the Registrar has agreed to act as registrar to the ZDP Subsidiary.

Under the agreement, the Registrar is entitled to a fee calculated on the basis of the number of Shareholders and the number of transfers processed (exclusive of any VAT). The Registrar is also entitled to reimbursement of all out of pocket costs, expenses and charges properly incurred on behalf of the Company.

The initial term of the Registrar's appointment is 3 years and thereafter the appointment will continue unless it is terminated on six months' notice by either party, and is also terminable on shorter notice in the event of a disagreement regarding a fee increase, a material breach of the agreement or insolvency.

The ZDP Subsidiary has given certain market standard indemnities in favour of the Registrar in respect of the Registrar's potential losses in carrying on its responsibilities under the Registrar Agreement. The Registrar's liabilities under the Registrar Agreement are subject to a cap.

The ZDP Registrar Agreement is governed by the laws of England and Wales.

8.7 **Inter-creditor Agreement**

It is expected that, shortly prior to Admission, the ZDP Subsidiary, the Company and OakNorth will enter into the ICA as described in paragraph 6.6 of Part 9 (*Additional Information on the Company*) of this Prospectus.

9. **Litigation**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the ZDP Subsidiary is aware) during the period commencing 12 months before the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the ZDP Subsidiary.

10. **Mandatory bids and compulsory acquisition rules**

10.1 **Mandatory bid**

The Takeover Code applies to both the ZDP Subsidiary and the Company. Under Rule 9 of the Takeover Code, if:

10.1.1 a person acquires an interest in shares in the ZDP Subsidiary or the Company which (in either case), when taken together with shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the ZDP Subsidiary or the Company (as the case may be); or

10.1.2 a person who, together with persons acting in concert with him, is interested in not less than 30 per cent. and not more than 50 per cent. of the voting rights in the ZDP Subsidiary or the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested in either the ZDP Subsidiary or the Company, the acquiror and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel) to make a cash offer for the outstanding shares in the ZDP Subsidiary or the Company (as the case may be) at a price not less than the highest price paid for any interests in the ZDP Shares or the Ordinary Shares by the acquiror or its concert parties during the previous 12 months.

10.2 **Compulsory acquisition**

Under sections 974 to 991 of the Companies Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of the shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares not assented to the offer. It would do so by sending a notice to outstanding holders of shares telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the ZDP Subsidiary or the Company

(as the case may be), which would hold the consideration on trust for the outstanding holders of shares. The consideration offered to the holders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

In addition, pursuant to section 983 of the Companies Act, if an offeror acquires or agrees to acquire not less than 90 per cent. of the shares (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire his shares on the same terms as the takeover offer.

The offeror would be required to give any holder of shares notice of his right to be bought out within one month of that right arising. Sell-out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of shares notifying them of their sell-out rights. If a holder of shares exercises his/her rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

11. Third party information and consents

- 11.1 Where third party information has been referenced in this Prospectus, the source of that third party information has been disclosed. Where information contained in this Prospectus has been so sourced, the ZDP Subsidiary confirms that such information has been accurately reproduced and, as far as the ZDP Subsidiary is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 11.2 N+1 Singer has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which it appears.
- 11.3 The Investment Manager has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which it appears.
- 11.4 The AIFM has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which it appears.

12. General

- 12.1 The total costs (including fees and commissions) (exclusive of recoverable VAT) incurred by the ZDP Subsidiary in connection with the Initial ZDP Placing, Admission and establishment of the ZDP Placing Programme shall be borne by the Company as set out in paragraph 4.1 of Part 3 (*Directors, Management and Administration*) of this Prospectus. Following completion of the Initial ZDP Placing, the Gross ZDP Placing Proceeds will be advanced to the Company pursuant to the ZDP Loan Agreement, to be invested in accordance with the Investment Policy. Following each Subsequent ZDP Placing the gross proceeds will also be advanced to the Company pursuant to a new loan agreement.
- 12.2 None of the ZDP Shares available under the Initial ZDP Placing and the ZDP Placing Programme are being underwritten.
- 12.3 The Initial ZDP Placing and the ZDP Placing Programme of the ZDP Shares in the UK is being carried out on behalf of the ZDP Subsidiary by N+1 Singer which is authorised and regulated in the United Kingdom by the Financial Conduct Authority.
- 12.4 The ZDP Subsidiary has no existing interests in real property and has no tangible fixed assets which are material to its business.

13. UK Rules on marketing of pooled investments

Since the ZDP Subsidiary is an NMPI for the purposes of the NMPI Regulations, any promotion of the ZDP Subsidiary (other than the publication and distribution of a prospectus (including this Prospectus) which is exempt from the NMPI Regulations) to retail investors will be restricted.

The Board has reviewed MiFID II and the ESMA guidance published thereto and has concluded that, in their view, the ZDP Shares constitute a non-complex product for the purposes of MiFID II.

14. Significant change

Save for (i) the Company declaring an interim dividend of 2 pence per Ordinary Share in respect of the quarter to 31 December 2017 and (ii) the Company announcing its intention to convert the Existing C Shares into new Ordinary Shares, there has been no significant change in the financial or trading position of the Company or its Group since 31 December 2017, being the date to which the Company's latest audited annual financial statements were prepared.

15. Working capital

The ZDP Subsidiary is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, that is for at least 12 months from the date of this Prospectus.

16. Capitalisation and indebtedness

As at the date of this Prospectus, the issued and fully paid share capital of the ZDP Subsidiary is £50,000, represented by 50,000 Subsidiary Ordinary Shares of £1 each.

At the date of this Prospectus, the ZDP Subsidiary has £50,000 in cash and has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness.

17. Documents on display

The following documents will be available for inspection during usual business hours on any day (Saturdays, Sundays and public holidays excepted) at the Company's registered office, from the publication of this Prospectus until the Final Closing Date:

- this Prospectus; and
- the ZDP Articles.

In addition, copies of this Prospectus are available, for inspection only, from the National Storage Mechanism (<http://www.hemscott.com/nsm.do>).

Further copies of this Prospectus may be obtained, free of charge, from principal place of business of the Investment Manager as provided in paragraph 12.4 of Part 9 (*Additional Information on the Company*) of this Prospectus.

Dated: 12 March 2018

PART 11

ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE

Article 23 Disclosures

RM Secured Direct Lending plc (the “Company”)

RM ZDP PLC (the “ZDP Subsidiary”)

This Prospectus contains the information required to be made available to investors in the Company and, where applicable, the ZDP Subsidiary before they invest, pursuant to Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers (the “**AIFM Directive**”) and UK implementing measures (the Alternative Investment Fund Managers Regulations No.1773/2013, and consequential amendments to the FCA Handbook).

The table below sets out information required to be disclosed pursuant to the AIFM Directive and related national implementing measures.

This Prospectus contains solely that information that International Fund Management Limited (as the Alternative Investment Fund Manager of the Company and the ZDP Subsidiary) (the “**AIFM**”) is required to make available to investors pursuant to the AIFM Directive and should not be relied upon as the basis for any investment decision.

<i>DISCLOSURE REQUIREMENT</i>	<i>DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE</i>
(a) a description of the investment strategy and objectives of the Company;	Information on the investment strategy and objectives of the Company are outlined in paragraphs 1.1 and 1.2 of Part 2 (<i>Information on the Company and the ZDP Subsidiary</i>) of this Prospectus. The ZDP Subsidiary does not have a separate investment strategy and objectives.
(b) if the company is a feeder fund, information on where the master fund is established;	N/A
(c) if the Company is a fund of funds, information on where the underlying funds are established;	N/A
(d) a description of the types of assets in which the Company may invest;	The type of assets in which the Company may invest are outlined in paragraph 5 of Part 2 (<i>Information on the Company and the ZDP Subsidiary</i>) of this Prospectus under the heading “Investment Strategy”. The ZDP Subsidiary will, pursuant to the terms of the ZDP Loan Agreement, advance the Gross ZDP Placing Proceeds to the Company. Otherwise it has no investments.
(e) the investment techniques that the Company, or the AIRM on behalf of the Company, may employ and all associated risks;	<p>The investment techniques to be used by the Company are described in Part 2 (<i>Information on the Company and the ZDP Subsidiary</i>) of this Prospectus. The ZDP Subsidiary does not employ any investment techniques.</p> <p>The section entitled “Risk Factors” (pages 26 to 42 inclusive) of this Prospectus provide an overview of the risks involved in investing in the Company and/or the ZDP Subsidiary.</p>

DISCLOSURE REQUIREMENT

DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE

- | | |
|--|---|
| (f) any applicable investment restrictions; | The investment restrictions applicable to the Company are set out in paragraph 1.3 of Part 2 (<i>Information on the Company and the ZDP Subsidiary</i>) of this Prospectus under the heading "Investment Restrictions". |
| (g) the circumstances in which the Company may use leverage; | The circumstances in which the Company may use leverage and the restrictions on the use of leverage are described in paragraph 1.4 of Part 2 (<i>Information on the Company and the ZDP Subsidiary</i>) of this Prospectus under the heading "Borrowing and gearing". The ZDP Subsidiary will not employ leverage. |
| (h) the types and sources of leverage permitted and the associated risks; | The Company may make use of a limited amount of hedging as described in paragraph 1.5 of Part 2 (<i>Information on the Company and the ZDP Subsidiary</i>) of this Prospectus under the heading "Hedging and derivatives". |
| (i) the maximum level of leverage which the AIFM is entitled to employ on behalf of the Company; | <p>The Company's aggregate borrowings shall not exceed 20 per cent. of the Company's Net Asset Value calculated at the time of drawdown.</p> <p>Certain risks associated with the Company's use of leverage are described in the "Risk Factors" section of this Prospectus under the heading "<i>The Company's investment policy may involve the use of leverage, which exposes the Company to risks associated with borrowings</i>".</p> |
| (j) any collateral and asset reuse arrangements; | The Company may be required to deliver collateral from time to time to its trading counterparties and/or brokers under the terms of the relevant trading agreements (including, but not limited to, ISDA master agreement, related credit support documentation and/or securities lending, repurchase, master forward, foreign exchange and/or futures clearing agreements), by posting initial margin and/or variation margin and on a daily mark-to-market basis. The Company may deliver such collateral by way of title transfer or by way of security interest (and, in certain circumstances, may grant a right of re-use in respect of any such collateral that is the subject of a security interest arrangement) to a trading counterparty or broker. The treatment of such collateral varies according to the type of transaction and where it is traded. |
| (2) a description of the procedures by which the Company may change its investment strategy or investment policy, or both; | No material change will be made to the Investment Policy and investment restrictions without the approval of Shareholders by ordinary resolution. Any change to the Investment Policy or investment restrictions which does not amount to a material change to the investment policy may be made by the Company without the approval of Shareholders. |

DISCLOSURE REQUIREMENT

- (3) a description of the main legal implications of the contractual relationship entered into for the purpose of investment, including information on jurisdiction, the applicable law and the existence or absence of any legal instruments providing for the recognition and enforcement of judgments in the territory where the Company is established;

DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE

The Company and the ZDP Subsidiary are both companies limited by shares, incorporated in England and Wales. While investors acquire an interest in either the Company or the ZDP Subsidiary on subscribing for or purchasing shares, the Company and/or the ZDP Subsidiary is the sole legal and/or beneficial owner of its respective assets/investments (in the case of the ZDP Subsidiary this is solely the ZDP Loan Agreement). Consequently, Shareholders have no direct legal or beneficial interest in those assets/investments. The liability of Shareholders for the debts and other obligations of the Company or the ZDP Subsidiary is limited to the amount unpaid, if any, on the shares held by them.

Shareholders' rights in respect of their investment in the Company are governed by the Company's articles of association and the Companies Act 2006 (the "**Companies Act**"). Under English law, the following types of claim may in certain circumstances be brought against a company by its shareholders: contractual claims under its articles of association; claims in misrepresentation in respect of statements made in its prospectus and other marketing documents; unfair prejudice claims; and derivative actions. In the event that a shareholder considers that it may have a claim against the Company in connection with such investment in the Company, such Shareholder should consult its own legal advisers.

Jurisdiction and applicable law

As noted above, Shareholders' rights are governed principally by the articles of association and the Companies Act. By subscribing for shares, investors agree to be bound by the articles of association which is governed by, and construed in accordance with, the laws of England and Wales.

Recognition and enforcement of foreign judgments

Regulation (EC) 593/2008 ("**Rome I**") must be applied in all member states of the European Union (other than Denmark). Accordingly, where a matter comes before the courts of a relevant member state, the choice of a governing law in any given agreement is subject to the provisions of Rome I. Under Rome I, the member state's court may apply any rule of that member state's own law which is mandatory irrespective of the governing law and may refuse to apply a rule of governing law if it is manifestly incompatible with the public policy of that member state. Further, where all other elements relevant to the situation at the time of the choice are located in a country other than the country whose law has been chosen, the choice of the parties shall not prejudice the application of provisions of the law of that other country which cannot be derogated from by agreement.

DISCLOSURE REQUIREMENT

(3) *(continued)*

- (4) the identity of the AIFM, the Company's depository, the auditor and any other service providers and a description of their duties and the investors' rights;

DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE

Shareholders should note that there are a number of legal instruments providing for the recognition and enforcement of foreign judgments in England. Depending on the nature and jurisdiction of the original judgment, Council Regulation (EC) No 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, Regulation (EC) No 805/2004 of the European Parliament and of the Council of 21 April 2004 creating a European Enforcement Order for uncontested claims, the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters done at Lugano on 30 October 2007, the Administration of Justice Act 1920 and the Foreign Judgment (Reciprocal Enforcement) Act 1933 may apply. There are no legal instruments providing for the recognition and enforcement of judgments obtained in jurisdictions outside those covered by the instruments listed above, although such judgements might be enforceable at common law.

AIFM

Pursuant to the AIFM Agreement, the Company has appointed International Fund Management Limited to act as the Company's external non-EEA AIFM. The AIFM will maintain responsibility for implementing appropriate risk measurement and management standards and procedures for the Company and will also carry out the on-going oversight functions and ensure compliance with the applicable requirements of the AIFM Rules. Further details of the AIFM Agreement are set out in Part 9 (*Additional Information on the Company*) of this Prospectus.

Pursuant to the ZDP AIFM Agreement, the ZDP Subsidiary has appointed International Fund Management Limited to act as the ZDP Subsidiary's external non-EEA AIFM. The AIFM will maintain responsibility for implementing appropriate risk measurement and management standards and procedures for the ZDP Subsidiary and will also carry out the on-going oversight functions and ensure compliance with the applicable requirements of the AIFM Rules. Further details of the ZDP AIFM Agreement are set out in Part 10 (*Additional Information on the ZDP Subsidiary*) of this Prospectus.

Auditor

Ernst & Young LLP will provide audit services to the Company and the ZDP Subsidiary. The annual report and accounts will be prepared according to accounting standards laid out under IFRS.

Investment Manager

Under the terms of the Investment Management Agreement, RM Capital Markets Limited has been appointed investment manager (the "**Investment Manager**").

DISCLOSURE REQUIREMENT

(4) (continued)

DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE

The AIFM will delegate portfolio management functions to the Investment Manager under the terms of the Investment Management Agreement but will remain responsible for general oversight and management of the Investment Manager's activities and for risk management. Further details of the Investment Management Agreement are set out in Part 9 (*Additional Information on the Company*) of this Prospectus.

Details of other advisers and professionals are set out in Part 3 (*Directors, Management and Administration*) of this Prospectus.

Investors' Rights

The Company is reliant on the performance of third party service providers, including the AIFM, the Investment Manager, the Administrator, the Company secretary, the Auditors, the Registrar and the Receiving Agent.

Without prejudice to any potential right of action in tort that a Shareholder may have to bring a claim against a service provider, each Shareholder's contractual relationship in respect of its investment in shares is with the Company only. Accordingly, no Shareholder will have any contractual claim against any service provider with respect to such service provider's default.

In the event that a Shareholder considers that it may have a claim against a third party service provider in connection with such Shareholder's investment in the Company, such Shareholder should consult its own legal advisers.

The above is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised service provider under section 138D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 138D of the Financial Services and Markets Act 2000, or in tort, against any service provider in connection with their investment in the Company, should consult their legal adviser.

Shareholders who are "Eligible Complainants" for the purposes of the FCA "Dispute Resolutions Complaints" rules (natural persons, micro-enterprises and certain charities or trustees of a trust) are able to refer any complaints against the Investment Manager to the Financial Ombudsman Service ("**FOS**") (further details of which are available at www.financial-ombudsman.org.uk). Additionally, Shareholders may be eligible for compensation under the Financial Services Compensation Scheme ("**FSCS**") if they have claims against an FCA authorised service provider (including the Investment Manager) which is in default. There are limits on the amount of compensation available. Further information about the FSCS is at www.fscs.org.uk. To determine eligibility in relation to either the FOS or the FSCS, Shareholders should consult the respective websites above and speak to their legal advisers.

DISCLOSURE REQUIREMENT

DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE

- (5) a description of how the AIFM complies with the requirements of Article 9(7) of the AIFM Directive;
- (6) a description of:
- (a) any management function delegated by the AIFM;
 - (b) any safe-keeping function delegated by the depositary;
 - (c) any conflicts of interest that may arise from such delegations;
- (7) a description of the Company's valuation procedure and of the pricing methodology for valuing assets, including the methods used in valuing any hard-to-value assets, in accordance with Article 19 of the AIFM Directive;
- (8) a description of the Company's liquidity risk management, including the redemption rights of investors in Normal and exceptional circumstances, and the existing redemption arrangements with investors;
- As a non-EEA AIFM, investors should note that the AIFM is not required to cover potential professional liability risks in accordance with AIFM Directive.
- The AIFM has delegated portfolio management functions to the Investment Manager under the terms of the Investment Management Agreement but remains responsible for the general oversight and management of the Investment Manager's activities and for risk management.
- Delegation of these responsibilities does not relieve the AIFM of any of its duties or liabilities under the AIFM Agreement.
- N/A
- N/A
- The Administrator will calculate the Net Asset Value and the Net Asset Value per Ordinary Share and, where applicable, the Net Asset Value per C Share as at the end of each month. The Company's Loans will be measured at fair value and the Company's Valuation Agent is responsible for carrying out the fair valuation of the Loans on a monthly basis in accordance with IFRS. The Net Asset Value will be announced on a Regulatory Information Service, by publication on the Company's website, <https://rm-funds.co.uk/rm-secured-direct-lending-fund/> and on www.londonstockexchange.com.
- The valuation task is functionally independent from portfolio management.
- The Board may determine that the Company shall temporarily suspend the publication of the Net Asset Value per Ordinary Share or, where applicable, Net Asset Value per C Share when the prices of any investment owned by the Company cannot be promptly or accurately ascertained.
- More information on the valuation procedure to be used by the Company is set out in Part 2 (*Information on the Company and the ZDP Subsidiary*) of this Prospectus.
- The Company is a closed-ended listed investment company and, as such, Shareholders in the Company have no right to redeem their shares.
- The ZDP Shares are not redeemable.
- Liquidity risk is therefore the risk that a position held by the Company cannot be realised at a reasonable value sufficiently quickly to meet the obligations (primarily, debt) of the Company as they fall due.
- In managing the Company's assets therefore the AIFM seeks to ensure that the Company holds at all times a sufficient portfolio of assets listed on recognised investment exchanges to enable it to discharge its payment obligations.

DISCLOSURE REQUIREMENT

- (9) a description of all fees, charges and expenses, and the maximum amounts directly or indirectly borne by investors;

- (10) a description of how the Company ensures a fair treatment of investors;

- (11) whenever an investor obtains preferential treatment or the right to obtain preferential treatment, a description of:

(a) that preferential treatment;

(b) the type of investors who obtain such preferential treatment; and

(c) where relevant, their legal or economic links with the Company;

- (12) the procedure and conditions for the issue and sale of units or shares;

DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE

The costs and expenses of, and incidental to, the establishment of the ZDP Subsidiary and the Company Offerings all of which are payable by the Company are expected to be 2 per cent. of the gross proceeds of the Company Offerings. The costs and expenses of, and incidental to, the ZDP Offerings and to be borne by the Group are expected to be 1 per cent. of the gross proceeds of the ZDP Offerings.

The fees and expenses payable to the AIFM are described in paragraph 4.2 of Part 3 (*Directors, Management and Administration*) of this Prospectus; and the fees and expenses payable to the Investment Manager are described in paragraph 4.2 of Part 3 (*Directors, Management and Administration*) of this Prospectus.

Other than in respect of expenses of, or incidental to, the Company Offerings and Admission which the Company intends to pay out of the proceeds of Company Offerings, there are no commissions, fees or expenses to be charged to investors by the Company under the Company Offerings.

Fees, charges and expenses following Admission are outlined in paragraph 4.2 of Part 3 (*Directors, Management and Administration*) of this Prospectus.

As a company listed on the premium listing segment of the UK Listing Authority's Official List, the Company is required under the Premium Listing Principles to treat all Shareholders of a given class equally.

From the management fees payable to the Investment Manager it shall, at its discretion, be entitled to make payments to Placees and/or other investors in the Company.

See above

See above

The terms and conditions under which investors can subscribe for Shares under the Offerings are set out in Part 12 (*Terms and Conditions*) of this Prospectus.

The terms and conditions and application form to subscribe for Shares under the Offer for Subscription are set out in Part 12 (*Terms and Conditions*) and the Appendix of this Prospectus.

DISCLOSURE REQUIREMENT

DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE

- | | |
|---|--|
| (13) the latest net asset value of the Company or the latest market price of the unit or share of the Company, in accordance with Article 19 of the AIFM Directive; | As at 31 December 2017, the audited Net Asset Value per Ordinary Share was 98.50 pence. As at 31 January 2018, the unaudited Net Asset Value per Ordinary Share was 99.26 pence.

When published, Net Asset Value announcements can be found on the Company's website: https://rm-funds.co.uk/rm-secured-direct-lending-fund/ |
| (14) the latest annual report, in line with Article 22 of the AIFM Directive; | The Company has published its annual report and accounts for the year ended 31 December 2017.

When published, annual reports can be found on the Company's website: https://rm-funds.co.uk/rm-secured-direct-lending-fund/ |
| (15) where available, the historical performance of the Company; | The Company has published its annual report and accounts for the year ended 31 December 2017.

When published, annual and interim financial statements can be found on the Company's website: https://rm-funds.co.uk/rm-secured-direct-lending-fund/ |
| (16) | |
| (a) the identity of the prime brokerage firm; | N/A |
| (b) a description of any material arrangements of the Company with its prime brokerage firm and the way any conflicts of interest are managed; | N/A |
| (c) the provision in the contract with the depositary on the possibility of transfer and reuse of Company assets; and | N/A |
| (d) information about any transfer of liability to the prime brokerage firm that may exist; and | N/A |

DISCLOSURE REQUIREMENT

- (17) a description of how and when the information required under paragraphs 4 and 5 of Article 23 of the AIFM Directive will be disclosed.

DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE

In order to meet the requirements of paragraphs 4 and 5 of Article 23 of the AIFM Directive, the Company intends to disclose annually in the Company's annual report (or in such manner as the AIFM and the Board consider appropriate):

- (1) the percentage of the Company's assets that are subject to special arrangements arising from their illiquid nature if applicable;
- (2) any new arrangements for managing the liquidity of the Company; and
- (3) the current risk profile of the Company and the risk management systems employed by the AIFM to manage those risks.

Information will also be provided to investors regarding any changes to:

- (a) the maximum level of leverage that the AIFM may employ on behalf of the Company;
- (b) any right of reuse of collateral or any guarantee granted under the leveraging arrangement; and
- (c) the total amount of leverage employed by the Company.

PART 12

TERMS AND CONDITIONS

SECTION A – TERMS AND CONDITIONS OF THE OFFER FOR SUBSCRIPTION

1. Introduction

- 1.1 If you apply for C Shares under the Offer for Subscription, you will be agreeing with the Company, N+1 Singer, the Registrar and the Receiving Agent to the terms and conditions for the Offer for Subscription set out below and the terms and conditions set out in the Application Form. Potential investors should note the section entitled “Notes on how to complete the Application Form”.
- 1.2 The Application Form may also be used to subscribe for C Shares on such other terms and conditions as may be agreed in writing between the applicant and the Company.

2. Offer for subscription for C Shares

- 2.1 Your application must be made on the Application Form accompanying this Prospectus or as may be otherwise published or agreed by the Company. By completing and delivering an Application Form or otherwise agreeing to subscribe under the Offer for Subscription, you, as the applicant, and, if you sign the Application Form on behalf of another person or a corporation, that person or corporation:
- 2.1.1 offer to subscribe for such number of C Shares at the Issue Price, as may be purchased by the subscription amount specified in Box 1 on page 6 on your Application Form (being a minimum of £1,000 and thereafter in multiples of £100, or such smaller number for which such application is accepted) on the terms, and subject to the conditions, set out in this Prospectus, including these terms and conditions for the Offer for Subscription and the Articles (as amended from time to time);
- 2.1.2 agree that in respect of any C Shares for which you wish to subscribe under the Offer for Subscription you will submit payment in Sterling;
- 2.1.3 agree that, in consideration of the Company agreeing that it will not, prior to the date of Admission, offer for subscription any C Shares to any person other than by means of the procedures referred to in this Prospectus, your application may not be revoked (subject to any legal right to withdraw your application which arises as a result of any supplementary prospectus being published by the Company subsequent to the date of the Prospectus) and that this section shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to, or in the case of delivery by hand, on receipt by the Receiving Agent of, your Application Form;
- 2.1.4 undertake to pay the amount specified in Box 1 on page 6 on your Application Form in full on application and warrant that the remittance accompanying your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured you will not be entitled to receive the share certificates for the C Shares applied for in certificated form or be entitled to commence dealing in the C Shares applied for in uncertificated form or to enjoy or receive any rights in respect of such C Shares unless and until you make payment in cleared funds for such C Shares and such payment is accepted by the Receiving Agent (which acceptance shall not constitute an acceptance of your application under the Offer for Subscription which shall be in its absolute discretion and on the basis that you indemnify the Receiving Agent, the Company and N+1 Singer against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) void the agreement to allot the C Shares and may allot them to some other person, in which case you will not be entitled to any refund or payment in respect thereof (other than the refund either by way of a cheque or direct to the account of the bank or building society on which the cheque or banker's draft was drawn, in your favour, at your risk, for an amount equal to the proceeds of the remittance which accompanied your Application Form, without interest);
- 2.1.5 agree that where on your Application Form a request is made for C Shares to be deposited into a CREST Account, the Receiving Agent may in its absolute discretion amend the

Application Form so that such C Shares may be issued in certificated form registered in the name(s) of the applicant(s) specified in your Application Form (and recognise that the Receiving Agent will so amend the form if there is any delay in satisfying the identity of the applicant or the owner of the CREST Account or in receiving your remittance in cleared funds);

- 2.1.6 agree, in respect of applications for C Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph 2.1.5 above (to issue C Shares in certificated form), that any share certificate to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled or pursuant to paragraph 2.1.5 referred to immediately above (and any monies returnable to you) may be retained by the Receiving Agent:
- (A) pending clearance of your remittance;
 - (B) pending investigation of any suspected breach of the warranties contained in paragraph 6 of this Section A in this Part 12 (*Terms and Conditions*) of the Prospectus or any other suspected breach of these terms and conditions for the Offer for Subscription; or
 - (C) pending any verification of identity which is, or which the Receiving Agent or the Company considers may be, required for the purpose of applicable anti-money laundering requirements,
- and any interest accruing on such retained monies shall accrue to and for the benefit of the Company;
- 2.1.7 agree, on the request of the Receiving Agent, to disclose promptly in writing to it such information as the Receiving Agent may request in connection with your application and authorise the Receiving Agent to disclose any information relating to your application which it may consider appropriate;
- 2.1.8 agree that, if evidence of identity satisfactory to the Receiving Agent is not provided to the Receiving Agent within a reasonable time (in the opinion of the Receiving Agent) following a request therefor, the Company may terminate the agreement with you to allot C Shares and, in such case, the C Shares which would otherwise have been allotted to you may be re-allotted or sold to some other party and the lesser of your application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned by first class post as a cheque or returned direct to the account of the bank or building society on which the cheque or banker's draft was drawn, without interest and at the risk of the applicant;
- 2.1.9 agree that you are not applying on behalf of a person engaged in money laundering, drug trafficking or terrorism;
- 2.1.10 undertake to ensure that, in the case of an Application Form signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) is enclosed with your Application Form together with full identity documents for the person so signing;
- 2.1.11 undertake to pay interest at the rate described in paragraph 3.3 below if the remittance accompanying your Application Form is not honoured on first presentation;
- 2.1.12 authorise the Receiving Agent to procure from the Registrar that there be sent to you definitive certificates in respect of the number of C Shares for which your application is accepted or if you have completed section 7 on your Application Form, but subject to paragraph 2.1.5 above, to deliver the number of C Shares for which your application is accepted into CREST, and/or to return any monies returnable either by cheque in your favour or direct to the account of the bank or building society on which the cheque or banker's draft was drawn without interest and at your risk;
- 2.1.13 confirm that you have read and complied with paragraph 8 below;
- 2.1.14 agree that all subscription cheques and payments will be processed through a bank account in the name of "CIS PLC re: RM Secured Direct Lending Offer for Subscription a/c" opened with the Receiving Agent;
- 2.1.15 agree that your Application Form is addressed to the Company and the Receiving Agent;

- 2.1.16 acknowledge that the Offer for Subscription will not proceed if the Resolutions are not passed at the General Meeting or if the Placing Agreement fails to become unconditional.
- 2.2 Any application may be rejected in whole or in part in the sole discretion of the Company.

3. Acceptance of your offer

- 3.1 The Receiving Agent may, on behalf of the Company, accept your offer to subscribe (if your application is received, valid (or treated as valid), processed and not rejected) for C Shares either:
- 3.1.1 by notifying the UK Listing Authority of the basis of allocation (in which case the acceptance will be on that basis); or
- 3.1.2 by notifying acceptance to the Company.
- 3.2 The basis of allocation will be determined by the Company (in its absolute discretion) in consultation with the N+1 Singer. The right is reserved notwithstanding the basis as so determined to reject in whole or in part and/or scale back any application on such basis as the Company and N+1 Singer may determine. The right is reserved to treat as valid any application not complying fully with these terms and conditions for the Offer for Subscription or not in all respects completed or delivered in accordance with the instructions accompanying the Application Form. In particular, but without limitation, the Company may accept an application made otherwise than by completion of an Application Form where you have agreed with the Company in some other manner to apply in accordance with these terms and conditions for the Offer for Subscription. The Company and Receiving Agent reserve the right (but shall not be obliged) to accept Application Forms and accompanying remittances which are received otherwise than in accordance with these terms and conditions for the Offer for Subscription.
- 3.3 Payments must be made by cheque or banker's draft in pounds sterling drawn on a branch in the United Kingdom of a bank or building society that is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or that has arranged for its cheques or bankers' drafts to be cleared through the facilities provided for members of either of those companies. Such cheques or bankers' drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of the individual applicant where they have sole or joint title to the funds, should be made payable to "CIS PLC re: RM Secured Direct Lending Offer for Subscription a/c" and crossed "A/C payee only". Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the account holder by stamping /endorsing the cheque or banker's draft to that effect. The account name should be the same as that shown on the Application Form.

For applicants sending subscription monies by electronic bank transfer (CHAPS) payment must be made for value by 11.00 a.m. on 23 March 2018. Please contact Computershare Investor Services PLC by email at OFSPaymentQueries@computershare.co.uk stating RMSDLOFS. Computershare will then provide you with a unique reference number which must be used when sending payment.

Applicants choosing to settle via CREST, that is DVP, will need to match their instructions to Computershare's participant account 8RA38 by no later than 1.00 p.m. on 29 March 2018, allowing for the delivery and acceptance of Shares to be made against payment of the Issue Price, following the CREST matching criteria set out in the Application Form.

- 3.4 The Receiving Agent will present all cheques and bankers' drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful applicants' payments. The Company may require you to pay interest or its other resulting costs (or both) if the payment accompanying your application is not honoured on first presentation. If you are required to pay interest you will be obliged to pay the amount determined by the Company, to be the interest on the amount of the payment from the date on which all payments in cleared funds are due to be received until the date of receipt of cleared funds. The rate of interest will be the then published bank base rate of a clearing bank selected by the Company plus 2 per cent. per annum. The right is also reserved to reject in whole or in part, or to scale down or limit, any application.

3.5 The Company reserves the right in its absolute discretion (but shall not be obliged) to accept applications for less than the minimum subscription.

4. Conditions

4.1 The contracts created by the acceptance of applications (in whole or in part) under the Offer for Subscription will be conditional upon, amongst other things:

- (i) the passing of the Resolutions at the General Meeting;
- (ii) the Placing Agreement becoming wholly unconditional (save only as to Admission) and not having been terminated in accordance with its terms prior to Admission;
- (iii) Admission having been effective on or before 8.00 a.m. on 3 April 2018 (or such later time and date as the Company and N+1 Singer may agree).

4.2 You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other rights you may have.

5. Return of application monies

Where application monies have been banked and/or received, if any application under the Offer for Subscription is not accepted in whole, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest and after the deduction of any applicable bank charges by returning your cheque, or by crossed cheque in your favour, by first class post or direct to the account of the bank or building society on which the cheque or banker's draft is drawn at the risk of the person(s) entitled thereto. In the meantime, application monies will be retained by the Receiving Agent in a separate non-interest bearing account.

6. Representations and warranties

The representations and warranties set out below apply to prospective investors applying for C Shares under the Offer for Subscription.

6.1 By completing an Application Form you

- 6.1.1 warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person and that such other person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these terms and conditions for the Offer for Subscription and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;
- 6.1.2 warrant, if the laws of any territory or jurisdiction other than the United Kingdom are applicable to your application, that you have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company, N+1 Singer or the Receiving Agent, or any of their respective officers, agents or employees, acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Offer for Subscription in respect of your application;
- 6.1.3 represent and warrant that, if you have a registered address or are otherwise resident or domiciled in an EEA State:
 - (A) you are a "professional investor" within the meaning of the AIFM Directive (unless you are eligible to participate in the Offer for Subscription being made in the United Kingdom); and

- (B) you have not been marketed to or received any marketing materials in any EEA State other than the United Kingdom or any Member State of the European Economic Area that has not transposed the AIFM Directive or a EEA State in which the Investment Manager or the AIFM or N+1 Singer have confirmed that they have made the relevant notification or applications in that EEA State and are lawfully able to market C Shares into that EEA State;
- 6.1.4 warrant that you do not have a registered address in, and are not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the C Shares and you are not acting on a non-discretionary basis for any such person;
- 6.1.5 confirm that in making an application you are not relying on any information or representations in relation to the Company and the C Shares other than those contained in the Prospectus and any supplementary prospectus published by the Company subsequent to the date of the Prospectus and prior to Admission (on the basis of which alone your application is made) and accordingly you agree that no person responsible solely or jointly for the Prospectus, any such supplementary prospectus or any part thereof shall have any liability for any such other information or representation and any information relating to the exchange of tax information;
- 6.1.6 agree that, having had the opportunity to read this Prospectus, you shall be deemed to have had notice of all information and representations contained therein or incorporated by reference;
- 6.1.7 make the representations, warranties, undertakings, agreements and acknowledgments set out in this Prospectus, including those set out in the section entitled "Important Notices";
- 6.1.8 acknowledge that no person is authorised in connection with the Offer for Subscription to give any information or make any representation other than as contained in the Prospectus and any supplementary prospectus published by the Company subsequent to the date of the Prospectus and prior to Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, N+1 Singer, the Receiving Agent or any of their Affiliates;
- 6.1.9 warrant that you are not under the age of 18 on the date of your application;
- 6.1.10 agree that all documents and monies sent by post to, by or on behalf of the Company, or the Receiving Agent, will be sent at your risk and, in the case of documents and returned application cheques and payments to be sent to you, may be sent to you at your address (or, in the case of joint applicants, the address of the first-named applicant) as set out in your Application Form;
- 6.1.11 confirm that you have reviewed the restrictions contained in paragraph 8 below and warrant, to the extent relevant, that you (and any person on whose behalf you apply) comply or have complied with the provisions therein;
- 6.1.12 agree that, in respect of those C Shares for which your Application Form has been received and processed and not rejected, acceptance of your Application Form shall be constituted by the Company instructing the Registrar to enter your name on the Company's Register;
- 6.1.13 agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer for Subscription shall be governed by and construed in accordance with the laws of England and Wales and that you submit to the jurisdiction of the English courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;
- 6.1.14 irrevocably authorise the Company, N+1 Singer, the Registrar or the Receiving Agent or any other person authorised by any of them, as your agent, to do all things necessary to effect registration of any C Shares subscribed by or issued to you into your name and authorise any representatives of the Company, N+1 Singer, the Registrar and/or the Receiving Agent to execute any documents required therefor and to enter your name on the Company's Register;
- 6.1.15 warrant that you are: (i) highly knowledgeable and experienced in business and financial matters as to be capable of evaluating the merits and risks of an investment in the C Shares; (ii) fully understand the risks associated with such investment; and (iii) are able to bear the

economic risk of your investment in the Company and are currently able to afford the complete loss of such investment;

- 6.1.16 agree to provide the Company, N+1 Singer, the Registrar and the Receiving Agent with any information which any of them may request in connection with your application or to comply with any other relevant legislation (as the same may be amended from time to time) including without limitation satisfactory evidence of identity to ensure compliance with applicable anti-money laundering provisions;
- 6.1.17 agree that each of the Registrar, the Receiving Agent and N+1 Singer are acting for the Company in connection with the Offer for Subscription and for no-one else and that they will not treat you as their customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of C Shares or concerning the suitability of C Shares for you or be responsible to you for providing the protections afforded to their customers;
- 6.1.18 warrant that the information contained in your Application Form is true and accurate;
- 6.1.19 agree that if you request that C Shares are issued to you on a date other than the Admission and such C Shares are not issued on such date that the Company and its agents and Directors will have no liability to you arising from the issue of such C Shares on a different date;
- 6.1.20 represent and warrant that if you are acquiring any C Shares as a fiduciary or agent for one or more accounts, that you have sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account and to receive, on behalf of each account, any documentation relating to the Offer for Subscription in the form provided by the Company or N+1 Singer; and
- 6.1.21 confirm that you have had the opportunity to consider and review the Company's key information document (KID) located on the Company's website.

7. Money Laundering

- 7.1 You agree that, in order to ensure compliance with the Money Laundering Regulations (where applicable), the Receiving Agent or the Company may respectively at their absolute discretion require verification of identity from any person lodging an Application Form.
- 7.2 The Receiving Agent may undertake electronic searches for the purposes of verifying your identity. To do so the Receiving Agent may verify the details against your identity, but may also request further proof of your identity. The Receiving Agent reserves the right to withhold any entitlement (including any refund payment) until such verification of identity is completed to its satisfaction.
- 7.3 Payments being made by cheque or banker's draft must be made in Sterling drawn on a United Kingdom branch of a bank or building society. Cheques, which must be drawn on your personal account where you have sole or joint title to the funds, should be made payable to "CIS PLC re: RM Secured Direct Lending Offer for Subscription a/c". Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has inserted details of the name of the account holder and have added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds by following the instructions in paragraph 3.3 of this Section A in this Part 12 (*Terms and Conditions*) of the Prospectus.
- 7.4 The bank account name should be the same as that shown on the Application Form.
- 7.5 Where you appear to the Receiving Agent to be acting on behalf of some other person certifications of identity of any persons on whose behalf you appear to be acting may be required.
- 7.6 Failure to provide the necessary evidence of identity may result in application(s) being rejected or delays in the despatch of documents.
- 7.7 If you use a building society cheque, banker's draft or money order you should ensure that the bank or building society enters the name, address and account number of the person whose account is

being debited on the reverse of the cheque, banker's draft or money order and adds its stamp. The name on the bank account must be the same as that stated on the Application Form.

- 7.8 You should endeavour to have the declaration contained in paragraph 5 of the Application Form signed by an appropriate firm as described in that Box. If you cannot provide the certificate, you must provide with the Application Form the identity documents detailed in paragraph 6 of the Application Form.

8. Overseas Shareholders

- 8.1 The attention of existing and potential investors who are not resident in, or who are not citizens of, the United Kingdom is drawn to this paragraph 8.
- 8.2 The offer of C Shares under the Offer for Subscription to Overseas Shareholders may be affected by the law of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to subscribe for C Shares under the Offer for Subscription. It is the responsibility of all Overseas Shareholders receiving this Prospectus and/or wishing to subscribe for the C Shares under the Offer for Subscription, to satisfy themselves as to full observance of the laws of any relevant territory or jurisdiction in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities required to be observed and paying any issue, transfer or other taxes due in such territory.
- 8.3 No person receiving a copy of this Prospectus in any territory other than the United Kingdom may treat the same as constituting an offer or invitation to him, unless in the relevant territory such an offer can lawfully be made to him without compliance with any further registration or other legal requirements.
- 8.4 Persons (including, without limitation, custodians, nominees and trustees) receiving this Prospectus should not distribute or send it in or into any Restricted Territory or any other jurisdiction, or to any other person, where to do so would or might contravene local securities laws or regulations.
- 8.5 The Company reserves the right to treat as invalid any agreement to subscribe for C Shares pursuant to the Offer for Subscription if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

9. Data protection

- 9.1 Pursuant to the DP Act the Company and/or the Registrar may hold personal data (as defined in the DP Act) relating to past and present Shareholders.
- 9.2 Such personal data held is used by the Registrar to maintain the Register and mailing lists and this may include sharing such data with third parties when: (a) effecting the payment of dividends and other distributions to Shareholders; and (b) filing returns of Shareholders and their respective transactions in C Shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used.
- 9.3 By becoming registered as a holder of C Shares, a person becomes a data subject (as defined in the DP Act) and is deemed to have consented to the processing by the Company or its Registrar of any personal data relating to them in the manner described above and on page 45 of this Prospectus.

10. Miscellaneous

- 10.1 The rights and remedies of the Company, N+1 Singer, the Registrar and the Receiving Agent under these terms and conditions for the Offer for Subscription are in addition to any rights and remedies which would otherwise be available to any of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 10.2 The Company reserves the right to shorten or extend the closing time and/or date of the Offer for Subscription from 11.00 a.m. (London time) on 23 March 2018 (provided that if the closing time is

extended the Prospectus remains valid at the closing time as extended) by giving notice to the London Stock Exchange. The Company will notify investors by an RIS and any other manner, having regard to the requirements of the London Stock Exchange.

- 10.3 The Company may terminate the Offer for Subscription in its absolute discretion at any time prior to Admission. If such right is exercised, the Offer for Subscription will lapse and any monies will be returned by first class post as a cheque or returned direct to the account of the bank or building society on which the cheque or banker's draft was drawn, without interest and at your risk.
- 10.4 The dates and times referred to in these terms and conditions of the Offer for Subscription may be altered by the Company including but not limited to so as to be consistent with the Placing Agreement (as the same may be altered from time to time in accordance with its terms).
- 10.5 Save where the context requires otherwise, terms used in these terms and conditions of the Offer for Subscription bear the same meaning as used elsewhere in this Prospectus.

SECTION B – TERMS AND CONDITIONS OF THE PLACINGS

1. Introduction

- 1.1 Each investor which confirms its agreement to N+1 Singer, to subscribe for Shares under a Placing (for the purposes of this Section B of this Part 12 (*Terms and Conditions*) of the Prospectus, a “**Placee**”) will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.2 To the extent that additional placing agents and bookrunners are appointed by the Issuers to procure Placees pursuant to a Placing, references to N+1 Singer in this Section B of this Part 12 (*Terms and Conditions*) of the Prospectus shall be read as a reference to the relevant placing agent and bookrunner.
- 1.3 Each of the Issuers and/or N+1 Singer, as applicable, may require a Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and/or may require any such Placee to execute a separate placing letter (for the purposes of this Part 12 (*Terms and Conditions*) of the Prospectus, a “Placing Letter”). The terms of this Part 12 (*Terms and Conditions*) of the Prospectus will, where applicable, be deemed to be incorporated into that Placing Letter.
- 1.4 For the purposes of this Part 12 (*Terms and Conditions*) of the Prospectus, unless the context otherwise requires (e.g., paragraphs 4.1.13 and 4.1.14 below), references to:
- “**Articles**” shall mean the Articles or the ZDP Articles (as the context may require);
- “**Contract Note**” shall have the meaning given in paragraph 4.1.3 below;
- “**Director**” shall mean a director of the Company or the ZDP Subsidiary (as the context may require);
- “**Initial Placing**” shall mean the Initial Placing and/or the Initial ZDP Placing (as the context may require);
- “**Issuer**” shall mean the Company or the ZDP Subsidiary (as the context may require);
- “**Placing**” shall mean either the Initial Placing or a Subsequent Placing (as the context may require);
- “**Placing Commitment**” has the meaning given in paragraph 4.1 below;
- “**Placing Confirmation**” shall have the meaning given in paragraph 4.1.3 below;
- “**Placing Document**” has the meaning given in paragraph 4.1.19 below;
- “**Placing Price**” shall mean in respect of the Initial Placing, the Issue Price, and in respect of a Subsequent Placing, such price as shall be announced by the Company by way of an RIS at the relevant time;
- “**Placing Programme**” shall mean the Share Issuance Programme or the ZDP Placing Programme (as the context may require);
- “**Share**” shall mean a C Share or an Ordinary Share or a ZDP Share (as the context may require);
- “**Shareholder**” shall mean a holder of C Shares or Ordinary Shares or ZDP Shares (as the context may require); and
- “**Subsequent Placing**” shall mean a Subsequent Placing or a Subsequent ZDP Placing (as the context may require).

Subject thereto and save where the context requires otherwise, terms used in this Part 12 (*Terms and Conditions*) of the Prospectus bear the same meanings as used elsewhere in this Prospectus.

2. Agreement to subscribe for Shares

- 2.1 The Initial Placing and, where appropriate, any Subsequent Placing (as applicable), are conditional on, amongst other things:
- 2.1.1 the passing of the Resolutions at the General Meeting;
- 2.1.2 Admission occurring and becoming effective by 8.00 a.m. on or prior to 3 April 2018 (or such later time and/or date, not being later than 8.00 a.m. on 30 April 2018, as the Issuer and N+1

Singer may agree) or the relevant Admission occurring in respect of any Subsequent Placing not later than 8.00 a.m. on such date as may be agreed between the Issuer, the Investment Manager and N+1 Singer prior to the closing of any Subsequent Placing;

- 2.1.3 in the case of any issue under a Subsequent Placing, to the extent required by the Prospectus Rules and the FSMA, a valid supplementary prospectus being published by the Issuer;
 - 2.1.4 the Placing Agreement becoming otherwise unconditional in all respects (other than in respect of any condition regarding Admission) in relation to the relevant Subsequent Placing and not having been terminated in accordance with its terms on or before 8.00 a.m. on the date of Admission; and
 - 2.1.5 N+1 Singer confirming to the Placees their allocation of Shares, as applicable, a Placee agrees to become a member of the Issuer and agrees to subscribe for those Shares allocated to it by N+1 Singer at the Placing Price. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.
- 2.2 Multiple applications or suspected multiple applications on behalf of a single investor are liable to be rejected.
- 2.3 No fractions of Shares will be issued.

3. Payment for Shares

- 3.1 Each Placee undertakes to pay in full the Placing Price for the Shares issued to such Placee in the manner and by the time directed by N+1 Singer, as applicable. In the event of any failure by a Placee to pay as so directed and/or by the time required by N+1 Singer, as applicable, the relevant Placee shall be deemed hereby to have irrevocably and unconditionally appointed N+1 Singer, or any nominee of N+1 Singer as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the Shares in respect of which payment shall not have been made as directed, and to indemnify N+1 Singer and its respective Affiliates on demand in respect of any liability for stamp duty and/or stamp duty reserve tax or any other liability whatsoever arising in respect of any such sale or sales.
- 3.2 A sale of all or any of such Shares shall not release the relevant Placee from the obligation to make such payment for relevant Shares to the extent that N+1 Singer or its nominee has failed to sell such Shares at a consideration which, after deduction of the expenses of such sale and payment of stamp duty and/or stamp duty reserve tax as aforementioned, is equal to or exceeds the Placing Price.

4. Representations, Warranties and Undertakings

- 4.1 By agreeing to subscribe for Shares, each Placee which enters into a commitment to subscribe for Shares (for the purposes of this Part 12 (*Terms and Conditions*) of the Prospectus, a "Placing Commitment") will (for itself and for any person(s) procured by it to subscribe for Shares and any nominee(s) for any such person(s)) be deemed to acknowledge, understand, undertake, represent and warrant to each of the Issuer, the Investment Manager, the Registrar and N+1 Singer, that:
- 4.1.1 in agreeing to subscribe for Shares under any Placing, it is relying solely on this Prospectus and any supplementary prospectus issued by the Issuer prior to the relevant Admission and not on any other information given, or representation or statement made at any time, by any person concerning the Issuer, the Shares or any Placing. It agrees that none of the Issuer, the Investment Manager, the Registrar or N+1 Singer, nor any of their respective officers, agents, employees or Affiliates, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have against any such persons in respect of any other information or representation;
 - 4.1.2 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Shares under any Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any such territory or jurisdiction and that it has not taken any action or omitted

to take any action which will or might reasonably be expected to result in the Issuer, the Investment Manager, the Registrar or N+1 Singer, or any of their respective officers, agents, employees or Affiliates acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with any Placing;

- 4.1.3 it has carefully read and understands the Prospectus (and any supplementary prospectus issued by the Issuer prior to the relevant Admission) in its entirety and acknowledges that it is acquiring Shares on the terms and subject to the conditions set out in this Part 12 (*Terms and Conditions*) of the Prospectus and, as applicable, in the contract note or placing confirmation, as applicable, referred to in paragraph 4.1.11 of this Section B in this Part 12 (*Terms and Conditions*) of the Prospectus (for the purposes of this Part 12 (*Terms and Conditions*) of the Prospectus, the “Contract Note” or the “Placing Confirmation”) and the Placing Letter (if any) and the Articles as in force at the date of the relevant Admission;
- 4.1.4 it has not relied on N+1 Singer, or any person Affiliates of N+1 Singer in connection with any investigation of the accuracy of any information contained in this Prospectus or any supplementary prospectus issued by the Issuer;
- 4.1.5 the content of this Prospectus and any supplementary prospectus issued by the Issuer is exclusively the responsibility of the Issuer and its Directors and neither N+1 Singer, the Investment Manager (other than where it specifically accepts responsibility), the Registrar, nor any person acting on their behalf nor any of their Affiliates are responsible for or shall have any liability for any information, representation or statement contained in this Prospectus and any such supplementary prospectus issued by the Issuer or any information previously published by or on behalf of the Issuer and will not be liable for any decision by a Placee to participate in any Placing based on any information, representation or statement contained in this Prospectus or any supplementary prospectus issued by the Issuer or otherwise;
- 4.1.6 no person is authorised in connection with any Placing to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus issued by the Issuer prior to the date of the relevant Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the Issuer, N+1 Singer, the Investment Manager or the Registrar;
- 4.1.7 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;
- 4.1.8 the price per Share is fixed at the applicable Placing Price and is payable to N+1 Singer on behalf of the Issuer in accordance with the terms of this Part 12 (*Terms and Conditions*) of the Prospectus and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any);
- 4.1.9 it has the funds available to pay in full for the Shares for which it has agreed to subscribe pursuant to its Placing Commitment and that it will pay the total subscription in accordance with the terms set out in this Part 12 (*Terms and Conditions*) of the Prospectus and, as applicable, as set out in the Contract Note or Placing Confirmation and the Placing Letter (if any) on the due time and date;
- 4.1.10 its commitment to acquire Shares under any Placing will be agreed orally with N+1 Singer as agent for the Issuer and that a Contract Note or Placing Confirmation will be issued by N+1 Singer as soon as possible thereafter. That oral confirmation will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Issuer and N+1 Singer to subscribe for the number of Shares allocated to it and comprising its Placing Commitment at the applicable Placing Price on the terms and conditions set out in this Part 12 (*Terms and Conditions*) of the Prospectus and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any) and in accordance with the Articles in force as at the date of the relevant Admission. Except with the consent of N+1 Singer such oral commitment will not be capable of variation or revocation after the time at which it is made;

- 4.1.11 its allocation of Shares under any Placing (as applicable) will be evidenced by Contract Note or Placing Confirmation, as applicable, confirming: (i) the number of Shares that such Placee has agreed to acquire; (ii) the aggregate amount that such Placee will be required to pay for such Shares; and (iii) settlement instructions to pay N+1 Singer as agent for the Issuer. The terms of this Part 12 (*Terms and Conditions*) of the Prospectus will be deemed to be incorporated into that Contract Note or Placing Confirmation;
- 4.1.12 settlement of transactions in the Shares following the relevant Admission will take place in CREST but N+1 Singer reserves the right in its absolute discretion to require settlement in certificated form if, in its opinion, delivery or settlement is not possible or practicable within the CREST system within the timescales previously notified to the Placee (whether orally, in the Contract Note or Placing Confirmation, in the Placing Letter or otherwise) or would not be consistent with the regulatory requirements in any Placee's jurisdiction;
- 4.1.13 none of the Shares have been or will be registered under the laws of any Restricted Territory or any other jurisdiction where the extension or availability of the Placing would breach any applicable law. Accordingly, the Shares may not be offered, sold, issued or delivered, directly or indirectly, within any Restricted Territory or any other jurisdiction where the extension or availability of the Placing would breach any applicable law unless an exemption from any registration requirement is available;
- 4.1.14 none of the Shares have been or will be registered under the laws of any Member State (other than the United Kingdom), any Restricted Territory or any other jurisdiction where the extension or availability of a Placing a subsequent placing would breach any applicable law. Accordingly, the Shares may not be offered, sold, issued or delivered, directly or indirectly, within any Member State (other than the United Kingdom), any Restricted Territory or any other jurisdiction where the extension or availability of the Placing would breach any applicable law unless an exemption from any registration requirement is available;
- 4.1.15 it: (i) is entitled to subscribe for the Shares under the laws of all relevant jurisdictions; (ii) has fully observed the laws of all relevant jurisdictions; (iii) has the requisite capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Shares and will honour such obligations; and (iv) has obtained all necessary consents and authorities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto;
- 4.1.16 if it is within the United Kingdom, it is a person who falls within: (i) Articles 19(1) or 19(5) (Investment Professionals); or (ii) Articles 49(2)(A) to (D) (high net worth companies, unincorporated associations etc.) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or is a person to whom the Shares may otherwise lawfully be offered whether under such Order or otherwise, or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, that it is a person to whom the Shares may be lawfully offered under that other jurisdiction's laws and regulations;
- 4.1.17 It is not a retail client, as defined in the rules of the FCA;
- 4.1.18 if it is a resident in a Member State it is a "qualified investor" within the meaning of the law in the relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of the Prospectus Directive and otherwise permitted to be marketed to in accordance with the provisions of the AIFM Directive as implemented in the Relevant Member State in which it is located;
- 4.1.19 in the case of any Shares acquired by a Placee as a financial intermediary within the meaning of the law in the Relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of the Prospectus Directive: (i) the Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of N+1 Singer has been given to the offer or resale; or (ii) where Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the Prospectus Directive as having been made to such persons;
- 4.1.20 if it is outside the United Kingdom, neither the Prospectus (and any supplementary prospectus issued by the Issuer) nor any other offering, marketing or other material in connection with

the Placing or the Shares (for the purposes of this Part 12 (*Terms and Conditions*) of the Prospectus, each a “Placing Document”) constitutes an invitation, offer or promotion to, or arrangement with, it or any person for whom it is procuring to subscribe for Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation, promotion or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;

- 4.1.21 it makes the representations, warranties, undertakings, agreements and acknowledgments set out in the Prospectus, including those set out in the section entitled “Important Notices”;
- 4.1.22 it does not have a registered address in, and is not a citizen, resident or national of any Restricted Territory and it is not acting on a non-discretionary basis for any such person;
- 4.1.23 if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such investor’s agreement to subscribe for Shares under the Placing and will not be any such person on the date that such subscription is accepted;
- 4.1.24 it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Shares only in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and you acknowledge and agree that no Placing Document is being issued by N+1 Singer, in its capacity as an authorised person under section 21 of FSMA and they may not therefore be subject to the controls which would apply if they were made or approved as financial promotion by an authorised person;
- 4.1.25 it is aware of and acknowledges that it is required to comply with all applicable provisions of FSMA with respect to anything done by it in relation to the in, from or otherwise involving, the United Kingdom;
- 4.1.26 it is aware of the obligations regarding insider dealing in the Criminal Justice Act 1993, the Market Abuse Regulation and the Proceeds of Crime Act 2002 and confirms that it has and will continue to comply with those obligations;
- 4.1.27 no action has been taken or will be taken in any jurisdiction other than the United Kingdom that would permit a public offering of the Shares or possession of this Prospectus (and any supplementary prospectus issued by the Issuer), in any country or jurisdiction where action for that purpose is required;
- 4.1.28 neither N+1 Singer, nor any of its Affiliates nor any person acting on their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing or providing any advice in relation to the Placing and participation in the Placing is on the basis that it is not and will not be a client of N+1 Singer and that N+1 Singer has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing nor, if applicable, in respect of any representations, warranties, undertaking or indemnities contained or incorporated into any Contract Note, Placing Confirmation or Placing Letter;
- 4.1.29 that, save in the event of fraud on the part of N+1 Singer, none of N+1 Singer, its ultimate holding companies nor any direct or indirect subsidiary undertakings of such holding companies, nor any of its respective directors, members, partners, officers and employees shall be responsible or liable to a Placee or any of its clients for any matter arising out of N+1 Singer’s role as Sponsor, financial adviser, bookrunner or placing agent or otherwise in connection with the Initial Placing and/or any Subsequent Placing and that where any such responsibility or liability nevertheless arises as a matter of law the Placee and, if relevant, its clients, will immediately and irrevocably waive any claim against any of such persons which the Placee or any of its clients may have in respect thereof;
- 4.1.30 that where it is subscribing for Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the Shares for each such account; (ii) to make on each such account’s behalf the undertakings, acknowledgements, representations, warranties and agreements set out in this Prospectus

and any supplementary prospectus issued by the Issuer; and (iii) to receive on behalf of each such account any documentation relating to the Placing in the form provided by the Issuer and N+1 Singer. It agrees that the provision of this paragraph shall survive any resale of the Shares by or on behalf of any such account;

- 4.1.31 it irrevocably appoints any Director and any director of N+1 Singer to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Shares comprising its Placing Commitment, in the event of its own failure to do so;
- 4.1.32 if the Placing does not proceed or the conditions to the Placing (as the case may be) under the Placing Agreement are not satisfied then none of, N+1 Singer, the Issuer or Investment Manager nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- 4.1.33 in connection with its participation in the Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2007 (for the purposes of this Part 12 (*Terms and Conditions*) of the Prospectus, together the "Money Laundering Regulations") and that its application for Shares under the Placing is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied for Shares. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing); or (iii) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Regulations;
- 4.1.34 due to anti-money laundering requirements, N+1 Singer may require proof of identity and verification of the source of the payment before the application for Shares under the Placing can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, N+1 Singer may refuse to accept the application and the subscription monies relating thereto. It holds harmless and will hold harmless and indemnify N+1 Singer against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been requested has not been provided by it in a timely manner;
- 4.1.35 it is aware of, has complied with and will at all times comply with its obligations in connection with money laundering under the Money Laundering Regulations;
- 4.1.36 any personal data provided by it to the Issuer or the Registrar will be stored both on the Registrar's computer system and manually. Such personal data is used by the Registrar to maintain the Issuer's register of Shareholders and mailing lists and this may include sharing such data with third parties in one or more other countries when: (a) effecting the payment of dividends and other distributions to Shareholders; and (b) filing returns of Shareholders and their respective transactions in Shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used. By becoming registered as a holder of Shares a person becomes a data subject (as defined in the DP Act) and is deemed to have consented to the processing by the relevant Issuer or the Registrar of any personal data relating to them in the manner described above.
- 4.1.37 N+1 Singer is entitled to exercise any of its rights under the Placing Agreement (including, without limitation, rights of termination) or any other right in its absolute discretion without any liability whatsoever to them;
- 4.1.38 the representations, undertakings and warranties contained in this Part 12 (*Terms and Conditions*) of the Prospectus and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any), are irrevocable. It acknowledges that N+1 Singer and the Issuer and their respective Affiliates will rely upon the truth and accuracy of the foregoing

representations, warranties and undertakings and it agrees that if any of the representations or warranties or undertakings made or deemed to have been made by its subscription of the Shares under the Placing are no longer accurate, it shall promptly notify N+1 Singer and the Issuer;

- 4.1.39 where it or any person acting on behalf of it is dealing with N+1 Singer any money held in an account with N+1 Singer on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require N+1 Singer to segregate such money, as that money will be held by N+1 Singer under a banking relationship and not as trustee;
- 4.1.40 any of its clients, whether or not identified to N+1 Singer will remain its sole responsibility and will not become clients of N+1 Singer for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- 4.1.41 the allocation of Shares in respect of the Placing shall be determined by N+1 Singer in its absolute discretion (in consultation with the Issuer and the Investment Manager) and that N+1 Singer may scale down any Placing Commitment on such basis as it may determine (which may not be the same for each Placee);
- 4.1.42 time shall be of the essence as regards its obligations to settle payment for the Shares subscribed under the Placing and to comply with its other obligations under the Placing;
- 4.1.43 it authorises N+1 Singer to deduct from the total amount subscribed under the Placing, as applicable, the aggregation commission (if any) (calculated at the rate agreed with the Placee) payable on the number of Shares allocated under the Initial Placing and/or any Subsequent Placing;
- 4.1.44 in the event that a supplementary prospectus is required to be produced pursuant to section 87G FSMA and in the event that it chooses to exercise any right of withdrawal pursuant to section 87(Q)(4) FSMA, such Placee will immediately re-subscribe for the Shares previously comprising its Placing Commitment; and
- 4.1.45 the commitment to subscribe for Shares on the terms set out in this Part 12 (*Terms and Conditions*) of the Prospectus and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any) will continue notwithstanding any amendment that may in the future be made to the terms of the Placing and that it will have no right to be consulted or require that its consent be obtained with respect to the Issuer's conduct of the Placing.

The Issuer, the Investment Manager, the Registrar and N+1 Singer will rely upon the truth and accuracy of the foregoing representations, warranties, undertakings and acknowledgements. You agree to indemnify and hold each of the Issuer, the Investment Manager, the Registrar, N+1 Singer and their respective Affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of any breach of the representations, warranties, undertakings, agreements and acknowledgements in this Part 12 (*Terms and Conditions*) of the Prospectus.

5. Supply and disclosure of information

- 5.1 If N+1 Singer, the Registrar or the Issuer or any of their agents request any information about a Placee's agreement to subscribe for Shares under the Placing, such Placee must promptly disclose it to them and ensure that such information is complete and accurate in all respects.

6. Miscellaneous

- 6.1 The rights and remedies of N+1 Singer, the Registrar, the Investment Manager and the Issuer under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 6.2 On application, if a Placee is an individual, that Placee may be asked to disclose in writing or orally, his nationality. If a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in

connection with the Placing will be sent at the Placee's risk. They may be sent by post to such Placee at an address notified by such Placee to N+1 Singer.

- 6.3 Each Placee agrees to be bound by the Articles (as amended from time to time) once the Shares, as applicable, which the Placee has agreed to subscribe for pursuant to the Placing, have been acquired by the Placee. The contract to subscribe for Shares under the Placing and the appointments and authorities mentioned in this Prospectus will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of N+1 Singer, the Issuer, the Investment Manager and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against a Placee in any other jurisdiction.
- 6.4 In the case of a joint agreement to subscribe for Shares under the Placing, references to a Placee in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.
- 6.5 N+1 Singer and the Company expressly reserve the right to modify the Placing including any changes to the Terms and Conditions of the Placing as set out in Section B of Part 12 (*Terms and Conditions*) of this Prospectus (including, without limitation, its timetable and settlement) at any time before allocations are determined. The Placing is subject to the satisfaction of the conditions contained in the Placing Agreement and to the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained in paragraph 6.3 of Part 9 (*Additional Information on the Company*) of this Prospectus.

PART 13

INVESTMENT POLICY

1. Investment Objective

The Company aims to generate attractive and regular dividends through investment in secured debt instruments of UK SMEs and mid-market corporates and/or individuals including any loan, promissory notes, lease, bond, or preference share (such debt instruments, as further described below, being “**Loans**”) sourced or originated by the Investment Manager with a degree of inflation protection through index-linked returns where appropriate.

2. The Investment Policy

The Company will seek to meet its investment objective by making investments in a diversified portfolio of Loans to UK SMEs and mid-market corporates, special purpose vehicles and/or to individuals. These Loans will generally be, but not limited to, senior, subordinated, unitranche and mezzanine debt instruments, documented as loans, notes, leases, bonds or convertible bonds. Such Loans shall typically have a life of 2-10 years. In certain limited cases Loans in which the Company invests may have equity instruments attached, ordinarily any such equity interests would come in the form of warrants or options attached to a Loan. Typically the Loans will have coupons which may be fixed, index-linked or LIBOR linked.

For the purposes of this investment policy, UK SMEs include entities incorporated outside of the UK provided their assets and/or principal operations are within the UK. The Company is permitted to make investments outside of the UK to mid-market corporates.

Loans will be directly originated or sourced by the Investment Manager who will not invest in Loans sourced via or participations through, peer to peer lending platforms.

Loans in which the Company invests will be predominantly secured against assets such as real estate or plant and machinery and/or income streams such as account receivables.

The Company will make Loans to borrowers in a range of Market Sectors within certain exposure limits which will vary from time to time, according to market conditions and as determined by the Board, subject to the Investment Restrictions set out below.

The Company will at all times invest and manage its assets in a manner which is consistent to the spreading of investment risk.

The ZDP Subsidiary does not have a specific investment objective or investment policy. The Gross ZDP Placing Proceeds will be lent to the Company under the terms of the ZDP Loan Agreement and will be invested by the Company in accordance with its Investment Policy.

3. Investment Restrictions

The following investment limits and restrictions will apply to the Company’s Loans and business which, where appropriate, shall be measured at the time of investment or once the Company is fully invested:

- the amount of no single Loan shall exceed 10 per cent. of Gross Assets;
- exposure to a single borrower shall not exceed 10 per cent. of Gross Assets;
- Loans will be made across not less than four Market Sectors;
- not less than 70 per cent. of Gross Assets will be represented by Loans denominated in Sterling or hedged back to Sterling;
- Loans made to borrowers in any one Market Sector shall not exceed 40 per cent. of Gross Assets;
- Loans with exposure to project development/construction assets shall not exceed 20 per cent. of Gross Assets;

- the Company will not provide Loans to borrowers whose principal business is defence, weapons, munitions or gambling;
- the Company will not provide Loans to borrowers which generate their annual turnover predominantly from tobacco, alcohol or pornography; and
- the Company will not invest in other listed closed-ended funds.

In the event of a breach of the investment guidelines and restrictions set out above, the Investment Manager shall inform the Board upon becoming aware of the same and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service and the Investment Manager will look to resolve the breach with the agreement of the Board.

The Company intends to conduct its affairs so as to qualify as an investment trust for the purposes of section 1158 of the CTA 2010, and its investment activities will therefore be subject to the restrictions set out above.

4. Borrowing and gearing

The Company intends to utilise borrowings for investment purposes as well as for share buybacks and short term liquidity purposes. Gearing represented by borrowings, including any obligations owed by the Company in respect of an issue of zero dividend preference shares (whether issued by the Company or any other member of its group) or any third-party borrowings, will not, in aggregate, exceed 20 per cent. of Net Asset Value calculated at the time of drawdown.

5. Hedging and derivatives

The Company may invest in derivatives for efficient portfolio management purposes. In particular the Company can engage in interest rate hedging. Loans will primarily be denominated in Sterling, however the Company may make limited Loans denominated in currencies other than Sterling and the Board, at the recommendation of the Investment Manager, may look to hedge any other currency back to Sterling should they see fit.

In accordance with the requirements of the UK Listing Authority, any material change to the Investment Policy will require the approval of Shareholders by way of an ordinary resolution at a general meeting. In addition, pursuant to the terms of the Undertaking, unless required to do so by the UK Listing Authority or any other relevant legal or regulatory requirement, the Company must not amend the Investment Policy in such manner as would, in the reasonable opinion of the ZDP Directors, be materially prejudicial to the interests of ZDP Shareholders, unless such amendment has been sanctioned by way of a ZDP Class Consent.

PART 14

DEFINITIONS

“2010 PD Amending Directive”	Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 amending Directives 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading and 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market
“Accelerated Winding-Up Resolution”	has the meaning given to it in paragraph 1.1.2 of Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“Additional Funding Requirement”	has the meaning given to it in paragraph 2.b of Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“Additional Shares”	has the meaning given to it in paragraph 2.b of Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“Administrator”	PraxisIFM Fund Services (UK) Limited
“Administration Agreement”	the administration services and company secretarial services agreement between the Company and the Administrator, as summarised in paragraph 6.9 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus
“Admissions” and each an “Admission”	as the context may require: <ul style="list-style-type: none">(a) admission of the C Shares and/or New Ordinary Shares to the Premium Segment and admission of the C Shares and/or New Ordinary Shares to trading on the Premium Segment pursuant to the Company Offerings; and/or(b) admission of the ZDP Shares to the Standard Segment and admission of the ZDP Shares to trading on the Standard Segment pursuant to the ZDP Offerings; and/or(c) admission of the new Ordinary Shares on conversion of the Existing C Shares to the Premium Segment and admission of the new Ordinary Shares on conversion of the Existing C Shares to trading on the Premium Segment
“Affiliate”	an affiliate of, or person affiliated with, a specified person; a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified
“AIC”	the Association of Investment Companies
“AIC Code”	the AIC’s Code of Corporate Governance, as amended from time to time
“AIC Guide”	the AIC’s Corporate Governance Guide for Investment Companies, as amended from time to time
“AIF”	an alternative investment fund, within the meaning of the AIFM Directive
“AIFM”	International Fund Management Limited

“AIFM Agreement”	the agreement between the Company and the AIFM, as summarised in paragraph 6.8 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus
“AIFM Directive”	the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No. 1060/2009 and (EU) No. 1095/2010; the Commission Delegated Regulation (EU) No. 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision
“Application Form”	the application form attached to this Prospectus for use in connection with the Offer for Subscription
“Articles”	the articles of association of the Company, as amended and restated from time to time
“Assumptions”	the assumptions contained in Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“Audit and Management Engagement Committee”	the audit and management engagement committee of the Board
“Bank Borrowings”	any monies borrowed by the Group from a financial lending institution for the purposes of making investments for the Group’s working capital requirements and which, for the avoidance of doubt excludes: (i) the Gross ZDP Placing Proceeds; (ii) any facilities incurred by the Group for the purpose of currency hedging; and (iii) any facilities incurred in connection with the payment of the Final Capital Entitlement
“Business Day”	a day (excluding Saturdays and Sundays or public holidays in England and Wales) on which banks generally are open for business in London for the transaction of normal business
“Calculation Date”	close of business on the date on which the Conversion Ratio is calculated, being, for the purposes of the Existing C Share conversion, 28 February 2018
“certificated” or “in certificated form”	not in uncertificated form
“Circular”	the shareholder circular published by the Company on 5 March 2018 containing, <i>inter alia</i> , notice of the General Meeting at which the Resolutions will be proposed
“Company”	RM Secured Direct Lending plc
“Companies Act”	the UK Companies Act 2006, as amended from time to time
“Company Secretary”	PraxisIFM Fund Services (UK) Limited
“Company Offerings”	the Initial Company Offerings and any Subsequent Placings and/or Subsequent Intermediaries Offer made pursuant to the Share Issuance Programme

“Conversion”	the conversion of C Shares into new Ordinary Shares as described in paragraph 4.20 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus
“Conversion Ratio”	the conversion ratio to convert the Existing C Shares into Ordinary Shares to be calculated in accordance with the Articles
“Continuation Resolution”	has the meaning given to it in paragraph 1.7 of Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“Contract Note”	has the meaning given to it in paragraph 4.1.3 of Section B of Part 12 (<i>Terms and Conditions</i>) of this Prospectus
“Corporation Tax Act 2010” or “CTA 2010”	the UK Corporation Tax Act 2010 (as amended)
“Cover”	has the meaning given to it in paragraph 3.7.1 of Part 10 (<i>Additional Information on the ZDP Subsidiary</i>) of this Prospectus
“Credit Committee”	the Credit Committee of the Investment Manager details of which are set out in paragraph 5.7 of Part 2 (<i>Information on the Company and the ZDP Subsidiary</i>) of this Prospectus
“CREST”	the relevant system as defined in the CREST Regulations in respect of which Euroclear UK and Ireland Limited is operator (as defined in the CREST Regulations) in accordance with which securities may be held in uncertificated form
“CREST Account”	an account in CREST
“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, CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended from time to time
“C Shares”	C Shares of ten pence each in the capital of the Company
“Custody Agreement”	the custody agreement between the Company and Elavon Financial Services, as summarised in paragraph 6.15 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus
“Directors” or “Board”	the board of directors of the Company, as constituted from time to time
“Disclosure Guidance and Transparency Rules”	the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA
“DP Act”	the UK Data Protection Act 1998
“Early Winding-Up Resolution”	has the meaning given to it in paragraph 1.1 of Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“EEA”	the European Economic Area
“Elavon Financial Services”	Elavon Financial Services DAC, UK Branch

“ERISA”	the United States Employee Retirement Income Security Act of 1974, as amended from time to time, and the applicable regulations thereunder
“Euroclear”	Euroclear UK and Ireland Limited, the operator of CREST
“Exchange Act”	the United States Securities Exchange Act of 1934, as amended from time to time
“Existing C Shares”	the 30,000,000 C Shares in issue which will convert into Ordinary Shares at the Conversion Ratio
“FATCA”	the US Foreign Account Tax Compliance Act of 2010, as amended from time to time
“FCA” or “Financial Conduct Authority”	the Financial Conduct Authority of the United Kingdom including any replacement or substitute therefor, and any regulatory body or person succeeding, in whole or in part, to the functions thereof
“FCA Handbook”	the FCA Handbook of Rules and Guidance issued by the FCA, as amended
“Final Cover”	in relation to the ZDP Shares, the ratio of the Group’s net assets on the anticipated date of the relevant Admission, plus the Gross ZDP Placing Proceeds to the sum of the Group’s net assets required to cover fully the Final Capital Entitlement
“Final Closing Date”	11 March 2019, being twelve months from the date of this Prospectus
“Finance Act 1986”	the UK Finance Act 1989, as amended
“FSMA”	the UK Financial Services and Markets Act 2000, as amended
“General Meeting”	the general meeting of Ordinary Shareholders to be held at the offices of Gowling WLG (UK) LLP, 4 More London Riverside, London SE1 2AU at 11.00 a.m. on 28 March 2018 notice of which is set out in the Circular
“Gross Assets”	the total assets of the Company valued in accordance with the accounting policies adopted by the Company from time to time
“Gross ZDP Placing Proceeds”	the gross proceeds of the Initial ZDP Placing and, where the context requires, the gross proceeds of any Subsequent ZDP Placing
“Gross Offering Proceeds”	the gross proceeds of the Initial Offerings, being the number of C Shares and ZDP Shares issued under the Initial Offerings multiplied by the Issue Price
“Group”	together, the Company and its subsidiary undertakings (including, as at the date of this Prospectus, the ZDP Subsidiary)
“Group Shares”	together, any class of shares in the Company and its subsidiary undertakings (including, as at the date of this Prospectus, the ZDP Subsidiary)
“HMRC”	HM Revenue & Customs
“Hurdle Rate”	the figure of – 43.87 per cent., calculated as the minimum annual growth rate of the Group’s assets required to fully cover the Final Capital Entitlement

“IFRS”	International Financial Reporting Standards
“Initial Capital Entitlement”	100 pence per ZDP Share
“Initial Company Offerings”	together, the Initial Placing, the Offer for Subscription and the Initial Intermediaries Offer
“Initial Intermediaries Offer”	the offering of C Shares at the Issue Price to Intermediaries closing at 3.00 p.m. on 23 March 2018, pursuant to the Intermediaries Terms and Conditions
“Initial Offerings”	the Initial Company Offerings and the Initial ZDP Placing
“Initial Placing”	the conditional placing by N+1 Singer on behalf of the Company of C Shares at the Issue Price closing at 5.00 p.m. on 26 March 2018, pursuant to the Placing Agreement
“Initial ZDP Placing”	the conditional placing by N+1 Singer on behalf of the ZDP Subsidiary of ZDP Shares at the Issue Price closing at 5.00 p.m. on 26 March 2018, pursuant to the Placing Agreement
“Intermediaries”	any intermediary (if any) that is appointed by the Company in connection with the Initial Intermediaries Offer and any Subsequent Intermediaries Offer
“Intermediaries Adviser”	Solid Solution Associates (UK) Limited
“Intermediaries Terms and Conditions”	the Intermediaries’ terms and conditions, which regulate, <i>inter alia</i> , the conduct of the Intermediaries in relation to the offering of C Shares and, where the context so requires, New Ordinary Shares
“Investment Company Act”	the United States Investment Company Act of 1940, as amended
“Investment Management Agreement”	the investment management agreement between the Company and the Investment Manager, as summarised in paragraph 6.7 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus
“Investment Manager”	RM Capital Markets Limited
“Investment Policy”	the Company’s published investment policy, as amended from time to time
“IPO”	initial public offering
“IRS”	the United States Internal Revenue Service
“ISA”	UK individual savings account
“Issue Price”	100 pence per C Share or 100 pence per ZDP Share (as the context requires)
“Issuer Boards”	the boards of directors of the Company and the ZDP Subsidiary, as constituted from time to time
“Issuers” and each, an “Issuer”	together, the Company and the ZDP Subsidiary
“LIBOR”	London Interbank Offered Rate
“Listing Rules”	the listing rules made by the UK Listing Authority under section 73A of FSMA

“Loans”	loans or advances in the natures of loans made by the Company or an associated or affiliated entity of the Company and structured as loans, notes, bonds, convertible bonds or analogous or other instruments evidencing indebtedness to include, without limitation, invoice receivables and asset finance arrangements
“Loan Administration Agreement”	the loan administration agreement between the Company and Elavon Financial Services, as summarised in paragraph 6.16 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus
“Lock-In Deed”	the lock-in deed between the Investment Manager, the principals of the Investment Manager, the Company and N+1 Singer, as summarised in paragraph 6.14 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus
“London Stock Exchange”	London Stock Exchange plc
“LSE Admission Standards”	the rules issued by the London Stock Exchange in relation to the admission to listing of, and continuing requirements for, securities admitted to the Main Market
“Main Market”	the main market for listed securities of the London Stock Exchange
“MAR” or “Market Abuse Regulation”	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and repealing the Directive of the European Parliament and of the Council of 28 January 2003 and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC
“Market Sectors”	designated parts of the economy in which business share the same related product or service and as determined by the Directors from time to time
“Member State” or “EEA State”	any member state of the European Economic Area
“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
“Money Laundering Regulations”	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2007
“NAV” or “Net Asset Value”	the total assets of the Company less its total liabilities in each case valued in accordance with the accounting policies adopted by the Company from time to time and expressed in Sterling
“NAV per Ordinary Share” or “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 (other than Ordinary Shares held in treasury) at the date of calculation
“NAV per C Share” or “Net Asset Value per C Share”	at any time the Net Asset Value attributable to the C Shares divided by the number of C Shares in issue at the date of calculation
“Net Offering Proceeds”	together, the Net Company Offering Proceeds and the Gross ZDP Placing Proceeds
“Net Company Offering Proceeds”	the net proceeds of the Initial Company Offerings
“New Ordinary Shares”	new Ordinary Shares issued or to be issued pursuant to the Share Issuance Programme

“N+1 Singer”	Nplus1 Singer Advisory LLP
“N+1 Singer Engagement Letter”	the engagement letter between the Company and N+1 Singer as summarised in paragraph 6.12 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus
“Nil Rate Amount”	has the meaning provided in paragraph 3(a) of Part 8 (<i>UK Taxation</i>) of this Prospectus
“NMPI”	non-mainstream pooled investments within the meaning of the NMPI Regulations
“NMPI Regulations”	The Unregulated Collective Investment Schemes and Close Substitutes Instrument 2013
“OakNorth”	OakNorth Bank Limited
“Offer for Subscription”	the offer for subscription of the C Shares at the Issue Price, as described in this Prospectus
“Offerings”	together, the Company Offerings and the ZDP Offerings
“Official List”	the official list maintained by the UK Listing Authority pursuant to Part VI of FSMA
“Ordinary Shareholder”	a holder of Ordinary Shares
“Ordinary Shares”	ordinary shares of one penny each in the capital of the Company
“Overseas Shareholders”	Shareholders who are resident in or citizens of territories outside the United Kingdom and not resident in, or citizens of any of the Restricted Territories
“Panel”	The Panel on Takeovers and Mergers
“Permitted Winding-Up Resolution”	has the meaning provided to it in paragraph 1.1 of Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“Placee”	a person subscribing for C Shares under the Initial Placing
“Placings”	the Initial Placing, the Initial ZDP Placing, any Subsequent Placing and any Subsequent ZDP Placing
“Placing Agreement”	the conditional agreement dated 12 March 2018, between the Company, the ZDP Subsidiary, the Investment Manager and N+1 Singer, as summarised in paragraph 6.3 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus
“Portfolio”	the investment portfolio of the Company from time to time
“Premium Segment”	the premium segment of the Main Market
“Proposals”	the proposals described in this Prospectus including the proposed amendments to the Investment Policy, the granting of all necessary share authorities in connection with the Company Offerings and the Offerings
“Prospectus”	this document

“Prospectus Directive”	Directive 2003/71/EC of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading and any relevant implementing measure in each Relevant Member State (and the amendments thereto, the 2010 PD Amending Directive)
“Prospectus Rules”	the rules and regulations made by the FCA under Part VII of FSMA
“RCF”	the revolving credit facility made available to the Company under the terms of the agreement between the Company and OakNorth Bank Limited as summarized in paragraph 6.5 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus
“Receiving Agent” or “Computershare”	Computershare Investor Services PLC
“Receiving Agent Agreement”	the receiving agent agreement between the Company and the Receiving Agent as summarised in paragraph 6.11 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus
“Redemption Yield”	3.5 per cent. per annum (compounded annually) as summarised in paragraph 10 of Part 2 (<i>Information on the Company and the ZDP Subsidiary</i>) of this Prospectus
“Registrar”	Link Market Services Limited
“Registrar Agreement”	the registrar agreement between the Company and the Registrar as summarised in paragraph 6.10 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus
“Register”	the register of Shareholders
“Regulation S”	Regulation S under the Securities Act
“Regulatory Information Service” or “RIS”	a service authorised by the UK Listing Authority to release regulatory announcements to the London Stock Exchange
“Relevant Member State”	each Member State of the EEA which has implemented the Prospectus Directive or where the Prospectus Directive is applied by the regulator
“Resolutions”	the resolutions being tabled for Shareholder approval at the General Meeting
“Restricted Shareholders”	Shareholders who are resident in, or citizens of, a Restricted Territory
“Restricted Territory”	any of the following territories: the United States, Australia Canada, South Africa, Japan or any other jurisdiction in which the making of the Initial Offerings may result in the contravention of any registration or other legal requirement of such jurisdiction
“Scheduled Winding-Up Resolution”	has the meaning provided to it in paragraph 1.1 of Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“SDRT”	stamp duty reserve tax
“SEC”	the United States Securities and Exchange Commission
“Securities Act”	the United States Securities Act of 1933, as amended

“Shares”	the Ordinary Shares, the C Shares and the ZDP Shares or any other shares in the capital of the Issuers, as the context may require
“Shareholder”	an Ordinary Shareholder and, where the context permits, a holder of Existing C Shares and/or C Shares
“Share Issuance Programme”	the proposed programme of Subsequent Placings and Subsequent Intermediaries Offers commencing on 12 March 2018 and closing on the Final Closing Date
“Share Issuance Programme Price”	the price at which New Ordinary Shares and/or C Shares will be issued pursuant to the Share Issuance Programme
“SIPP”	a self-invested personal pension as defined in Regulation 3 of the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Permitted Investments) Regulations 2001 of the UK
“SSAS”	a small self-administered scheme as defined in Regulation 2 of the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Small Self-Administered Schemes) Regulations 1991 of the UK
“Standard Segment”	the standard segment of the Main Market
“Stamp Duty Reserve Tax Regulations 1989”	the UK Stamp Duty Reserve Tax Regulations 1989, as amended
“Sterling” or “£”	pounds sterling, the lawful currency of the UK
“Subsequent Intermediaries Offer”	the offering of C Shares and/or New Ordinary Shares to Intermediaries pursuant to the Intermediaries Terms and Conditions as part of the Share Issuance Programme to be made in accordance with the timetable set out on page 51 of this Prospectus
“Subsequent Placing”	each additional placing by N+1 Singer on behalf of the Company of C Shares and/or New Ordinary Shares pursuant to the Share Issuance Programme
“Subsequent ZDP Placing”	each additional placing by N+1 Singer on behalf of the ZDP Subsidiary pursuant to the ZDP Placing Programme
“Subsidiary Ordinary Share”	an ordinary share of £1.00 each in the capital of the ZDP Subsidiary
“Subsidiary Ordinary Shareholder”	holder of Subsidiary Ordinary Shares
“Takeover Code”	the City Code on Takeovers and Mergers, as amended from time to time
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Corporate Governance Code”	the UK Corporate Governance Code as published by the Financial Reporting Council from time to time
“UK Listing Authority” or “UKLA”	the FCA acting in its capacity as the competent authority for the purposes of admissions to the Official List
“uncertificated” or in “uncertificated form”	a share recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST

“Undertaking”	the undertaking to be granted by the Company in favour of the ZDP Subsidiary, to put the ZDP Subsidiary in a position to meet its obligations in respect of the ZDP Shares, as summarised in paragraph 2.2 of Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
“US Person”	a “U.S. person” as defined in Regulation S
“US Tax Code”	the United States Internal Revenue Code of 1986, as amended
“Winding-Up Resolution”	has the meaning given to it paragraph 1.1 of Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“US\$” or “US Dollar”	United States dollars, the lawful currency of the United States
“Valuation Agent”	Mazars LLP
“Valuation Agent Engagement Letter”	the Valuation Agent Engagement Letter between the Company and the Valuation Agent as summarised in paragraph 6.13 of Part 9 (<i>Additional Information on the Company</i>) of this Prospectus
“ZDP Administration Agreement”	the agreement between the ZDP Subsidiary and the Administrator, as summarised in paragraph 8.5 of Part 10 (<i>Additional Information on the ZDP Subsidiary</i>) of this Prospectus
“ZDP Articles”	the articles of association of the ZDP Subsidiary as at the date of this Prospectus
“ZDP AIFM Agreement”	the agreement between the ZDP Subsidiary and the AIFM, as summarised in paragraph 8.4 of Part 10 (<i>Additional Information on the ZDP Subsidiary</i>) of this Prospectus
“ZDP Capital Entitlement” or “Final Capital Entitlement”	110.91 pence per ZDP Share payable on the ZDP Repayment Date
“ZDP Class Consent”	has the meaning given to it in paragraph 1.4 of Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“ZDP Directors” or “ZDP Board”	the board of directors of the ZDP Subsidiary or any duly constituted committee thereof
“ZDP Loan Agreement”	the loan agreement between the Company and the ZDP Subsidiary, as summarised in paragraph 2.1 of Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“ZDP Loan”	the loan to be made by the ZDP Subsidiary to the Company pursuant to the terms of the ZDP Loan Agreement
“ZDP Placing Programme”	the proposed programme of placings of ZDP Shares to be carried out by N+1 Singer on behalf of the ZDP Subsidiary pursuant to the Placing Agreement, commencing immediately following Admission and closing on the Final Closing Date
“ZDP Placing Programme Price”	the price at which ZDP Shares are issued pursuant to any Subsequent ZDP Placing
“ZDP Offerings”	the Initial ZDP Placing and any Subsequent ZDP Placing made pursuant to the ZDP Placing Programme

“ZDP Registrar Agreement”	the agreement between the ZDP Subsidiary and the Registrar, as summarised in paragraph 8.6 of Part 10 (<i>Additional Information on the ZDP Subsidiary</i>) of this Prospectus
“ZDP Recommended Resolution”	has the meaning given to it in paragraph 1.6 of Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“ZDP Reconstruction Proposal”	has the meaning given to it in paragraph 1.6 of Part 6 (<i>The ZDP Shares and Principal Bases and Assumptions</i>) of this Prospectus
“ZDP Repayment Date”	6 April 2021
“ZDP Shareholder”	a holder of ZDP Shares, from time to time
“ZDP Shares”	zero dividend preference shares of one pence each in the capital of the ZDP Subsidiary and having the rights and being subject to the restrictions set out in the ZDP Articles
“ZDP Subsidiary”	RM ZDP plc, a wholly-owned newly established subsidiary of the Company

NOTES ON HOW TO COMPLETE THE APPLICATION FORM (APPENDIX)

This application form (“Application Form”) should be read in conjunction with the prospectus published by RM Secured Direct Lending plc (the “Company”) dated 12 March 2018 in connection with, *inter alia*, the issue of C Shares pursuant to the Offer for Subscription (the “Prospectus”). Copies of the Prospectus are available on the Company’s website at <https://rmdl.co.uk/investor-centre/investor-relations/> and on the National Storage Mechanism of the FCA at www.morningstar.co.uk/uk/nsm and for inspection at the registered office of the Company at Mermaid House, 2 Puddle Dock, London EC4V 3DB during normal business on any weekday (Saturdays, Sundays and public holidays excluded) up to 23 March 2018.

The Offer for Subscription is subject to the terms and conditions (including any applicable restrictions) set out in the Prospectus.

Unless the context otherwise requires, the definitions used in the Prospectus apply in this Application Form.

All applicants must complete the Appendix.

All applicants who are individuals, excluding any applicants who intend to hold C Shares in CREST, must complete a tax residency self-certification form. A tax residency self-certification form will be sent to applicants for completion by the Registrar at the same time as share certificates are dispatched.

Applications should be returned so as to be received no later than 11.00 a.m. (London time) on 23 March 2018.

HELP DESK: If you have a query concerning completion of the Application Form please call Computershare Investor Services PLC on 0370 707 4040 or +44 370 707 4040 (if calling from outside the UK). Lines are open from between 8.30 a.m. to 5.30 p.m. (UK time) Monday to Friday (excluding English and Welsh public holidays). Please note that calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare Investor Services PLC cannot provide advice on the merits of the Proposals nor give financial, tax, investment or legal advice.

APPENDIX

1. Application

Fill in (in figures) in Box 1 the subscription amount, in Sterling, that you wish to subscribe for. The Minimum Subscription Amount is £1,000 and thereafter in multiples of £100. Financial intermediaries who are investing on behalf of clients are advised they should make separate applications in order to benefit most favourably from any scaling back should this be required.

2A Holder Details

Fill in (in block capitals) the full name and address of each holder. Applications may only be made by persons aged 18 or over. In the case of joint holders only the first named may bear a designation reference and the address given for the first named will be entered as the registered address for the holding on the share register and used for all future correspondence. A maximum of four joint holders is permitted. All holders named must sign the Application Form at section 3.

2B Crest

If you wish your C Shares to be deposited in a CREST Account enter in section 2B the details of that CREST Account. Where it is requested that C Shares be deposited into a CREST Account please note that settlement of such Shares must be on a delivery versus payment (DVP) basis and accordingly you must ensure that your CREST participant is aware of such requirement as detailed in paragraph c of section 4 below.

3. Signature

All holders named in section 2A must sign section 3 and insert the date. The Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor or a bank) must be enclosed for inspection (which originals will be returned by post at the addressee's risk). A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

4. Settlement

(a) *Cheque/Banker's Draft*

Payments must be made by cheque or banker's draft in sterling drawn on a branch in the United Kingdom of a bank or building society which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided for members of any of these companies. Such cheques or banker's drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have a sole or joint title to the funds should be made payable to "CIS PLC re: RM Secured Direct Lending Offer for Subscription a/c". Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the full name of the building society or bank account holder and have added either the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The name of the building society or bank account holder must be the same as the name of the shareholder shown on the Application Form.

(b) *Electronic Bank Transfers*

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 11.00 a.m. on 23 March 2018. Applicants wishing to make a CHAPS payment should contact Computershare by email at OFSPAYMENTQUERIES@computershare.co.uk. Stating "RMSDLOFS" and Computershare will then provide applicants with a unique reference number which must be used when sending payment. Please note that Computershare Investor Services PLC cannot provide advice on the merits of the Proposals nor give financial, tax, investment or legal advice.

(c) **CREST Settlement using DVP “Delivery Versus Payment” instructions**

The Company will apply for the C Shares issued pursuant to the Offer for Subscription in uncertificated form to be enabled for CREST transfer and settlement with effect from Admission (the “Settlement Date”). Accordingly, settlement of transactions in the C Shares will normally take place within the CREST system.

The Application Form in the Appendix contains details of the information which Computershare will require from you in order to settle your application within CREST, if you so choose. If you do not provide any CREST details or if you provide insufficient CREST details for Computershare to match to your CREST account, Computershare will procure that Link Asset Services will deliver your Shares in certificated form provided payment has been made in terms satisfactory to the Company.

The right is reserved to issue your C Shares in certificated form should the Company, having consulted with Computershare and Link Asset Services consider this to be necessary or desirable. This right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST or any part of CREST or on the part of the facilities and/or system operated by Computershare or Link Asset Services in connection with CREST.

The person named for registration purposes in your Application Form (which term shall include the holder of the relevant CREST account) must be: (i) the person procured by you to subscribe for or acquire the relevant C Shares; or (ii) yourself; or (iii) a nominee of any such person or yourself, as the case may be. Neither Computershare nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Computershare, on behalf of the Company, will input a DVP instruction into the CREST system according to the booking instructions provided by you in your Application Form. The input returned by you or your settlement agent/custodian of a matching or acceptance instruction to our CREST input will then allow the delivery of your C Shares to your CREST account against payment of the Issue Price through the CREST system upon the Settlement Date.

By returning the Application Form you agree that you will do all things necessary to ensure that you or your settlement agent/custodian’s CREST account allows for the delivery and acceptance of C Shares to be made prior to 8.00 a.m. on 3 April 2018 against payment of the Issue Price.

To ensure that you fulfil this requirement it is essential that you or your settlement agent/custodian follow the CREST matching criteria set out below:

Trade Date:	28 March 2018
Settlement Date:	3 April 2018
Company:	RM Secured Direct Lending plc
Security Description:	C Shares of 10 pence each
SEDOL:	BFX12M0
ISIN:	GB00BFX12M00

Should you wish to settle DVP, you will need to match your instructions to Computershare’s Participant account 8RA38 by no later than 1.00 p.m. on 29 March 2018.

You need to ensure e-mail contact details are provided on the Application Form so that Computershare can advise you on the number of C Shares you are entitled to and the value of the entitlements to which you need to pay for.

You must also ensure that you or your settlement agent/custodian has a sufficient “debit cap” within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

In the event of late CREST settlement, the Company, after having consulted with Computershare, reserves the right to deliver Shares outside CREST in certificated form provided payment has been made in terms satisfactory to the Company and all other conditions in relation to the Offer for Subscription have been satisfied.

5. Reliable Introducer Declaration

Applications will be subject to the UK's verification of identity requirements. This will involve you providing the verification of identity documents listed in section 6 of the Application Form UNLESS you can have the declaration provided at section 5 of the Application Form given and signed by a firm acceptable to the Receiving Agent. In order to ensure your application is processed timely and efficiently all applicants are strongly advised to have the declaration provided in section 5 of the Application Form completed and signed by a suitable firm.

6. Identity Information

Applicants need only consider section 6 of the Application Form if the declaration in section 5 cannot be completed. Notwithstanding that the declaration in section 5 has been completed and signed the Receiving Agent reserves the right to request of you the identity documents listed in section 6 and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time your application might be rejected or revoked. Where certified copies of documents are provided such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

7. Contact Details

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person the Receiving Agent may contact with all enquiries concerning your application. Ordinarily this contact person should be the person signing in section 3 on behalf of the first named holder. If no details are provided here but a regulated person is identified in section 5, the Receiving Agent will contact the regulated person. If no details are entered here and no regulated person is named in section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

INSTRUCTIONS FOR DELIVERY OF COMPLETED APPLICATION FORMS – Completed Application Forms should be returned, by post to the Receiving Agent, Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE so as to be received no later than 11.00 a.m. (London time) on 23 March 2018, together with payment in full in respect of the application. If you post your Application Form, you are recommended to use first class post and to allow at least two days for delivery. Application Forms received after this date may be returned.

APPENDIX 1 – APPLICATION FORM

Please send this completed form by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH or by hand (during normal business hours) to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS13 8AE so as to be received no later than 11.00 a.m. (London time) on 23 March 2018.

Box 1 (minimum of £1,000 and in multiples of £100 thereafter)

The Directors may, with the prior approval of N+1 Singer, alter such date and thereby shorten or lengthen the offer period. In the event that the offer period is altered, the Company will notify investors of such change.

Important: Before completing this form, you should read the Prospectus dated 12 March 2018 and the Terms and Conditions of the Offer for Subscription set out in this document and accompanying notes to this form.

To: RM Secured Direct Lending plc and the Receiving Agent

1. Application

I/We the person(s) detailed in section 2A below offer to subscribe for such number of C Shares at the Issue Price, as may be purchased by the subscription amount shown in Box 1, subject to the Terms and Conditions of Application under the Offer for Subscription set out in the Prospectus dated 12 March 2018 and subject to the articles of association of the Company in force from time-to-time.

2A. Details of Holder(s) in Whose Name(s) Shares will be Issued

(BLOCK CAPITALS)

1	Mr, Mrs, Ms or Title:	Forenames (in full):
---	-----------------------	----------------------

Surname/Company name:

Address (in full):

Postcode	Designation (if any):
----------	-----------------------

2	Mr, Mrs, Ms or Title:	Forenames (in full):
---	-----------------------	----------------------

Surname/Company name:

Address (in full):

Postcode	Designation (if any):
----------	-----------------------

3	Mr, Mrs, Ms or Title:	Forenames (in full):
---	-----------------------	----------------------

Surname/Company name:

Address (in full):

Postcode	Designation (if any):
----------	-----------------------

4	Mr, Mrs, Ms or Title:	Forenames (in full):
---	-----------------------	----------------------

Surname/Company name:

Address (in full):

Postcode	Designation (if any):
----------	-----------------------

2B. Crest Account Details into which C Shares are to be Deposited (If Applicable)

Only complete this section if C Shares allotted are to be settled via DVP in a CREST Account.

(BLOCK CAPITALS)

CREST Participant ID:

--	--	--	--	--

3. Signature(s): All Holders Must Sign

By completing Box 3 below you are deemed to have read the Prospectus and agreed to the terms and conditions in Section A of Part 12 (*Terms and Conditions*) of the Prospectus and to have given the warranties, representations and undertakings set out therein.

First Applicant Signature:	Date:
Second Applicant Signature:	Date:
Third Applicant Signature:	Date:
Fourth Applicant Signature:	Date:

Execution by a Company

Executed by (Name of Company):		Date:
Name of Director:	Signature:	Date:
Name of Director/Secretary:	Signature:	Date:
If you are affixing a company seal, please mark a cross: <input style="width: 30px; height: 20px; vertical-align: middle;" type="checkbox"/>	Affix Company Seal here:	

4A. Cheques/Banker's Draft

If you are subscribing for C Shares and paying by cheque or banker's draft, pin or staple to this form your cheque or banker's draft for the amount shown in Box 1 made payable to "CIS PLC re: RM Secured Direct Lending Offer for Subscription a/c" and crossed "A/C payee only". Cheques and banker's payments must be drawn in sterling on an account at a bank branch in the United Kingdom and must bear a United Kingdom bank sort code number in the top right hand corner. If you use a banker's draft or a building society cheque you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the banker's draft or cheque and adds its stamp or provides a supporting letter confirming the source of funds.

4B. Electronic Bank Transfer

If you are subscribing for C Shares and sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 23 March 2018. Please contact Computershare by email at OFSPAYMENTQUERIES@computershare.co.uk. Stating "RMSDLOFS" and Computershare will then provide applicants with a unique reference number which must be used when sending payment. Please note that Computershare Investor Services PLC cannot provide advice on the merits of the Proposals nor give financial, tax, investment or legal advice.

Please enter below the sort code of the bank and branch you will be instructing to make such payment for value by 11.00 a.m. on 23 March 2018, together with the name and number of the account to be debited with such payment and the branch contact details. In addition please enter the Computershare payment reference number you are provided with and ensure your bank quotes such reference number when sending the CHAPS payment.

Sort Code:	Account Number:
Account Name:	Bank Name and Address:

4C. Settlement by Delivery Versus. Payment (DVP)

Only complete this section if you choose to settle your application within CREST that is through delivery versus payment (DVP).

Please indicate the CREST Participant ID from which the DEL message will be received by the Receiving Agent for matching, which should match that shown in 2B above.

(BLOCK CAPITALS)

CREST Participant ID:					
-----------------------	--	--	--	--	--

E-mail address to contact with entitlement details.

You or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of C Shares to be made against payment at the Issue Price, following the CREST matching criteria set below:

You need to ensure e-mail contact details are provided on the Application Form so that Computershare can advise you on the number of shares you are entitled to and the value of the entitlements to which you need to pay for.

Trade Date:	28 March 2018
Settlement Date:	3 April 2018
Company:	RM Secured Direct Lending plc
Security Description:	C Shares of 10 pence each
ISIN:	GB00BFX12M00
SEDOL:	BFX12M0

Should you wish to settle DVP, you will need to match your instructions to Computershare's Participant account 8RA38 by not later than 1.00 p.m. on 29 March 2018.

You must also ensure that you or your settlement agent/custodian have a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/their own daily trading and settlement requirements.

5. Reliable Introducer Declaration

Completion and signing of this declaration by a suitable person or institution may avoid presentation being requested of the identity documents detailed in section 6 of this form.

The declaration below may only be signed by a person or institution (such as a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the “firm”) which is itself subject in its own country to operation of ‘know your customer’ and anti-money laundering regulations no less stringent than those which prevail in the United Kingdom.

DECLARATION:

To the Company and the Receiving Agent

With reference to the holder(s) detailed in section 2A, all persons signing at section 3 and the payor identified in section 6 if not also a holder (collectively the “subjects”) WE HEREBY DECLARE:

- 1. we operate in the United Kingdom, or in a country where money laundering regulations under the laws of that country are, to the best of our knowledge, no less stringent than those which prevail in the United Kingdom and our firm is subject to such regulations;
- 2. we are regulated in the conduct of our business and in the prevention of money laundering by the regulatory authority identified below;
- 3. each of the subjects is known to us in a business capacity and we hold valid identity documentation on each of them and we undertake to immediately provide to you copies thereof on demand;
- 4. we confirm the accuracy of the names and residential business address(es) of the holder(s) given at section 2A and if a CREST Account is cited at section 2B that the owner thereof is named in section 2A;
- 5. having regard to all local money laundering regulations we are, after enquiry, satisfied as to the source and legitimacy of the monies being used to subscribe for the C Shares mentioned; and
- 6. where the payor and holder(s) are different persons we are satisfied as to the relationship between them and reason for the payor being different to the holder(s).

The above information is given in strict confidence for your own use only.

Signed:	Name:	Position:
---------	-------	-----------

Name of regulatory authority:	Firm’s licence number:
-------------------------------	------------------------

Website address or telephone number of regulatory authority:

STAMP of firm giving full name and business address:

6. Identity Information

If the declaration in section 5 cannot be signed and the value of your application is greater than €15,000 (or the sterling equivalent), please enclose with that Application Form the documents mentioned below, as appropriate. Please also tick the relevant box to indicate which documents you have enclosed, all of which will be returned by the Receiving Agent to the first named Applicant.

Holders				Payor
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tick here for documents provided

In accordance with internationally recognised standards for the prevention of money laundering, the documents and information set out below must be provided:

A. For each holder being an individual enclose:

- (1) an original or a certified clear photocopy of one of the following identification documents which bear both a photograph and the signature of the person: current passport – Government or Armed Forces identity card – driving licence; and
- (2) an original or certified copies of at least two of the following documents no more than 3 months old which purport to confirm that the address given in section 2A is that person’s residential address: a recent gas, electricity, water or telephone (not mobile) bill – a recent bank statement – a council rates bill – or similar document issued by a recognised authority; and
- (3) if none of the above documents show their date and place of birth, enclose a note of such information; and
- (4) details of the name and address of their personal bankers from which the Receiving Agent may request a reference, if necessary.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

B. For each holder being a company (a “holder company”) enclose:

- (1) a certified copy of the certificate of incorporation of the holder company; and
- (2) the name and address of the holder company’s principal bankers from which the Receiving Agent may request a reference, if necessary; and
- (3) a statement as to the nature of the holder company’s business, signed by a director; and
- (4) a list of the names and residential addresses of each director of the holder company; and
- (5) for each director provide documents and information similar to that mentioned in A above; and
- (6) a copy of the authorised signatory list for the holder company; and
- (7) a list of the names and residential/registered address of each ultimate beneficial owner interested in more than 5 per cent. of the issued share capital of the holder company and, where a person is named, also complete C below and, if another company is named (hereinafter a “beneficiary company”), also complete D below. If the beneficial owner(s) named do not directly own the holder company but do so indirectly via nominee(s) or intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder company.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

C. For each person named in B(7) as a beneficial owner of a holder company enclose for each such person documents and information similar to that mentioned in A(1) to (4).

D. For each beneficiary company named in B(7) as a beneficial owner of a holder company enclose:

- (1) a certified copy of the certificate of incorporation of that beneficiary company; and
- (2) a statement as to the nature of that beneficiary company's business signed by a director; and
- (3) the name and address of that beneficiary company's principal bankers from which the Receiving Agent may request a reference, if necessary; and
- (4) a list of the names and residential/registered address of each beneficial owner owning more than 5 per cent. of the issued share capital of that beneficiary company.

E. If the payor is not a holder and is not a bank providing its own cheque or banker's payment on the reverse of which is shown details of the account being debited with such payment (see note 5 on how to complete this form) enclose:

- (1) if the payor is a person, for that person the documents mentioned in A(1) to (4); or
- (2) if the payor is a company, for that company the documents mentioned in B(1) to (7); and
- (3) an explanation of the relationship between the payor and the holder(s).
- (4) The Receiving Agent reserves the right to ask for additional documents and information.

7. Contact Details

To ensure the efficient and timely processing of this application please enter below the contact details of a person the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the person signing in section 3 on behalf of the first named holder. If no details are provided here but a regulated person is identified in section 5, the Receiving Agent will contact the regulated person. If no details are entered here and no regulated person is named in section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact name:	E-mail address:
Contact address:	
	Postcode:
Telephone No:	Fax No:

