

## Notice of Annual General Meeting

# Bluefield Solar Income Fund Limited (the "Company")

*(a registered closed-ended investment company incorporated in Guernsey with limited liability and with registered number 56708)*

P.O. Box 225, Heritage Hall, Le Marchant Street, St Peter Port, Guernsey GY1 4HY, Channel Islands

Tel: +44 (0) 1481 716000 Fax: +44 (0) 1481 730617

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document, or the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your Ordinary Shares in the Company, you should send this document, together with the accompanying proxy form, at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

NOTICE is hereby given that the fourth Annual General Meeting of the Company is to be held at Lefebvre Place, Lefebvre Street, St Peter Port, Guernsey, at 11.00 am on Wednesday, 29 November 2017 for the transaction of the following business:

### ORDINARY RESOLUTIONS

To be proposed as ordinary resolutions:

1. That the audited accounts, the Directors' report, and the Auditors' report for the year ended 30 June 2017 be received and adopted.
2. That the Directors' remuneration for the year ended 30 June 2017 as provided in the Directors' report be approved.
3. That Paul Le Page, who retires as a director of the Company in accordance with the Company's Corporate Governance Practices, be re-elected as a Director.
4. That John Rennocks, who retires as a director of the Company in accordance with the Company's Corporate Governance Practices, be re-elected as a Director.
5. That John Scott, who retires as a director of the Company in accordance with the Company's Corporate Governance Practices, be re-elected as a Director.
6. That Laurence McNairn, who retires as a director of the Company in accordance with the Company's Corporate Governance Practices, be re-elected as a Director.
7. That KPMG Channel Islands Limited, who have indicated their willingness to continue in office, be re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the next Annual General Meeting.
8. That the Directors be authorised to determine the remuneration of KPMG Channel Islands Limited as Auditors of the Company.
9. That, in accordance with Article 35.4 of the Articles of Incorporation, the Board may, in respect of dividends declared for any financial period or periods of the Company ending prior to the Annual General Meeting of the Company to be held in 2018, offer the holders of the Ordinary Shares in the capital of the Company of no par value each (the "**Ordinary Shares**") the right to elect to receive further Ordinary Shares, credited as fully paid, in respect of all or any part of such dividend or dividends declared in respect of any such period or periods.
10. That the first interim dividend of 3.25 pence per share paid in November 2016, the second interim dividend of 1 penny per share paid in June 2017, the third interim dividend of 1.5 pence per share paid in September 2017 and the fourth interim dividend of 1.5 pence per share to be paid in October 2017, in each case in respect of the financial year ended 30 June 2017, be ratified and approved.
11. That the Company generally be and is hereby authorised for the purposes of section 315 of the Companies (Guernsey) Law, 2008 as amended (the "**Law**") (subject to the Listing Rules made by the UK Listing Authority and all other applicable legislation and regulations) to make market acquisitions (as defined in the Law) of its own Ordinary Shares (as defined in the Company's Articles of Incorporation) which may be cancelled or held as treasury shares, provided that:

- a. the maximum number of Ordinary Shares authorised to be purchased under this authority shall be a number equal to 14.99 per cent. of the aggregate number of Ordinary Shares in issue immediately following this Annual General Meeting (excluding treasury shares);
- b. the minimum price (exclusive of expenses) which may be paid for an Ordinary Share shall be £0.01 per Ordinary Share;
- c. the maximum price (exclusive of expenses) payable by the Company which may be paid for Ordinary Shares shall be the higher of (i) 5 per cent. above the average of the mid-market values of an Ordinary Share taken from The London Stock Exchange Daily Official List for the five business days before the purchase is made; and (ii) the higher of the last independent trade or the highest current independent bid for Ordinary Shares;
- d. the authority hereby conferred shall expire on the date which is 15 months from the date of passing of this resolution or, if earlier, at the end of the Annual General Meeting of the Company to be held in 2018 (unless previously renewed, revoked or varied by the Company); and
- e. the Company may make a contract to purchase its own Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own Ordinary Shares in pursuance of any such contract.

#### **SPECIAL RESOLUTIONS**

To be proposed as a special resolution:

12. That, in substitution for any existing disapplication authority in force as at the date of this Annual General Meeting, the Directors be and are hereby authorised to allot, issue and/or sell equity securities for cash as if article 6.2 of the Articles did not apply to any such allotment, issue and/or sale, provided that this power shall be limited to the allotment, issue and/or sale of up to 20 per cent. of the Ordinary Shares in issue as at the date of this Annual General Meeting for the period expiring at the date falling 15 months after the date of the passing of this resolution or the conclusion of the next annual general meeting of the Company, whichever is earlier (unless previously renewed, varied or revoked by the Company in a general meeting), save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted and issued after such expiry and the Directors shall be entitled to allot and issue equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

By order of the Board  
Heritage International Fund Managers Limited  
*Company Secretary*

4 October 2017

Heritage Hall  
Le Marchant Street  
St Peter Port  
Guernsey

#### **Explanatory notes:**

##### **Annual Report and Accounts - resolution 1:**

For each financial year the Directors are required to lay the audited accounts and the reports of the Directors and auditors to shareholders at the Annual General Meeting. Shareholders will be asked to receive and adopt the Annual Report and Audited Accounts of the Company for the year ended 30 June 2017, together with the Reports of the Directors and Auditors thereon.

##### **Directors' remuneration report – resolution 2**

Guernsey-registered companies are not obliged to prepare and publish a Directors' Remuneration Report. However, the Company has included details of its Directors' remuneration within the Annual Report and Accounts and an ordinary resolution will be put to shareholders seeking approval of the Directors' remuneration. The shareholder vote will be advisory only, but the Directors of the Company will take the outcome of the vote into consideration when reviewing and setting the Company's remuneration policy.

##### **Election of Directors - resolutions 3 - 6:**

In relation to tenure, the Board has chosen to adopt the recommendation of Principle 3 of the AIC's Code of Corporate Governance relating to FTSE 350 companies whereby all Directors are submitted for re-election on an annual basis at the Company's Annual General Meeting. It should be noted that Mr Rennocks and Mr Scott are ordinarily resident in the United Kingdom and, as a result, are not permitted to participate in Board Meetings from the United Kingdom in accordance with the Article 29.2 of the Company's Articles of Incorporation. Mr Rennocks and Mr Scott have participated in all, or the majority, of Meetings at which they have been permitted to participate during the year as noted within the Annual Report. It should be noted that Mr Rennocks and Mr Scott actively communicate

their views on any matters to be discussed at ad hoc Board Meetings to their fellow Directors, Mr Le Page and Mr McNairn, ahead of such meetings.

#### **Appointment and remuneration of the Auditors - resolutions 7 - 8:**

Shareholders will be asked to confirm the re-appointment of KPMG Channel Islands Limited as the Company's Auditors until the next Annual General Meeting to be held in 2018 and to grant authority to the Directors to determine their remuneration.

#### **Scrip dividends – resolution 9**

This resolution renews the authority that was given by the Company's shareholders at last year's Annual General Meeting to offer shareholders the right to elect to receive further Ordinary Shares, credited as fully paid, instead of cash in respect of all or any part of any dividend (a scrip dividend). The Board believes that the ability for shareholders to receive future dividends from the Company wholly or partly in the form of new Ordinary Shares in the Company will be advantageous for the Company as it will benefit from the ability to retain cash which would otherwise be paid as dividends. It may also benefit certain shareholders depending on their tax status.

#### **Interim dividends – resolution 10**

Interim dividends do not require shareholder approval under the Law or the Company's Articles of Incorporation. However, in line with PIRC guidance, the Board wishes to afford the shareholders the ability to ratify and approve the interim dividends paid in respect of the financial year ended 30 June 2017. As the interim dividends referred to in this resolution have already been declared and have been, or will have been, paid prior to the Annual General Meeting, this is an advisory rather than a binding vote.

#### **Market purchases – resolution 11**

This resolution renews the share buy-back authority that was given by the Company's shareholders on 17 November 2016. As part of the Company's discount management arrangements resolution 11 gives the Directors authority to make market purchases of the Company's own shares, up to 14.99 per cent. of the Ordinary Shares (excluding treasury shares) in issue as at the time immediately following the passing of the resolution.

Whether the Company purchases any such Ordinary Shares, and the timing and the price paid on any such purchase, will be at the discretion of the Directors. The Directors will consider repurchasing Ordinary Shares in the market if they believe it to be in Shareholders' interests, in particular as a means of correcting any imbalance between supply of and demand for the Ordinary Shares. Any purchase of the Ordinary Shares will be in accordance with the Articles of Incorporation and the Listing Rules in force at the time. In any event, purchases of Ordinary Shares will only be made through the market for cash at prices below the last published Net Asset Value per Ordinary Share.

#### **Disapplication of Pre-emption Rights – resolution 12**

This resolution provides a partial disapplication of the pre-emption rights contained in the Company's articles to allow the Company to issue new Ordinary Shares for cash on a non pre-emptive basis. The authority conferred by this resolution will allow the Company to issue new Ordinary Shares representing up to 20 per cent of its issued Ordinary Share capital as at the date of the Annual General Meeting. No Ordinary Shares will be issued pursuant to this authority at a price which is less than the Net Asset Value per existing Ordinary Share at the time of their issue.

#### **Notes to the notice of the Annual General Meeting:**

1. A member of the Company who is entitled to attend, speak and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend, speak and vote in his or her place. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them. A member of the Company may appoint more than one proxy to attend the meeting provided that each proxy is appointed to exercise rights attached to different shares.
2. Shareholders will find enclosed a form of proxy for use in relation to the Annual General Meeting. The form of proxy should be completed in accordance with the instructions. To be valid, the form of proxy (together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such authority) must be deposited with the Company's UK Transfer Agent, Capita Asset Services at PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF not later than 48 hours before the time appointed for the Annual General Meeting or any adjournment of that meeting at which the person named in the instrument proposes to vote. Completion of the form of proxy will not preclude a member from attending and voting in person.
3. To change your proxy instructions simply submit a new form of proxy using the methods set out above and in the notes to the form of proxy. Note that the cut-off date and time for receipt of a form of proxy (see above) do not apply in relation to amended instructions given to a proxy validly appointed prior to the relevant cut-off date. If you submit more than one valid form of proxy, the form received last before the latest time for the receipt of proxies will take precedence.
4. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's UK Transfer Agent. In the case of a member which is an individual, the revocation notice must be under the hand of the appointer or of his attorney duly authorised in writing or, in the case of a member which is a company, the revocation notice must be executed under its common seal or under the hand of an officer of the company or an attorney duly authorised. Any power of attorney or any other authority under which the revocation notice is signed (or a notarially certified copy of such power or authority) must be included with the revocation notice.
5. The revocation notice must be received by the commencement of the Annual General Meeting or any adjournment of that meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
6. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

#### **Additional Notes:**

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held on 29 November 2017 and any adjournment thereof by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service providers, who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (RA10) by the latest time for receipt of proxy appointments specified in this notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service providers) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34(1) of the Uncertificated Securities (Guernsey) Regulations, 2009.