THIS DOCUMENT IS IMPORTANT AND REQUIRES 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 (the "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.

A copy of this document, which comprises a prospectus relating to Bluefield Solar Income Fund Limited (the **Company**) in connection with the issue of New Ordinary Shares and/or C Shares and Consideration Shares in the Company, prepared in accordance with the Guernsey Prospectus Rules 2008 and the Prospectus Rules of the Financial Conduct Authority made pursuant to section 73A of the FSMA, has been filed with the Financial Conduct Authority in accordance with Rule 3.2 of the Prospectus Rules.

The Company and the Directors, whose names appear on page 37 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Bluefield Solar Income Fund Limited

(A company incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended, with registered number 56708)

Admission of Consideration Shares in connection with acquisition of assets

Placing Programme of up to 250 million New Ordinary Shares and/or C Shares in aggregate

and

Information relating to the prior issue of 13,028,999 million Ordinary Shares

Sponser, Broker and Financial Adviser

Numis Securities Limited

Applications will be made for the Consideration Shares issued in relation to the Acquisition to be admitted to listing on the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that unconditional dealings in the Consideration Shares will commence on 9 October 2014.

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all the New Ordinary Shares to be issued pursuant to the Placing Programme to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all the C Shares to be issued pursuant to the Placing Programme to be admitted to the standard segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that such admissions will become effective, and that dealings in the New Ordinary Shares and/ or C Shares will commence, during the period from 3 October 2014 to 2 October 2015.

Neither the Ordinary Shares nor the C Shares are dealt on any other recognised investment exchange and no applications for the Ordinary Shares or the C Shares to be traded on such other exchanges have been made or are currently expected.

The Company is a registered closed-ended collective investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and the Registered Collective Investment Scheme Rules 2008 issued by the Guernsey Financial Services Commission (**GFSC**). The GFSC, in granting registration, has not reviewed this document but has relied upon specific warranties provided by Heritage International Fund Managers Limited.

A registered closed-ended collective investment scheme is not permitted to be directly offered to the public in Guernsey but may be offered to regulated entities in Guernsey or offered to the public by entities appropriately licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended.

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

Numis Securities Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company in connection with the Placing Programme, the Acquisition, admission of the Consideration Shares and other arrangements as described in this document and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Numis Securities Limited or for advising any such person in connection with the Placing Programme, the Acquisition, admission of the Consideration Shares and other arrangements as described in this document.

This document may not be published, distributed or transmitted by any means or media, directly or indirectly in whole or in part, in or into the United States, Australia, Canada, Japan or the Republic of South Africa or any member state of the EEA (other than the United Kingdom, Ireland and Luxembourg and any such other member states where marketing is permitted pursuant to the AIFM Directive from time to time). This document does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, New Ordinary Shares and/or C Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements or undue burden on the Company, Numis or the Investment Adviser. The offer and sale of New Ordinary Shares and/or C Shares has not been and will not be registered under the applicable securities laws of the United States, Australia, Canada, Japan or the Republic of South Africa or any member state of the EEA (other than, as at or shortly following the date of this document, the United Kingdom, Luxembourg and Ireland). Subject to certain exceptions, neither New Ordinary Shares nor C Shares may be offered or sold within the United States, Australia, Canada, Japan or the Republic of South Africa or to any US Person or any national, resident or citizen of the United States, Australia, Canada, Japan or the Republic of South Africa.

The attention of all investors outside the United Kingdom is drawn to Part XI (Notices to Overseas Investors) of this document.

Neither the Ordinary Shares nor the C Shares have been or will be registered under the U.S. 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 neither the Ordinary Shares nor the C Shares may be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the Securities Act). There will be no public offer of Ordinary Shares or C Shares in the United States and neither the Ordinary Shares nor the C Shares may be offered or sold within the United States, or to US Persons. Ordinary Shares and C Shares are being offered and sold outside the United States to non-US Persons in reliance on Regulation S under the Securities Act. The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the **Investment Company Act**) and investors will not be entitled to the benefits of the Investment Company Act.

The attention of potential investors is drawn to the Risk Factors set out on pages 17 to 32 of this document.

This document is dated 3 October 2014.

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SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A—E (A.1—E.7).

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 into 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'.

Section A – Introduction and warnings		
Element	*Disclosure requirement*	*Disclosure*
A.1	Warning	This summary should be read as an introduction to this document. Any decision to invest in the securities should be based on consideration of the full text of this document by the investor. Where a claim relating to the information contained in this document is brought before a court, the plaintiff investor might, under the national legislation of a member state of the European Union, have to bear the costs of translating this document before the legal proceedings are initiated. Civil liability attaches only to those persons who are responsible for this summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document or it does not provide, when read together with the other parts of this document, key information in order to aid investors when considering whether to invest in such securities.
A.2	Use of prospectus by financial intermediaries	Not applicable. The Company has not given its consent to the use of this document for the resale or final placement of Ordinary Shares or C Shares by financial intermediaries.
Section B – Issuer		
Element	*Disclosure requirement*	*Disclosure*
B.1	Legal and commercial name	The issuer's legal and commercial name is Bluefield Solar Income Fund Limited.
B.2	Domicile/Legal Form/Legislation/ Country of Incorporation	The Company was incorporated with limited liability in Guernsey under the Companies (Guernsey) Law, 2008, as amended, on 29 May 2013 with registered number 56708, to be a closed-ended investment company.
B.5	Group structure	The Company is the ultimate holding company of the Group. The Company currently makes its investments through Bluefield SIF Investments Limited, its wholly-owned UK subsidiary.

B.6	Major shareholders	So far as is known to the Company, as at the close of business on 1 October 2014 (the latest practicable date prior to publication of this document) the following registered holdings representing a direct or indirect interest of five per cent, or more of the Company's issued share capital were recorded on the Company's share register: **Shareholder** / **Number of Ordinary Shares** / **Percentage of issued Ordinary Shares** CCLA — 25,000,000 — 17.43 BlackRock — 14,452,855 — 10.08 Newton Investment Management — 10,784,829 — 7.52 Baillie Gifford — 9,674,472 — 6.75 L&P Sellers — 9,026,478(1) — 6.29 (1) The Consideration Shares are expected to be issued to the L&P Sellers on 9 October 2014. The issue price of the Consideration Shares is to be determined on the basis set out in the Acquisition Agreement. As at the date of this document, such issue price (and so the exact number of Consideration Shares to be issued) is not known. However, assuming an issue price of 103.15 pence per Consideration Shares, 7,490,021 Consideration Shares would be issued to the L&P Sellers and their aggregate shareholding in the Company would be 16,516,499 Ordinary Shares, representing 10.9 per cent. of the issued share capital of the Company, immediately following the issue of the Consideration Shares. None of the Shareholders have different voting rights, nor is the Company directly or indirectly owned or controlled by any one person.
B.7	Historical financial information	The selected financial information of the Group as at 30 June 2014 for the period from 29 May 2013 to 30 June 2014 is set out below and has been extracted without material adjustment from the Group's audited financial information for its first accounting period ended on 30 June 2014. **As at or for the period from 29 May 2013 to 30 June 2014 (audited)** Net assets (£'000) — 147,676 Net asset value per Ordinary Share (pence) — 102.96 Total operating income (£'000) — 12,039 Net (loss)/profit (£'000) — 9,444 Earnings per Ordinary Share (pence) — 6.99 Dividend per Ordinary Share (pence)(1) — 4.00 Other than IPO Admission, the investment of the net proceeds from the IPO and the Tap Issue in accordance with the Company's published investment policy and the entry into and utilisation of the Acquisition Facility to acquire additional assets in accordance with the investment policy, there has been no significant change to the Group's financial condition and operating results during the period covered by the historical financial information. Other than the acquisition of a further two solar plants with a combined capacity of 14.5 MWp for a total consideration of £15 million in July 2014, there has been no significant change in

(1) A first interim dividend of 2 pence per Ordinary Share was declared and paid during the period from 29 May 2013 to 30 June 2014 with a second interim dividend of 2 pence per Ordinary Share declared in respect of that period declared and to be paid after the end of the period.

		the financial or trading position of the Group since 30 June 2014.
B.8	Pro forma financial information	Not applicable – there is no pro forma financial information in this document.
B.9	Profit forecast	Not applicable – there are no profit forecasts in this document.
B.10	Qualifications in the audit report	Not applicable – the audit report on the historical financial information contained in this document is not qualified.
B.11	Working capital insufficiency	Not applicable – the Company is of the opinion that the working capital available to the Company is sufficient for the Group's present requirements (that is, for at least the next twelve months from the publication date of this document).
B.34	Investment policy	*Investment objective* The Company seeks to provide Shareholders with an attractive return, principally in the form of semi-annual income distributions, by investing in a portfolio of large scale UK based solar energy infrastructure assets. *Investment policy* The Group invests in a diversified portfolio of solar energy assets, each located within the UK, with a focus on utility scale assets and portfolios on greenfield, industrial and/or commercial sites. The Group targets long life solar energy infrastructure, expected to generate stable renewable energy output over a 25 year asset life. Individual solar assets or portfolios of solar assets will be held within SPVs into which the Group will invest through equity and/or debt instruments. The Group typically seeks legal and operational control through direct or indirect stakes of up to 100 per cent. in such SPVs, but may participate in joint ventures or minority interests where this approach enables the Group to gain exposure to assets within the Company's investment policy which the Group would not otherwise be able to acquire on a wholly-owned basis. The Group may make use of non-recourse finance at the SPV level to provide leverage for specific solar energy infrastructure assets or portfolios provided that at the time of entering into (or acquiring) any new financing, total non-recourse financing within the portfolio will not exceed 50 per cent. of the Gross Asset Value. In addition, the Group may, at holding company level, make use of short term debt finance to facilitate the acquisition of investments, but such short term debt (when taken together with the SPV finance noted above) will also be limited so as not to exceed 50 per cent. of the Gross Asset Value. No single investment in a solar energy infrastructure asset (excluding any third party funding or debt financing in such asset) will represent, on acquisition, more than 25 per cent. of the Net Asset Value. The portfolio provides diversified exposure through the inclusion of not less than five individual solar energy infrastructure assets. Diversification is achieved across various factors such as grid connection points, individual landowners and leases,

		providers of key components (such as PV panels and inverters) and assets being located across various geographical locations within the United Kingdom. The Group aims to derive a significant portion of its targeted return through a combination of the sale of Renewable Obligation certificates and RPI-linked FITs (or any such regulatory regimes that replace them from time to time). Both such regimes are currently underwritten by UK Government regulation providing a level of Renewable Obligation certificates or FITs fixed for 20 years and each regime benefits from an annual RPI escalation. The Group also intends, where appropriate, to enter into power purchase agreements with appropriate counterparties, such as co-located industrial energy consumers or wholesale energy purchasers. *Listing Rule investment restrictions* The Company currently complies with the investment restrictions set out below and will continue to do so for so long as they remain requirements of the Financial Conduct Authority: • neither the Company nor any of its subsidiaries will conduct any trading activity which is significant in the context of the Group as a whole; • the Company must, at all times, invest and manage its assets in a way which is consistent with its objective of spreading investment risk and in accordance with the published investment policy; and • not more than 10 per cent. of the Gross Asset Value at the time of investment is made will be invested in other closed-ended investment funds which are listed on the Official List. The Directors do not currently intend to propose any material changes to the Company's investment policy, save in the case of exceptional or unforeseen circumstances. As required by the Listing Rules, any material change to the investment policy of the Company will be made only with the approval of Shareholders.
B.35	Borrowing limits	Aggregate Group Debt will be limited to 50 per cent. of the Gross Asset Value calculated immediately following the drawdown of the latest amount of Aggregate Group Debt. On 13 June 2014 the Company and Holdco entered into the Acquisition Facility Agreement pursuant to which Royal Bank of Scotland plc has agreed to provide an acquisition facility of up to £50 million. Durrant's Farm, an asset in the Target Portfolio has project finance in place (provided by Bayerische Landesbank, London Branch) with a total outstanding balance on three facilities of £15,042,497 as at 30 September 2014. Immediately following completion of the Acquisition, the Group's aggregate borrowings (consisting of the outstanding balances of these facilities and the amount outstanding under the Group's acquisition facility with RBS) will be £23,274,560, giving a gearing level of approximately 14.9 per cent. against the enlarged Group's NAV (calculated as the aggregate of the Group's last published NAV as at 30 June 2014 and the NAV of the Target Portfolio as at 30 June 2014).

B.36	Regulatory status	The Company is a closed-ended investment company registered with the Guernsey Financial Services Commission under the Registered Collective Investment Scheme Rules 2008. Registered schemes are regulated by the Commission insofar as they are required to comply with the requirements of the Rules, including requirements to notify the Commission of certain events and the disclosure requirements of the Commission's Prospectus Rules 2008. A registered scheme is not permitted to be directly offered to the public in Guernsey but may be offered to regulated entities in Guernsey or offered to the public by entities appropriately licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended. The Company is not regulated or authorised by the Financial Conduct Authority but is subject to the Listing Rules applicable to closed-ended investment companies. The Company is categorised as an internally managed non-EU AIF for the purposes of the AIFM Directive. As such neither the Company nor the Investment Adviser is required to be authorised as an alternative investment fund manager under the AIFM Directive.
B.37	Typical investor	Typical investors in the Company are expected to be institutional and sophisticated investors and private clients. The New Ordinary Shares and C Shares are only suitable for investors who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, for whom an investment in New Ordinary Shares and/or C Shares is part of a diversified investment programme and who fully understand and are willing to assume the risks involved in such an investment programme.
B.38	Investment of 20 per cent. or more in single underlying asset or investment company	Not applicable.
B.39	Investment of 40 per cent. or more in single underlying asset or investment company	Not applicable.
B.40	Service providers	*Investment Adviser* Bluefield acts as the investment adviser to the Company under the Investment Advisory Agreement dated 25 June 2013. Under the terms of the Investment Advisory Agreement, the Investment Adviser is entitled to the following fees: <u>Base fee</u> An annual base fee which is accrued daily and is calculated on a sliding scale as follows: • 1.00 per cent. of the NAV up to and including £100 million; and • 0.80 per cent. of the NAV above £100 million and up to and including £200 million; and • 0.60 per cent. of the NAV above £200 million.

		The base fee is payable quarterly in arrears in cash, and is calculated on the prevailing NAV reported in the most recent quarterly NAV calculation as at the date of payment. The base fee is subject to clawback as described below under "Variable Fee". Variable Fee If in any year (excluding the Company's first financial year), the Company fails to achieve its distribution target of 7 pence per year (as increased annually in line with RPI), the Investment Adviser will repay its base fee in the proportion by which the actual annual distribution is less than the target distribution, subject to a maximum repayment in any year equal to 35 per cent. of the base fee. The repayment will be split equally across the four quarters in the following financial year and will be set off against the quarterly management fee payable to the Investment Adviser in that following financial year. If in any year (excluding the Company's first financial year), the Company exceeds its distribution target of 7 pence per year (as increased annually in line with RPI), the Investment Adviser will be entitled to a variable fee equal to 30 per cent. of the excess, subject to a maximum variable fee in any year equal to 1 per cent. of the NAV as at the end of the relevant financial year. The variable fee shall be satisfied by the issue of Ordinary Shares to the Investment Adviser at an issue price equal to the prevailing NAV per Ordinary Share. The Ordinary Shares issued to the Investment Adviser in satisfaction of the variable fee will be subject to a three year lock-up period, with one-third of the relevant Ordinary Shares becoming free from the lock-up on each anniversary of their issue. The Board may, at its discretion, satisfy such issue of Ordinary Shares to the Investment Adviser by way of a new issue of Ordinary Shares, a sale of Ordinary Shares out of treasury or through purchases in the market. *Administration and secretarial arrangements* The Company's administrator is Heritage International Fund Managers Limited, which has been appointed to provide administrative and company secretarial services to the Company pursuant to an administration agreement dated 25 June 2013. Such services include maintaining the Company's books and records, ensuring the Company's compliance with certain regulatory requirements, calculating the Net Asset Value per Ordinary Share and monitoring the register of Shareholders. Under the terms of the Administration Agreement, the Administrator is entitled to an annual fee in respect of administration, corporate secretarial, corporate governance, regulatory compliance and continuing Listing Rule obligations calculated on a sliding scale fee based on Net Asset Value, subject to a minimum fee of £100,000 per annum. In addition, the Administrator will receive an annual fee of £5,000 and £2,500 for the provision of a compliance officer and MLRO respectively. The Administrator will, in addition, be entitled to recover third party expenses and disbursements. *Registrar and UK Transfer Agent* The Company has appointed Capita Registrars (Guernsey) Limited to act as registrar in relation to the transfer and

		settlement of Ordinary Shares held in uncertificated form and as UK transfer agent. The Registrar is entitled to an annual fee from the Company equal to £1.65 per shareholder per annum or part thereof; with a minimum of £7,500 per annum. Other registrar activity will be charged for in accordance with the Registrar's normal tariff as published from time to time.
B.41	Regulatory status of investment manager	The Investment Adviser, Bluefield Partners LLP, is a limited liability partnership incorporated in England under registered number OC342071 and is regulated and authorised by the Financial Conduct Authority under registration number 507508.
B.42	Calculation of Net Asset Value	The Investment Adviser produces fair market valuations of the Group's investments on a semi-annual basis as at 31 December and 30 June each year, which form the basis of the Net Asset Value calculation prepared by the Administrator. The Administrator, in conjunction with the Investment Adviser, calculates the Net Asset Value and the Net Asset Value per Ordinary Share as at the end of each quarter of the Company's financial year. The Board approves each quarterly Net Asset Value calculation. These calculations are reported quarterly to Shareholders. The Net Asset Value is also announced as soon as possible on a Regulatory Information Service, by publication on the Company's website, www.bluefieldsif.com, and on www.londonstockexchange.com.
B.43	Cross liability	Not applicable – the Company is not an umbrella collective investment undertaking and as such there is no cross liability between classes or investment in another collective investment undertaking.
B.44	Key financial information	The Company has commenced operations and historical financial information is included in this document.
B.45	Portfolio	The Company's Current Portfolio (excluding the Target Portfolio to be acquired pursuant to the Acquisition) comprises the following 12 investments: **Project** / **Location** / **ROC Band** / **MWp** / **Commissioning Date** / **Total Commitment (£ million)** Betingau / Glamorgan / 1.6 / 9.99 / 27 March 2014 / 11.20 Capelands / Devon / 1.4 / 8.40 / n/a / 8.62 Goosewillow 1(1) / Oxfordshire / 1.6 / 10.64 / 24 March 2014 / 11.88 Goosewillow 2(1) / Oxfordshire / 1.6 / 6.29 / 24 March 2014 / 7.20 Hall Farm / Norfolk / 1.6 / 11.45 / 27 March 2014 / 13.37 Hardingham / Norfolk / 1.6 / 14.84 / 10 December 2013 / 17.00 Hill Farm / Oxfordshire / 1.6 / 15.19 / 11 March 2014 / 17.30 Hoback / Hertfordshire / 1.4 / 17.52 / n/a / 19.00 North Beer / Cornwall / 2 / 6.87 / 31 March 2013 / 9.35 Pentylands / Wiltshire / 1.6 / 19.23 / 31 March 2014 / 21.40 Redlands / Somerset / 1.4 / 6.20 / n/a / 6.37 Saxley / Hampshire / 1.6 / 5.88 / 27 March 2014 / 7.05 Sheppey / Kent / 1.4 / 10.63 / 25 June 2014 / 12.00 **Total** / / / **143.14** / / **161.74** (1) The Goosewillow asset was acquired and constructed in two phases. Pursuant to the Acquisition Agreement, completion of which is only conditional on Admission of the Consideration Shares following the publication of this document, Holdco has agreed to acquire the following assets comprising the Target Portfolio for aggregate consideration of £8,914,000, payable as to

		£1,188,042.65 in cash and as to £7,725,957.35 through the issue of the Consideration Shares: **SPV** / **Asset's Name** / **Location** / **Installed Capacity (MWp)**[1] / **Commissioned** / **FIT**[2] **level p/kWh** / **PPA Expiry** / **PPA Counterparty** **KS SPV5** / Durrants / Isle of Wight / 4.997 / Jul 2011 / 34.1 / Sep 2014 / Smartest **Bluefield Goshawk** / Thames Water Weybridge / Surrey / 0.050 / July 2012 / 16.9 / Jul 2037 / Thames Water Thames Water Esher / Surrey / 0.050 / Jul 2012 / 16.9 / Jul 2037 / Thames Water Thames Water Hockford / Surrey / 0.050 / Jul 2012 / 16.9 / Jul 2037 / Thames Water Thames Water Holmwood / Surrey / 0.050 / Jul 2012 / 16.9 / Jul 2037 / Thames Water Thames Water Woking / Surrey / 0.247 / Jul 2012 / 13.66 / Jul 2037 / Thames Water Thames Water Ashvale / Surrey / 0.050 / Jul 2012 / 16.9 / Jul 2037 / Thames Water Thames Water Ripley / Surrey / 0.249 / Jul 2012 / 13.66 / Jul 2037 / Thames Water Thames Water Faringdon / Oxfordshire / 0.050 / Jul 2012 / 16.9 / Jul 2037 / Thames Water Thames Water Sandhurst / Surrey / 0.099 / Sep 2012 / 12.18 / Sep 2037 / Thames Water Thames Water East Hampstead / Surrey / 0.099 / Aug 2012 / 12.18 / Aug 2012 / Thames Water Adnams Bio Energy Southwold / Suffolk / 0.226 / Jul 2011 / 34.1 / N/A / N/A (1) All 0.050MW sites are in fact just under 0.050MW so they have been qualified for high FIT tariff. (2) The FIT regime was implemented by way of the Feed in Tariffs Order 2010. It requires FIT Licensees to pay a fixed generation tariff, formally known as **Feed in Tariff (FIT)**, and an **export tariff** to low carbon generators whose capacity does not exceed 5 MW. An eligible generator receives a fixed amount indexed with RPI for all electricity produced for a duration of 20 or 25 years depending on the year of installation. Annual FIT payments are made according to published tariffs by OFGEM. The export tariff can be opted out by contracting directly with an electricity supplier through a direct power purchase agreement **(PPA)**. Therefore, in essence, export tariff offers a floor price for PPA.
B.46	Net Asset Value	As at 30 June 2014, the Company's NAV per Ordinary Share (audited) was 102.96 pence.
	Section C – Securities	
Element	*Disclosure requirement*	*Disclosure*
C.1	Type and class of securities being offered and/or admitted to trading	The Company intends to issue new Ordinary Shares of no par value in the capital of the Company (the **New Ordinary Shares**) and/or C Shares of no par value in the capital of the Company pursuant to the Placing Programme. In addition, the Company intends to issue the **Consideration Shares** in connection with the Acquisition. The ISIN of the New Ordinary Shares and the Consideration Shares is GG00BB0RDB98 and the SEDOL is BB0RDB9. The ISIN of the C Shares is GG00BRB2W527 and the SEDOL is BRB2W52.
C.2	Currency of the securities issue	The Ordinary Shares and the C Shares are denominated in Sterling.
C.3	Number of Ordinary Shares issued	As at the close of business on 1 October 2014 (the latest practicable date prior to publication of this document), the Company has 143,426,684 Ordinary Shares of no par value in issue.

C.4	Description of the rights attaching to the securities	*Ordinary Shares* The rights attaching to the Ordinary Shares are uniform in all respects and they form a single class for all purposes. Shareholders have uniform voting rights and rights to dividends or distributions in proportion to the number of Ordinary Shares they hold at any time (save for any dividends or other distributions made or paid on the Ordinary Shares by reference to a record date prior to the issue of the relevant new Ordinary Shares). *C Shares* The C Shares will not carry the right to receive notice of, or attend or vote at any general meeting of the Company except in certain limited circumstances. Holders of C Shares will be entitled to participate in a winding up of the Company or on a return of capital in relation to the surplus assets of the Company attributable to the C Shares. Holders of the C Shares will be entitled to receive such dividends as the Directors may resolve to pay to such holders out of the Company's assets attributable to the C Shares (as determined by the Directors). The C Shares will convert into Ordinary Shares on the basis of the Conversion Ratio calculated as at the Calculation Time which will be no later than 6 months after the date of issue of such C Shares. The Conversion Ratio will be calculated, on an investment basis, by reference to the net asset values attributable to the C Shares and the Ordinary Shares. The Ordinary Shares to be issued following conversion of C Shares will rank *pari passu* with the Ordinary Shares then in issue for dividends and other distributions declared, made or paid by reference to a record date falling after the Conversion Time.
C.5	Restrictions on the free transferability of the securities	The Board may refuse to register a transfer of any share, which is not fully paid, or on which the Company has a lien, provided that this would not prevent dealings in the shares from taking place on an open and proper basis on the London Stock Exchange. In addition, the Board may decline to transfer, convert or register a transfer of any share in certificated form or (to the extent permitted by the Guernsey USRs and the CREST Rules) uncertificated form: (a) if it is in respect of more than one class of shares; (b) if it is in favour of more than four joint transferees; (c) if applicable, if it is delivered for registration to the registered office of the Company or such other place as the Board may decide, not accompanied by the certificate for the shares to which it relates and such other evidence of title as the Board may reasonably require; or (d) the transfer is in favour of any Non-Qualified Holder. For these purposes a Non-Qualified Holder means any person whose ownership of Ordinary Shares may: (i) cause the Company's assets to be deemed "plan assets" for the purposes of ERISA or the Internal Revenue Code; (ii) cause the Company to be required to register as an "investment company" under the Investment Company Act (including because the holder of the shares is not a "qualified purchaser" as defined in the Investment Company Act); (iii) cause the Company to register under the Exchange Act, the Securities Act or any similar legislation; (iv) cause the Company not being considered a

		"Foreign Private Issuer" as such term is defined in rule 3b-4(c) under the Exchange Act; (v) result in a person holding Ordinary Shares in violation of the transfer restrictions put forth in any prospectus published by the Company from time to time; or (vi) cause the Company to be a "controlled foreign corporation" for the purposes of the Internal Revenue Code, or may cause the Company to suffer any pecuniary disadvantage (which will include any excise tax, penalties or liabilities under ERISA or the Internal Revenue Code, including as a result of the Company's failure to comply with FATCA as a result of the Non-Qualified Holder failing to provide information concerning itself as requested by the Company in accordance with its Articles).
C.6	Admission	Applications will be made for the Consideration Shares to be issued in connection with the Acquisition to be admitted to listing on the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that unconditional dealings in the Consideration Shares will commence on 9 October 2014. Applications will be made to the FCA and the London Stock Exchange for all the New Ordinary Shares to be issued in the Placings pursuant to the Placing Programme to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. Applications will be made to the FCA and the London Stock Exchange for all the C Shares to be issued pursuant to the Placing Programme to be admitted to the standard segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that such Admissions will become effective, and that dealings in the C Shares and/ or New Ordinary Shares will commence, during the period from 3 October 2014 to 2 October 2015. Neither the Ordinary Shares nor the C Shares are dealt on any other recognised investment exchange and no applications for the Ordinary Shares or the C Shares to be traded on such other exchanges have been made or are currently expected.
C.7	Dividend policy	The Company will seek to pay a dividend in respect of the second financial year of the Company ending 30 June 2015 of 7 pence per Ordinary Share, and increasing annually thereafter in line with RPI(1). Distributions on the Ordinary Shares are expected to be paid twice a year, normally in respect of the six months to 30 June and 31 December, and are expected to be made by way of interim dividends to be declared in February and September. The target return should not be taken as an indication of the Company's expected future performance or results over any period. The target return is a target only and there is no guarantee that it can or will be achieved and it should not be seen as an indication of the Company's expected or actual return. Accordingly, investors should not place any reliance on the target return in deciding whether to invest in the New Ordinary Shares or the C Shares.

(1) These are targets only and not profit forecasts. There can be no assurance that these targets can or will be met and it should not be seen as an indication of the Company's expected or actual results or returns. Accordingly, investors should not place any reliance on these targets in deciding whether to invest in the Ordinary Shares or assume that the Company will make any distributions at all.

Section D – Risks		
Element	*Disclosure requirement*	*Disclosure*
D.2	Key information on the key risks that are specific to the issuer	The key risk factors relating to the Company, its investment policy and its investment portfolio are: • if at any point the international community was to withdraw, reduce or change its support for the increased use of energy from renewable sources, including solar PV, for whatever reason, this may have a material adverse effect on the support of national or international authorities in respect of the promotion of the use of energy from renewable sources, including in respect of solar PV generation in the UK. If this reduces the value of the green benefits that solar PV power operators are entitled to it would have a material adverse effect on the Group if applied retrospectively to operating projects acquired by the Group in accordance with the investment policy. In addition, unexpected success in other areas of renewable energy (such as renewable heat) may reduce pressure on national governments to develop renewable electricity production. This may affect the Company's future investment opportunities; • a decline in the market price of electricity could materially adversely affect the Group's revenues and financial condition. Similarly, a decline in the costs of other sources of electricity generation, such as fossil fuels or nuclear power, could reduce the wholesale price of electricity and thus the price achieved for electricity generated by solar PV parks; • solar PV assets and plants rely upon adequate solar radiation as "feedstock" for the purposes of producing power. Although there is statistical evidence that variance in annual solar radiation is statistically relatively low compared to other renewable energy sources such as wind, it is possible that temporary or semi-permanent or permanent changes in weather patterns, including as a result of global warming or for any other reason, could affect the amount of solar radiation received annually or during any shorter or longer period of time in locations where the investments may be located. Such changes could lead to a reduction in the electricity generated which would have a material adverse effect on the Group's business, financial position, results of the operations and business prospects. Such changes, perceived or otherwise, could also make solar PV less attractive as an investment opportunity and so impair the Company's potential returns which could have a material adverse effect on the Group's business, financial position, results of the operations and business prospects; • it is anticipated that a significant proportion or potentially all of the solar PV assets to be acquired by the Group will be located on commercial and agricultural properties among others, to which entitlement will be secured through a lease agreement. Reliance upon a third party owned property gives rise to a range of risks including deterioration in the property during the investment life, damages or other lease related costs, counterparty and third party risks in relation to the lease agreement and property, termination of the

		lease following breach or due to other circumstances such as a mortgagee taking possession of the property; • construction of solar assets is likely to result in reliance upon services being delivered by one or more contractors. Whilst the performance of contractor services will usually be guaranteed, any such guarantees are expected to be limited in their scope and quantum and may not always cover the full loss of profit incurred by a project. Failure of a contractor or change in a contractor's financial circumstances may among other things result in the relevant asset underperforming or becoming impaired in value and there can be no assurance that such underperformance or impairment will be fully or partially compensated by any contractor warranty or bank guarantee; • the ability of the Company to achieve its investment objective depends heavily on the experience of the Investment Adviser's team, and more generally on ability of the Investment Adviser to attract and retain suitable staff. The Board will have broad discretion to monitor the performance of the Investment Adviser or to appoint a replacement but the performance of the Investment Adviser or that of any replacement cannot be guaranteed; • the ability of the Company to achieve its investment objective depends upon the ability of the Investment Adviser to identify, select and execute investments which offer the potential for satisfactory returns. The availability of suitable investment opportunities will depend, in part, upon conditions in the UK solar PV markets and the level of competition for assets in the solar PV sectors. Whilst the Company has certain rights to acquire Solar PV assets in accordance with the Pipeline Agreement, there can be no assurance that the Investment Adviser will be able to identify and execute a sufficient number of opportunities to enable the Company to achieve its investment objective and to grow its portfolio of solar PV assets to the level it is seeking; and • the Company's target dividend and future distribution growth will depend on the Company's underlying investment portfolio and its ability to pay dividends in accordance with the Companies Law. Any change or incorrect assumption in relation to the dividends or interest or other receipts receivable by the Company (including in relation to projected power prices, the amount of electricity generated by the Group's assets, availability and operating performance of equipment used in the operation of the solar PV parks within the Company's portfolio and the tax treatment of distributions to Shareholders) may reduce the level of distributions received by Shareholders.
D.3	Key information on key risks specific to the securities	The key risk factors relating to the New Ordinary Shares and the C Shares are: • there can be no guarantee that a liquid market in the Ordinary Shares or C Shares will exist. Accordingly, Shareholders may be unable to realise their Ordinary Shares or C Shares at the quoted market price (or at the prevailing NAV per Ordinary Share or C Share, as applicable), or at all;

		• the Ordinary Shares and/or the C Shares may trade at a discount to NAV per Ordinary Share or per C Share, as applicable, and Shareholders may be unable to realise their investments through the secondary market at NAV per Ordinary Share or C Share, as applicable; • the Company's ability to pay dividends and repurchase its Ordinary Shares or its C Shares is governed by the Companies Law which requires the Company to satisfy a solvency test; and • the C Shares do not carry the right to receive notice of, or to attend or vote at any general meeting of the Company, except in certain limited circumstances.
Section E – Offer		
Element	*Disclosure requirement*	*Disclosure*
E.1	Net proceeds and costs of the Placing Programme	Up to 250 million New Ordinary Shares and/or C Shares in aggregate are available for issue under the Placing Programme. The net proceeds of the Placing Programme are dependent on: (i) the aggregate number of New Ordinary Shares and/or C Shares issued pursuant to the Placing Programme; and (ii) the price at which any New Ordinary Shares are issued. Assuming: (i) only New Ordinary Shares are issued pursuant to the Placing Programme at an Issue Price of 103 pence per New Ordinary Share; and (ii) the Company issues the maximum number of New Ordinary Shares available for issue under the Placing Programme, the Company would raise £257.5 million of gross proceeds from the Placing Programme. After deducting expenses (including any commission) of approximately £3.7 million, the net proceeds of the Placing Programme would be approximately £253.8 million.
E.2a	Reason for offer and use of proceeds	The Placing Programme is being put in place in order to enable the Company to raise funds for the purpose of achieving the investment objective of the Company. The Board intends to use the net proceeds of the Placing Programme, firstly, to prepay amounts outstanding under the Acquisition Facility from time to time and, secondly, to finance further acquisitions of assets in accordance with the Group's investment objective and policy.
E.3	Terms and conditions of the offer	Under the Sponsor and Placing Agreement, Numis has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers for New Ordinary Shares and/or C Shares to be made available in Placings pursuant to the Placing Programme at the applicable Issue Price. The terms and conditions of the Placing Programme are set out in Appendix 1 to this document. The placing commitments under any Placings pursuant to the Placing Programme are conditional upon, *inter alia*: (i) Admission occurring on such time and date as the Company and Numis may agree prior to the closing of each Placing, not being later than 2 October 2015; and (iii) the Sponsor and Placing Agreement becoming otherwise unconditional in all respects, and not being terminated in accordance with its terms before the relevant Admission becomes effective.

E.4	Material interests	Not applicable. No interest is material to the issue of New Ordinary Shares or C Shares under the Placing Programme.
E.5	Name of person selling Securities/ lock up agreements	Not applicable.
E.6	Dilution	If the maximum number of New Ordinary Shares available to be issued by the Company under the Placing Programme (being 250 million New Ordinary Shares) are issued, an existing Shareholder holding Ordinary Shares representing 10 per cent. of the Company's issued Ordinary Share capital as at the date of this document, who does not participate in the Placing Programme, would, following the completion of the Placing Programme, hold Ordinary Shares representing approximately 3.6 per cent. of the Company's issued Ordinary Share capital following the conclusion of the Placing Programme.
E.7	Expenses charged to the investors	Assuming: (i) only New Ordinary Shares are issued pursuant to the Placing Programme at an Issue Price of 103 pence per New Ordinary Share; and (ii) the Company issues the maximum number of New Ordinary Shares available for issue under the Placing Programme, the Company would raise £257.5 million of gross proceeds from the Placing Programme. After deducting expenses (including any commission) of approximately £3.7 million, the net proceeds of the Placing Programme would be approximately £253.8 million. No additional expenses will be charged to Placees under the Placing Programme.

RISK FACTORS

Investment in the New Ordinary Shares and/or the C Shares carries a high degree of risk, including the risks in relation to the Company, the New Ordinary Shares and the C Shares referred to below, which could materially and adversely affect the Company's business, financial condition and results. An investment in the New Ordinary Shares and/or the C Shares should not be regarded as short-term in nature. Potential investors should review this document carefully and in its entirety and consider consulting an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in New Ordinary Shares and/or the C Shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss which may result. In particular, the New Ordinary Shares and C Shares are only suitable for investors who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, for whom an investment in New Ordinary Shares and/or C Shares is part of a diversified investment programme and who fully understand and are willing to assume the risks involved in such an investment programme.

Typical investors in the Company are expected to be institutional and sophisticated investors and private clients.

Prospective investors should note that the risks relating to the Company, its investments, the New Ordinary Shares and the C Shares summarised in the section of this document headed "Summary" are the risks that the Company believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the New Ordinary Shares and/or the C Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the New Ordinary Shares and/or the C Shares and should be used as guidance only. Additional risks and uncertainties relating to the Company that are not currently known to the Company, or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Company's business, prospects, results of operations and financial position and, if any such risk should occur, the price of the New Ordinary Shares and/or the C Shares may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the New Ordinary Shares and/or the C Shares is suitable for them in the light of the information in this document and their personal circumstances.

RISKS RELATING TO THE INDUSTRY IN WHICH THE GROUP INVESTS

Risks relating to political support for solar PV

In the event that international, EU and/or UK obligations and incentives to reduce greenhouse gas emissions and support the production of renewable energy were to decline, be withdrawn or change, whether on a prospective or retrospective basis for any reason, including as a result of the fiscal status of sovereign states or the adoption of a different energy mix or the discovery or development of a more preferred fuel and/or energy source, this could have a material adverse effect on the business, financial position, results of operations and future growth prospects of the Group as well as returns to investors.

Risks relating to Electricity Market Reform and changes to Renewables Obligation support

As part of EMR, from 1 April 2017, the Renewables Obligation will be closed to new accreditation for all solar assets (subject to certain, limited grace periods which will permit some projects to be accredited after that date). ROCs issued after 1 April 2027 will be replaced with "fixed price certificates". DECC has indicated that the intention is to maintain levels and length of support for existing participants under the Renewables Obligation but there is no guarantee that this will be the case. Further, change in law provisions may be triggered under pre-existing power purchase agreements as a result of EMR, giving counterparties an opportunity to re-open or even terminate some PPAs.

EMR will be relevant to future investments made by the Group, particularly where future investments are supported under CFD FITs, which are described further below. Elements of EMR have been legislated for under the Energy Act 2013 and secondary legislation (some of which has not yet entered into force). Some projects that are not or cannot be accredited under the Renewables Obligation may not be entitled to CFD FIT support.

Solar PV projects will have to compete for a CFD FIT in annual allocation rounds, and as such it is less certain that they will receive support under a CFD FIT than under the Renewables Obligation. Budget may not be made available to support certain technologies in future allocation rounds. In the event of certain breaches of the CFD FIT agreement, which include insolvency, failure to meet milestones or conditions precedent, non-payment to the CFD Counterparty and failure to meet metering obligations, the CFD FIT may be terminated.

These factors are particularly significant given that on 2 October 2014 the Government confirmed that from 1 April 2015 (subject to certain limited grace periods) new solar PV generating stations above 5MW will not be eligible for support under the Renewables Obligation and will have to apply for support under a CFD FIT rather than the Renewables Obligation.

Risks relating to the Levy Exemption Framework

The Levy Control Framework has been established to make sure that DECC achieves its fuel poverty, energy and climate change goals in a way that is consistent with economic recovery and minimising the impact on consumer bills. Where the cost of renewables support regimes exceed the relevant cap, support levels for projects under these regimes may require to be adjusted. This could negatively impact returns to the Group, where the Group has invested in projects which take advantage of such regimes and, consequently, investors.

Risks relating to the sale price of electricity

Generally, the price at which a solar PV plant sells its electricity is determined by market prices in the UK. A decline in the costs of other sources of electricity generation, such as fossil fuels or nuclear power, could reduce the wholesale price of electricity. A significant amount of new electricity generation capacity becoming available could also reduce the wholesale price of electricity. A number of broader regulatory changes to the electricity market (such as changes to integration of transmission allocation and changes to energy trading and transmission charging) are being implemented across the EU which could have an impact on electricity prices.

A decline in the market price of electricity could materially adversely affect the price of electricity generated by solar PV assets and thus the Group's business, financial position, results of operations and business prospects. There are a variety of means to mitigate the risk of declines in the wholesale price of electricity through trading strategies (including long term PPAs). The Group will adopt a trading strategy that balances risks of reductions in market prices against opportunities to access enhanced returns, but this strategy will not necessarily be effective.

Risks relating to the price of green benefits

Generally, the level of subsidy (FITs or the price at which ROCs and LECs can be sold) is determined by UK renewable energy policies. The value of green benefits can therefore be affected by changes in the political will to support solar PV and other factors such as the cost of solar PV equipment. Though FITs generally provide for fixed rates of return, the value of ROCs under the Renewables Obligation fluctuates with market supply and demand for ROCs.

There are a variety of means to mitigate the risk of declines in the price of green benefits through trading strategies (including long term PPAs). The Group has adopted a trading strategy that balances risks of reductions in the price of green benefits against opportunities to access enhanced returns, but this strategy will not necessarily be effective. Reductions in levels or market value of green benefits available could have a material adverse effect on the Group's business, financial position, results of operations and business prospects. ROC prices could be materially and adversely affected by an imbalance of supply and demand should the actual amount of renewable regeneration exceed expectation on the annual Renewable Obligation target.

Risks relating to grandfathering

The UK has generally revised its policies supporting the renewable energy sector from time to time in order to reduce the benefits available to new renewable power generation projects. However, there is significantly less risk of support being reduced, withdrawn or changed for existing support-accredited projects than there is for new projects which have not yet been accredited for support. In order to maintain investor confidence, the UK has ensured that the benefits already granted to operating renewable power generation projects are exempted from future regulatory change. This practice is referred to as "grandfathering". Grandfathering is a policy decision and, as such, there is no guarantee that the practice of grandfathering will be continued. There have been court judgements that support the view that the Government should not make retrospective changes that reduce support for existing accredited projects, though such judgements may not be followed in the future or their precedent may be overturned by legislation. The Group is likely to suffer a loss if the UK was to abandon the practice of grandfathering and apply adverse retrospective changes to the levels of support for operating projects in which the Group has a financial interest which in turn could have a material adverse effect on the Group's business, financial position, results of operation and business prospects.

Risks relating to the price of solar PV equipment

The price of solar PV equipment can increase or decrease. This would generally be expected to lead to corresponding changes in the value of green benefits available to new renewable power generation projects, though may not always do so. The price of solar equipment can be influenced by a number of factors, including the price and availability of raw materials, demand for PV equipment and any import duties that may be imposed on PV equipment. Changes (described further below) have recently been made to the duties imposed on solar PV modules in the EU. This legislation may have an impact on the costs for solar PV projects in the future.

Changes in the cost of solar PV equipment could have a material adverse effect on the Group's ability to source projects that meet its investment criteria and consequently its business, financial position, results of operations and business prospects.

Risks relating to gas power generation

In late 2012 the Government issued its Gas Generation Strategy. Modelling detailed in the strategy suggests that as much as 26GW of new gas plant could be required by 2030, in part to replace older coal, gas and nuclear plant as it retires from the system. The development of new gas power projects, may discourage the deployment of renewable technologies. This could be exacerbated by the uptake of significant volumes of domestically-produced shale gas or any other factor that results in falls in wholesale gas prices. Any significant move to gas power generation or other modern gas technologies, and away from renewable technologies, greater than that currently assumed in the market, could negatively impact the Group's prospects and performance.

RISKS RELATING TO GROUP'S BUSINESS

Weather related risks

The profitability of a solar PV asset is dependent on the meteorological conditions at the particular site. Accordingly, the Group's revenues will be dependent upon the meteorological conditions at the solar PV plants owned by the Group. Variations in meteorological conditions occur as a result of fluctuations in the levels of sunlight and cloud cover on a daily, monthly and seasonal basis, and over the long term as a result of more general changes in climate.

Solar PV assets and plants rely upon adequate solar radiation as "feedstock" for the purposes of producing power. Although there is statistical evidence that variance in annual solar radiation is statistically relatively low compared to other renewable energy sources such as wind, it is possible that temporary or semi-permanent or permanent changes in weather patterns, including as a result of global warning or for any other reason, could affect the amount of solar radiation received annually or during any shorter or longer period of time in locations where the Group's solar PV assets may be located. Such changes could lead to a reduction in the electricity generated which would have a

material adverse effect on the Group's business, financial position, results of the operations and business prospects. Such changes, perceived or otherwise, could also make solar PV less attractive as an investment opportunity and so impair the Company's potential returns which could have a material adverse effect on the Group's business, financial position, results of the operations and business prospects.

Natural events may reduce electricity production below expectations

Events beyond the control of the Company, such as acts of God (including fire, flood, earthquake, storm, hurricane or other natural disasters), war, insurrection, civil unrest, strikes, public disobedience, computer and other technological malfunctions, telecommunication failures, terrorism, crimes, nationalisation, national or international sanctions and embargoes, could materially adversely affect investment returns.

Natural disasters, severe weather or accidents could damage solar PV assets, which could have a material adverse effect on the Group's business, financial position, results of operations and business prospects. Earthquakes, lightning strikes, tornadoes, extreme winds, severe storms, wildfires and other unfavourable weather conditions or natural disasters may damage, or require the shutdown of, solar modules or related equipment or facilities which will decrease electricity production levels and results of operations.

Adverse weather conditions, including hotter ambient temperatures and extreme weather (such as flooding, storms and/or high winds) could reduce the efficiency of solar energy, thereby reducing the Group's revenues which would have a material adverse effect on the Group's business, financial position, results of the operations and business prospects.

Risks relating to the Group's construction and operation and maintenance contracts

The Company expects to rely on third-party professionals and independent contractors and other companies to provide the required construction and operational and maintenance support services throughout the construction and operating phases of the solar PV assets in the Group's investment portfolio. If such contracted parties are not able to fulfil their contractual obligations, the Group may be forced to seek recourse against such parties, provide additional resources to complete their work, or to engage other companies to complete their work. Any such legal action or financial difficulty, breach of contract or delay in services by these third-party professionals and independent contractors could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's ability to invest in and operate solar PV projects could be adversely affected if the contractors with whom the Group wishes to work do not have sufficient capacity to work with the Group on its chosen projects. In addition, if a contractor's work was not of the requisite quality, this could have an adverse effect on projects in which the Group is invested and might not only reduce financial returns but could adversely affect the Group's reputation.

Where a construction or an operation and maintenance contractor, or any other contractor, needs replacing, whether due to expiry of an existing contract, insolvency, poor performance or any other reason, the Group will be required to appoint a replacement contractor. Any such replacement contractor may be more expensive and there is a further risk that finding a suitable contractor may take a long time, which could potentially lead to construction delays or downtime for the relevant asset. This could have a material adverse effect on the Group's financial position, results of operation and business prospects.

Risks relating to technology and operations

Whilst the Investment Adviser will procure that appropriate legal and technical due diligence is undertaken on behalf of the Company in connection with any proposed acquisition of solar PV assets by the Group, this may not reveal all facts that may be relevant in connection with an investment. In particular operating projects which have not been properly authorised or permitted may be subject to closure, seizure, enforced dismantling or other legal action. Failure in the construction of a plant, for example, faulty components or insufficient structural quality, may not be evident at the time of

acquisition or during any period during which a warranty claim may be brought against the contractor and may result in loss of value without full or any recourse to insurance or construction warranties. Investors' attention is also drawn to the risk factor under the heading "Risks relating to counterparty risk" below.

In addition, operational solar PV plants remain subject to on-going risks, some of which may not be fully insured or fully protected by contractor or manufacturer warranties, including but not limited to security risks, technology failure, manufacturer defects, electricity grid forced outages or disconnection, force majeure or act of God. Whilst solar PV energy technology has been utilised for many years manufacturers continue to develop and change technology and this may result in unforeseen technology failures or redundancy.

Any unforeseen loss of performance and/or efficiency in solar modules, beyond the warranted degradation, on an acquired or developed asset would have a direct effect on the yields produced by a solar PV plant and, as a consequence, could have a material adverse effect on the Group's business, financial condition and results of operations. Furthermore, should recourse against the vendor of such an asset or supplier of such modules be sought by the Company, this could also have a material adverse effect on the Group's business, financial condition and results of operations.

Risks relating to the operational life span of solar panels

Although ground-mounted PV installations have few moving parts and operate, generally, over long periods with minimal maintenance, PV power generation employs solar panels composed of a number of solar cells containing a PV material. These panels are, over time, subject to degradation since they are exposed to the elements and carry an electrical charge, and will age accordingly. In addition, the solar radiation which produces solar electricity carries heat with it that may cause the components of a PV solar panel to become altered and less able to capture irradiation effectively.

There is a risk of equipment failure due to wear and tear, design error or operator error with respect to each PV facility and this failure, among other things, could adversely affect the returns to the Company.

Risks relating to property and environmental matters

A significant proportion or potentially all of the solar PV assets acquired by the Group are and will be located on commercial and agricultural properties, to which entitlement will be secured through a lease agreement. Reliance upon a third party owned property gives rise to a range of risks including deterioration in the property during the investment life, damages or other lease related costs, counterparty and third party risks in relation to the lease agreement and property, termination of the lease following breach or due to other circumstances such as a mortgagee taking possession of the property. Whilst the Company seeks to minimise these risks through appropriate insurances, lease negotiation and site selection there can be no guarantee that any such circumstances will not arise and result in losses to the investment.

Environmental laws and regulations may have an impact on the Group's activities. It is not possible to predict accurately the effects of future changes in such laws or regulations on the Group's financial performance and results of operations. There can be no assurance that environmental costs and liabilities will not be incurred in the future. In addition, environmental regulators may seek to impose injunctions or other sanctions on the Group's operations that may have a material adverse effect on the Group's results of operations or financial condition.

To the extent there are environmental liabilities arising in the future in relation to any sites owned or used by a solar PV plant operating company (such as the Group) including, but not limited to, clean-up and remediation liabilities, such operating company may, subject to its contractual arrangements, be required to contribute financially towards any such liabilities, and the level of such contribution may not be restricted by the value of the sites or by of the value of the total investment in the relevant solar PV asset.

Risks relating to harm to the natural environment

All utility-scale solar energy facilities require relatively large areas for solar radiation collection when used to generate electricity at utility-scale (meaning facilities with a generation capacity of 20 MW or greater). Solar facilities may interfere with existing land uses and could impact the use of nearby specially designated areas such as wilderness areas, areas of critical environmental concern, or special recreation management areas.

PV panels may contain hazardous materials, and although they are sealed under normal operating conditions, there is the potential for environmental contamination if they were damaged or improperly disposed of following decommissioning. Proper planning and good maintenance practices can be used to minimise impacts from hazardous materials, however, there is no guarantee that this will always be the case.

The Company cannot guarantee that its solar PV assets will not be considered a source of nuisance, pollution or other environmental harm or that claims will not be made against the Group in connection with its solar PV assets and their effects on the natural environment. This could also lead to increased cost of compliance and/or abatement of the generation activities for affected solar PV assets.

Risks relating to health and safety

The construction and maintenance of solar PV assets may pose health and safety risks to those involved. The construction and maintenance of solar PV assets may result in bodily injury or industrial accidents. If an accident were to occur in relation to one or more of the Group's solar PV assets, the Group could be liable for damages or compensation to the extent such loss is not covered under existing insurance policies. Liability for health and safety could have a material adverse effect on the business, financial position, results of operations and business prospects of the Group.

Risks relating to maintaining the connections of solar PV assets to the electricity transmission and distribution network

PV facilities must be and remain connected to the distribution or transmission grid to sell their energy output. Therefore, the Group is dependent on electricity transmission facilities owned by third parties to sell the electricity produced by its solar PV assets. Typically, the Group will not be the owner of, nor will it be able to control, the transmission or distribution facilities except those needed to interconnect its solar PV plants to the electricity network.

Accordingly, a solar PV plant must have in place the necessary connection agreements and comply with their terms in order to avoid potential disconnection or de-energisation of the relevant connection point.

In addition, in the event that the transmission or distribution facilities break down without fault of the distribution or transmission grid operator, the Company may be unable to sell its electricity and this could have a material adverse effect on the Group's business, financial status and results of operations. The circumstances in which compensation, if any, would be payable are limited and the amounts payable are unlikely to be sufficient to cover any losses of revenue. Thus, the Group would have to rely on business interruption insurance to compensate for its losses. Business interruption insurance is likely to have a minimum claim amount and not all losses sustained by the Group may be recovered.

Risks relating to constraint or curtailment

A risk inherent to the connection to any electricity network is the limited recourse a generator has to the network operator if the solar PV plant is constrained off the system. In certain specified circumstances, NGET, as system operator, can require generators (or the electricity suppliers registered as being responsible for their metering systems, or distribution system operators) to curtail their output or de-energise altogether. Large projects which participate in the balancing mechanism would be compensated because the mechanism for curtailment would be to accept a bid/offer pair that has been submitted by the project. However, most smaller projects (including projects in which the Group may invest) do not participate in the balancing mechanism and therefore may not be

compensated for such curtailment or, the circumstances in which compensation would be payable are limited and the amounts payable may not be sufficient to cover any actual losses of revenue.

Direct participation in the balancing mechanism entails a certain degree of risk for renewable projects because generation cannot be easily programmed, therefore limiting a project's ability to adequately use the bid/offer balancing mechanism; therefore, the solar PV plants that can participate in the balancing mechanism normally transfer the balancing functions and risks to the offtaker.

Risks relating to solar PV assets in construction

The Company's investment policy is to acquire both grid connected operating solar PV assets and pre-construction assets. In the event an investment is made prior to the completion of construction there is a risk that the project will fail to be grid-connected, will fail to qualify for ROCs, will be connected after a Renewables Obligation scheme deadline resulting in reduced ROCs, or is not able to get support under a CFD FIT (either because its application for a CFD FIT is not successful or because the CFD FIT is terminated). Delays in project construction may result in a reduction in returns caused by a delay in the project generating revenue. While the Group will typically seek to ensure that strong warranties and termination rights are in place with the contractor to compensate the Group for such losses, there can be no guarantee that these will be sufficient to cover such losses or that such payments will be received.

Construction of solar PV assets is likely to result in reliance upon services being delivered by one or more contractors. Whilst the performance of contractor services will usually be guaranteed with penalties linked to underperformance, and potentially in some cases backed by guarantees, any such guarantees are expected to be limited in their scope and quantum and may not always cover the full loss of profit incurred by a project. Failure of a contractor or a change in a contractor's financial circumstances may among other things result in the relevant asset underperforming or becoming impaired in value and there can be no assurance that such underperformance or impairment will be fully or partially compensated by any contractor warranty or bank guarantee.

A limited number of third-party suppliers may be contracted for the supply of certain components, inverters and modules for new projects. These suppliers may not be able to meet agreed minimum levels of supply. If the Group fails to develop or maintain relationships with these and other suppliers, the Group may not be able to secure a supply of the components, inverters and modules in the required quantities or quality, at competitive and cost effective prices, on a timely basis or at all which may lead to delays or eventual project abortion. Failure to obtain a continued supply of components, inverters and modules on competitive terms or at all could harm the Group's ability to develop solar PV assets, and consequently its financial condition and results of operations.

In addition, the relevant suppliers may be unable to meet their warranty obligations in respect of acquired or developed projects with respect to modules or inverters, in whole or in part, due to production, economic or financial difficulties or for other reasons. Such circumstances could cause the Group to experience increased costs and harm its reputation, any of which could have a material adverse effect on the business, prospects, financial condition or results of operations of the Group.

A change in prices for certain key components, in particular modules and inverters, may have a material adverse effect on the business, prospects, financial condition and results of operations of the Group.

Risks relating to changes in public attitude

The solar PV sector currently relies upon specific regulatory support to provide preferential treatment, including premium prices on electricity production, for solar PV producers. Such support has been legislated in a number of countries based upon a growing public and political support for solar and other renewable energy sources, due in particular to increasing public and political concerns about climate change, environmental sustainability and energy security. A change in public attitude to solar PV or renewable energy installations may result in an increase in security and regulatory risk to operating solar PV installations, for example due to a resentment of the cost burden created by solar PV production relative to alternative conventional energy sources, to the appearance or environmental impact of solar PV plants or to the benefits to certain investor groups, perceived to be

granted at the cost of the public. Whilst the Company will seek to ensure that regulatory support is robust and appropriate measures are taken in respect of each project to encourage local support and to manage security risks, there can be no guarantee that changes in public attitude will not result in a loss of actual or perceived value of investments.

Risks relating to modelling future returns

Solar PV asset acquisitions rely on large and detailed financial models to support their valuations. There is a risk that errors may be made in the assumptions or methodology used in a financial model. In such circumstances the returns generated by any solar PV asset acquired by the Group may be different to those expected.

The Company cannot guarantee the accuracy of forecasting or the reliability of the forecasting models, or that data collected will be indicative of future meteorological conditions. Forecasting can be inaccurate due to meteorological measurement errors, or errors in the assumptions applied to the forecasting model, in particular, forecasters look at long-term data and there can be short term fluctuations.

The returns from operating efficiency improvements and energy sale could be less attractive than originally anticipated. The returns from operating efficiencies are dependent upon, inter alia, the level of technical inefficiency and avoidable losses in acquired sites, the Group's ability to identify and rectify such inefficiencies in a cost-effective manner and its ability to achieve the cost savings on operational expenses. The Group may find, following acquisition of its assets, that such operating efficiency improvements are not achievable or that the returns are less than the Directors' current expectations.

Solar PV assets acquired by the Group may fail to meet the Company's expectations and forecasts. The prices at which the Group acquires its assets will be determined by the Directors' and Investment Adviser's expectations and operational assumptions of the economics of such assets so that the returns available to the Group are acceptable. Should the operation and economics of the assets fall short of the Group's expectations, there could be a material adverse effect on the returns to the Company.

Risks relating to RPI and CPI

The revenues and expenditure of solar PV assets are frequently partly or wholly subject to indexation, typically with reference to RPI and the Company's target distributions are linked to RPI. Revenues under CFD FiTs are linked to CPI. RPI and CPI are the result of factors outside the control of the Company and, in absolute terms, the Company's distributions would be adversely affected by deflation.

The basis of calculation of CPI and RPI may be subject to change in the future. Should the basis of calculation of RPI or CPI be changed in the future, including *inter alia* through changes to the constituent basket of retail goods and services or through changes to the formulae used at the elementary aggregate level, such a change may reduce future published RPI or CPI figures, which could have an adverse effect on the absolute level of the Company's distributions.

Risks relating to counterparty risk

The Group will be exposed to third party credit risk in several instances, including, without limitation, with respect to contractors who may be engaged to construct or operate assets held by the Group, property owners or tenants who are leasing roof or ground space to the Company for the locating of the assets, or the off-takers of energy and green benefits supplied, banks who may provide guarantees of the obligations of other parties or who may commit to provide leverage to the Group at a future date, insurance companies who may provide coverage against various risks applicable to the Group's assets (including the risk of terrorism or natural disasters affecting the assets) and other third parties who may owe sums to the Group. In the event that such credit risk crystallises in one or more instances (for instance, an insurer which grants coverage becomes insolvent as a result of claims made due to a natural disaster by several persons insured by it and the investment is,

consequently, unable to make substantial recovery under its own insurance policy with such insurer), this may materially adversely impact on the investment returns.

Risks relating to insurance

Solar PV plant operators generally take out insurance to cover the costs of repairs and business interruption although not all risks are insured or insurable. For example, losses as a result of force majeure, natural disasters, terrorist attacks or sabotage, cyber-attacks or environmental contamination may not be available at all or on commercially reasonable terms or a dispute may develop over insured risks. It is not possible to guarantee that insurance policies will cover all possible losses resulting from outages, failure of equipment, repair and replacement of failed equipment, environmental liabilities or legal actions brought by third parties (including claims for personal injury or loss of life to personnel). The uninsured loss, or loss above limits of existing insurance policies could have an adverse effect on the business, financial position, results of operations and business prospects of the Group.

In cases of frequent damage, insurance contracts might be amended or cancelled by the insurance company. If insurance premia levels increase, the Group may not be able to maintain insurance coverage comparable to that currently in effect or may only be able to do so at a significantly higher cost. An increase in insurance premium cost could have an adverse effect on the Group's business, financial position, result of operations and business prospects.

Risk of theft and other adverse actions against solar assets

Modules are the most valuable components of solar installations and due to their portability are particularly exposed to theft. The Group may incur significant damage to its operations due to theft of components and modules.

Solar photovoltaic assets may also constitute a high risk target for terrorist acts, political actions or vandalism, in light of their strategic profile and nature. If the assets do become targeted by such terrorist or other political actions, they may, for an indefinite period of time, be unable to generate further electricity and/or their value may be adversely affected, in turn, heightening any potential loss from third-party claims against the Group for such failures.

While the Group will seek to obtain insurance to cover theft of its modules and also for terrorist acts, political actions and vandalism, such insurance, if obtained, may not prove adequate and this could have a material adverse effect on the Group's financial condition and results of operations.

RISK RELATING TO ACQUISITION OF SOLAR PV ASSETS

Competition for further acquisitions

The Group faces significant competition for assets in solar power sectors. Large European and international utility companies are participants in the solar power sectors, and many of the Group's competitors have a long history in the solar power sectors, as well as greater financial, technical and human resources. Competition for appropriate investment opportunities may therefore increase, thus reducing the number of opportunities available to, and adversely affecting the terms upon which investments can be made by, the Group, and thereby limiting the growth potential of the Group.

Such competition may cause a decrease in expected profit margins, and adversely affect the Company's market share. Increased competition could therefore have a material adverse effect on the business, financial condition, results of operation and prospects of the Group. The ability of the Company to achieve its investment objective depends upon the Company identifying, selecting and executing investments which offer the potential for satisfactory returns. The availability of suitable investment opportunities will depend, in part, upon conditions in the UK solar power markets. There can be no assurance that the Group will be able to identify and secure further investments that satisfy its investment criteria. Failure to identify and secure such investments could have a material adverse effect on the business, financial condition, results of operation and prospects of the Company.

Whilst through the Investment Adviser the Company has a right of first refusal to acquire certain solar PV assets sourced by the Investment Adviser through exclusivity arrangements (including its existing

arrangements with the Bluefield Development Fund), there can be no assurance that sufficient assets will be made available to the Group under these pipeline arrangements or that the Group will be able to identify and execute a sufficient number of investments from other sources to achieve its investment objective and/or to expand its portfolio of renewable energy projects as currently intended.

Risks relating to the acquisition of the pipeline assets

The Group may fail to acquire all or any of the assets which may be made available to it under the pipeline arrangements referred to above. There can be no guarantee that the Group will ultimately be able to invest in further solar PV assets on satisfactory terms, or at all.

The making of any investment will be conditional upon, amongst other things, receipt of all necessary consents, approvals, authorisations and permits, the Company deciding to proceed with the acquisition, the Company being able to finance its commitment to a particular investment, satisfactory completion of due diligence and the entering into of binding agreements in a form satisfactory to all the parties thereto, including the Company.

Risks relating to due diligence

Prior to the acquisition of a solar PV asset or any entity that holds a solar PV asset or rights to construct a solar PV asset, the Company and its advisers (including the Investment Adviser) will undertake commercial, financial, technical and legal due diligence on the assets. Notwithstanding that such due diligence is undertaken, such due diligence may not uncover all of the material risks affecting the solar PV asset or entity, as the case may be, and/or such risks may not be adequately protected against in the acquisition documentation. The Group may acquire assets with unknown liabilities and without any recourse, or with limited recourse, with respect to unknown liabilities. However, if an unknown liability was later asserted against the acquired assets, the Group might be required to pay substantial sums to settle it or enter into litigation proceedings, which could adversely affect cash flow and the results of its operations. Accordingly, in the event that material risks are not uncovered and/or such risks are not adequately protected against, this may have a material adverse effect on the Group.

Technical analysis of the build quality, lifecycle costs and asset life will be undertaken by the technical advisers appointed by the Group in connection with any proposed acquisition. It is not intended that the equipment and systems purchased will rely substantially on new technology and it is expected that they will have a track record in other solar PV assets. Even so, components such as cabling, PV panels, inverters and control systems amongst others can fail and repair or replacement costs, in addition to the costs of lost production, can be significant.

Risks relating to the ability to finance further investments and enhance Net Asset Value growth

Once the Net Proceeds are fully invested and the Acquisition Facility has been fully drawn down, to the extent that it does not have cash reserves available for investment, the Group would need to finance further investments either by additional borrowings (whether by new borrowing or refinancing existing debt) or by the Company issuing further Ordinary Shares. There can be no assurance that the Group may be able to borrow or refinance on reasonable terms or that there will be a market for further Ordinary Shares. If new borrowing or a share issuance is required for any further investments the Group does not intend to commit to any such further investments unless such commitment is conditional upon further borrowings or a share issuance, as required. Any borrowing by the Company will have to comply with the Group's limits on borrowing in its investment policy.

The ability of the Company to deliver enhanced returns and consequently realise expected real Net Asset Value growth may be dependent on access to debt facilities. Please see the risk entitled "Risks relating to leverage" below for further information. There can be no assurance that the Group will be able to borrow on reasonable terms or at all.

Risks relating to not acquiring 100 per cent. of an asset

The Group may not always be able, for structural or commercial reasons, to acquire a 100 per cent. equity interest in the assets which it acquires. Although it does not intend to acquire stakes in assets

that will not give it effective control of the acquired asset the Group may do so in the future and minority holdings in acquired assets may hamper the Group's ability to control such assets and may also reduce the future returns to the Company.

RISKS RELATING TO THE COMPANY AND ITS SHARES

Past performance

The past performance of the Company and the investments held by the Group or managed and monitored by the Investment Adviser or its associates is not a reliable indication of the future performance of the investments held (and to be held) by the Group.

Risks relating to the Company's share price performance and target returns and dividends

Prospective investors should be aware that the distributions made to Shareholders will comprise amounts periodically received by the Company in repayment of, or being distributions on, its investment in solar PV assets, including distributions of operating receipts of project entities. Although it is envisaged that receipts from solar PV assets over the life of the Company will generally be sufficient to fund such periodic distributions and repay the value of the Company's original investments in the solar PV assets over the long-term, this is based on estimates and cannot be guaranteed.

The Company's target returns and dividends for the Ordinary Shares are based on assumptions which the Board and the Investment Adviser consider reasonable. However, there is no assurance that all or any assumptions will be justified, and the returns and dividends may be correspondingly reduced. In particular, there is no assurance that the Company will achieve its stated policy on returns and dividends or distributions. The target return is not a profit forecast and should not be taken as an indication of the Company's expected future performance or results over any period. The target return is a target only and there is no guarantee that it can or will be achieved and it should not be seen as an indication of the Company's expected or actual return. Accordingly, investors should not place any reliance on the target return in deciding whether to invest in the Ordinary Shares.

The Company's target dividend and future distribution growth will be affected by the Company's underlying investment portfolio. Any change or incorrect assumption in relation to the dividends or interest or other receipts receivable by the Company (including assumptions in relation to projected power prices, levels of solar radiation, availability and operating performance of equipment used in the operation of the solar PV assets within the Company's portfolio, ability to make distributions to Shareholders (especially where the Group has a minority interest in a particular solar PV asset) and tax treatment of distributions to Shareholders) may reduce the level of distributions received by Shareholders. In addition any change in the accounting policies, practices or guidelines relevant to the Group and its investments may reduce or delay the distributions received by investors.

To the extent that there are impairments to the value of the Group's investments that are recognised in the Company's income statement, this may affect the profitability of the Company (or lead to losses) and affect the ability of the Company to pay dividends.

Market value of investments and valuations

Returns from the Group's investments will be affected by the price at which they are acquired. The value of these investments will be (amongst other risk factors) a function of the discounted value of their expected future cash flows, and as such will vary with, *inter alia*, movements in interest rates and the competition for such assets.

A valuation is only an estimate of value and is not a precise measure of realisable value. Ultimate realisation of the market value of an asset depends to a great extent on economic and other conditions beyond the control of the Company, and valuations do not necessarily represent the price at which an investment can be sold or that the assets of the Group are saleable readily or otherwise.

All calculations made by the Administrator, in conjunction with the Investment Adviser, will be made, in part, on valuation information provided by the companies in which the Group has invested and, in part, on financial reports provided by the Investment Adviser. Although the Administrator and the

Investment Adviser will evaluate all information and data provided by the companies in which the Group has invested, they may not be in a position to confirm the completeness, genuineness or accuracy of such information or data, nor may such information be up to date by the time it has been received by the Company. Shareholders should bear in mind that the actual NAV may be materially different from these half yearly estimates.

Liquidity

Market liquidity in the shares of investment companies is frequently less than that of shares issued by larger companies traded on the London Stock Exchange. There can be no guarantee that a liquid market in the New Ordinary Shares and/or the C Shares will exist. Accordingly, Shareholders may be unable to realise their New Ordinary Shares and/or the C Shares at the quoted market price (or at the prevailing NAV per Ordinary Share and/or the C Share), or at all.

The London Stock Exchange has the right to suspend or limit trading in a company's securities. Any suspension or limitation on trading in the New Ordinary Shares and/or the C Shares may affect the ability of Shareholders to realise their investment.

Discount

The New Ordinary Shares and/or the C Shares may trade at a discount to NAV per Ordinary Share and/or the C Share and Shareholders may be unable to realise their investments through the secondary market at a price equal to, or greater than NAV per Ordinary Share and/or the C Share. The New Ordinary Shares and/or the C Shares may trade at a discount to Net Asset Value for a variety of reasons, including market conditions or to the extent investors undervalue the activities of the Investment Adviser or discount the Company's valuation methodology and its judgments of value. Gilt and corporate bond yields are at historically low levels and a rise in such yields may make the Company's target returns less attractive, which could cause or increase such discount. While the Board may seek to mitigate any discount to NAV per Ordinary Share and/or the C Share through discount management mechanisms, there can be no guarantee that they will do so or that such mechanisms will be successful and the Board accepts no responsibility for any failure of any such strategy to effect a reduction in any discount.

Risks relating to leverage

It is likely that the SPVs in which the Group invests will be financed by a combination of share capital, shareholder loans and third party project financing debt which will be secured against the relevant Special Purpose Company and its assets but which will otherwise be non-recourse to the Group or its other assets. In addition, the Group may, at holding company level, make use of short term debt finance to facilitate the acquisition of investments which the Company would subsequently seek to refinance through further capital raisings. In connection with the provision of short term financing, it is possible that a lender may require security by way of floating charges over the Group's assets.

The Company and HoldCo have entered into the Acquisition Facility Agreement. It is intended that the Acquisition Facility used to finance acquisitions is likely to be repaid, in normal market conditions within one year through further equity fundraisings. However there is no guarantee that this will be the case and if the Group failed to raise additional funds through equity fundraisings before the maturity date of the relevant facility (which in the case of the Acquisition Facility Agreement is 3 years from the date of the Acquisition Facility Agreement), it would need to be repay the debt from its existing cashflows and/or to realise assets to fund repayment, either of which would have a material adverse effect on the Group's financial position, results of operations, business prospects and returns to investors, including its ability to achieve its target dividend distributions and total returns.

The use of leverage may offer the opportunity for enhanced returns to the Group, and thus additional capital growth, but it also adds risk to the investment. For example changes in interest rates may affect the relevant SPV's or the Group's returns. Interest rates are sensitive to many factors including government policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits and regulatory requirements, amongst others, beyond the control of the relevant SPV or the Group. The performance of an SPV and/or the Group may be affected if it does

not limit exposure to changes in interest rates through an effective hedging strategy. There can be no assurance that such arrangements will be entered into or that they will be sufficient to cover such risk.

If an SPV fails to service the project financing debt secured over its assets or breaches any of its covenants under the financing documents, the lender may take control of the relevant SPV and its underlying assets. Although the lender's recourse will be limited to the relevant SPV, enforcement of the lender's security could adversely affect the Net Asset Value and the Group's returns may be adversely impacted, including its ability to achieve its dividend targets.

Similarly, if the Group fails to service any debt financing incurred at the holding company level or breaches any of its covenants under the financing documents, the lender may be able to enforce any security provided by the Group over its investments which could involve the lender taking control (whether by possession or transfer of ownership) of one or more of the Group's investments, and this could have an adverse effect on the business, financial position and results of the Group, including its ability to achieve its dividend targets.

Dependence on the Investment Adviser

The ability of the Company to achieve its investment objective depends upon the ability of the Investment Adviser to identify, select and execute investments which offer the potential for satisfactory returns. The availability of suitable investment opportunities will depend, in part, upon conditions in the UK solar PV markets and the level of competition for assets in the solar PV sectors. Whilst the Company has certain rights to acquire solar PV assets in accordance with the Pipeline Agreement, there can be no assurance that the Investment Adviser will be able to identify and execute a sufficient number of opportunities to enable the Company to achieve its investment objective and to grow its portfolio of solar PV assets to the level it is seeking.

Accordingly, the ability of the Company to achieve its investment objective depends heavily on the experience of the Investment Adviser's team, and more generally on the ability of the Investment Adviser to attract and retain suitable staff. The Board will have broad discretion to monitor the performance of the Investment Adviser or to appoint a replacement but the performance of the Investment Adviser or that of any replacement cannot be guaranteed.

Conflicts of interest

The Investment Adviser and any of its members, directors, officers, employees, agents and connected persons, and any person or company with whom they are affiliated or by whom they are employed (**Interested Parties**) may be involved in other financial, investment or other professional activities which may cause potential conflicts of interest with the Company and its investments. Interested Parties may provide services similar to those provided to the Group to other entities and will not be liable to account for any profit earned from any such services. In particular, BER, a company which is under common control with the Investment Adviser, provides project management and other services to special purpose companies in which the Bluefield Development Fund invests. The Special Purpose Companies owning the solar assets developed by the Bluefield Development Fund may be sold to, or funded by the Company in accordance with the pipeline arrangements. On any sale of shares in the Special Purpose Companies, BER will be entitled to 20 per cent. of the profits realised on the sale by the Bluefield Development Fund.

The Investment Adviser and its directors, officers, employees and agents will at all times have due regard to their duties owed to members of the Group and where a conflict arises they will endeavour to ensure that it is resolved fairly. Subject to the arrangements explained above, the Company may (directly or indirectly) acquire securities from or dispose of securities to any Interested Party or any investment fund or account advised or managed by any such person. An Interested Party may provide professional services to members of the Group (provided that no Interested Party will act as auditor to the Company) or hold Ordinary Shares or C Shares and buy, hold and deal in any investments for their own accounts, notwithstanding that similar investments may be held by the Group (directly or indirectly).

An Interested Party may contract or enter into any financial or other transaction with any member of the Group or with any Shareholder or any entity any of whose securities are held by or for the account of the Group, or be interested in any such contract or transaction. Furthermore, any Interested Party may receive commissions to which it is contractually entitled in relation to any sale or purchase of any investments of the Group effected by it for the account of the Group, provided that in each case the terms are no less beneficial to the Group than a transaction involving a disinterested party and any commission is in line with market practice.

RISKS RELATING TO REGULATION AND TAXATION

Legal and regulatory

The solar PV energy sector is subject to extensive legal and regulatory controls, and the Group and each of its solar PV assets must comply with all applicable laws, regulations and regulatory standards which, among other things, require the Group to obtain and maintain certain authorisations, licences and approvals for the construction and operation of the solar PV assets.

The Company must also comply with the provisions of the Companies Law, the Listing Rules and the Disclosure and Transparency Rules. A breach of the Companies Law could result in the Company and/or the Board being fined or the subject of criminal proceedings.

Alternative Investment Fund Managers Directive

The AIFM Directive seeks to regulate alternative investment fund managers and imposes obligations on managers who manage alternative investment funds in the EU or who market shares in such funds to EU investors. In order to obtain authorisation under the AIFM Directive, an AIFM would need to comply with various organisational, operational and transparency obligations, which may create significant additional compliance costs, some of which may be passed to investors in the AIF and may affect dividend returns.

The Company is categorised as an internally managed non-EU AIFM for the purposes of the AIFM Directive and as such neither it nor the Investment Adviser is required to seek authorisation under the AIFM Directive. However, following national transposition of the AIFM Directive in a given EU member state, the marketing of shares in AIFs that are established outside the EU (such as the Company) to investors in that EU member state is prohibited unless certain conditions are met. Certain of these conditions are outside the Company's control as they are dependent on the regulators of the relevant third country (in this case Guernsey) and the relevant EU member state entering into regulatory co-operation agreements with one another.

The Company cannot guarantee that such conditions will be satisfied. In cases where the conditions are not satisfied, the ability of the Company to market its shares or raise further equity capital in the EU may be limited or removed. Any regulatory changes arising from implementation of the AIFM Directive (or otherwise) that limit the Company's ability to market future issues of its shares may materially adversely affect the Company's ability to carry out its investment policy successfully and to achieve its investment objective, which in turn may adversely affect the Company's business, financial condition, results of operations, NAV and/or the market price of the Ordinary Shares.

NMPI Regulations

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" (or **NMPIs**). With effect from 1 January 2014, FCA authorised independent financial advisers and other 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.

Although consultations on this subject by the FCA had suggested the Company and entities like it would be excluded from the scope of the NMPI Regulations (and thereby capable of promotion to all retail investors), the final NMPI Regulations and guidance from the FCA means that in order for the

Company to be outside of the scope of the NMPI Regulations, the Company will need to rely on the exemption available to non-UK resident companies that are equivalent to investment trusts. This exemption provides that a non-UK resident company that would qualify for approval by HMRC as an investment trust were it resident and listed in the UK will be excluded from the scope of the NMPI Regulations. The principal relevant requirements to qualify as an investment trust are that: (1) the Company's business must consist of investing its funds in shares, land or other assets with the aim of spreading investment risk and giving members of the Company the benefit of the results of the management of its funds; (2) the Ordinary Shares must be admitted to trading on a Regulated Market; (3) the Company must not be a close company (as defined in Chapter 2 of Part 10 CTA 2010); and (4) the Company must not retain in respect of any accounting period an amount which is greater than 15 per cent. of its income.

Following receipt of legal advice, the Board confirms that it conducts the Company's affairs and intends to continue to conduct the Company's affairs, such that the Company would qualify for approval as an investment trust if it were resident in the UK. It is the Board's intention that the Company will continue to conduct its affairs in such a manner and as such the Company will be outside of the scope of the NMPI Regulations for such time as it continues to satisfy the conditions to qualify as an investment trust. If the Company is unable to meet those conditions in the future, for any reason, consideration would be given to applying to the FCA for a waiver of the application of the NMPI Regulations in respect of the Company's Shares.

If the Company ceases to conduct its affairs so as to satisfy the non-UK investment trust exemption to the NMPI Regulations and the FCA does not otherwise grant a waiver, the ability of the Company to raise further capital from retail investors may be affected. In this regard, it should be noted that, whilst the publication and distribution of a prospectus (including this Prospectus) is exempt from the NMPI Regulations, other communications by "approved persons" could be restricted (subject to any exemptions or waivers).

Change in accounting standards, tax law and practice

The anticipated taxation impact of the proposed structure of the Group and its underlying investments is based on prevailing taxation law and accounting practice and standards. Any change in the tax status of any member of the Group or any of its underlying investments or in tax legislation or practice (including in relation to taxation rates and allowances) or in accounting standards could adversely affect the investment return of the Group.

Taxation risks

Representations in this document concerning the taxation of Shareholders and the Company are based on law and practice as at the date of this document. These are, in principle, subject to change and prospective investors should be aware that such changes may affect the Company's ability to generate returns for Shareholders and/or the taxation of such returns to Shareholders. If you are in any doubt as to your tax position you should consult an appropriate independent professional adviser.

Any change in the Company's tax status, or in taxation legislation or the taxation regime, or in the interpretation or application of taxation legislation applicable to the Company or the companies or assets comprised in the Company's investment portfolio, could affect the value of the investments held by the Company, the Company's ability to achieve its stated investment objective, the Company's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders.

A number of countries have introduced beneficial tax and subsidy regimes to support the generation of renewable energy. In at least one instance this regime has been subject to retrospective change by the jurisdiction concerned. There is no guarantee such changes will not be introduced in the UK. Any such change could have a material adverse effect on the Group.

Offshore funds

Part 8 of the Taxation (International and Other Provisions) Act 2010 contains provision for the UK taxation of investors in offshore funds. Whilst the Company has been advised that it should not be treated as an offshore fund, it does not make any commitment to investors that it will not be treated as one. Investors should note the statements made in this document in respect of discount management and should not expect to realise their investment at a value calculated by reference to NAV per Ordinary Share.

United States (U.S.) tax withholding and reporting under the Foreign Account Tax Compliance Act (FATCA)

Under the FATCA provisions of the U.S. Hiring Incentives to Restore Employment (HIRE) Act, where the Company invests directly or indirectly in U.S. assets, payments to the Company of U.S.-source income after 31 December 2013, gross proceeds of sales of U.S. property by the Company after 31 December 2016 and certain other payments received by the Company after 31 December 2016 will be subject to 30 per cent. U.S. withholding tax unless the Company complies with FATCA. FATCA compliance can be achieved by entering into an agreement with the US Secretary of the Treasury under which the Company agrees to certain U.S. tax reporting and withholding requirements as regards holdings of and payments to certain investors in the Company or, if the Company is eligible, by becoming a "deemed compliant fund". Guernsey has entered into an intergovernmental agreement with the US regarding the implementation of FATCA and under which certain disclosure requirements will be imposed in respect of certain investors in the Company who are residents or citizens of the US. See "FATCA – US-Guernsey Intergovernmental Agreement" on page 78 below for further information. Any amounts of U.S. tax withheld may not be refundable by the Internal Revenue Service (**IRS**). Potential investors should consult their advisors regarding the application of the withholding rules and the information that may be required to be provided and disclosed to the Company and in certain circumstances to the IRS as will be set out in the final FATCA regulations. The application of the withholding rules and the information that may be required to be reported and disclosed are uncertain and subject to change.

Shareholders may be required to provide certain information to the Company in order to enable the Company to comply with its FATCA obligations in accordance with the Articles. If a Shareholder fails to provide the required information within the prescribed period, the Board may treat that Shareholder as a Non-Qualified Holder (as defined in the Articles) and require the relevant Shareholder to sell its Ordinary Shares in the Company.

If prospective investors are in any doubt as to the consequences of their acquiring, holding or disposing of New Ordinary Shares, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

IMPORTANT INFORMATION

In assessing an investment in the Company, investors should rely only on the information in this document. No person has been authorised to give any information or make any representations in relation to the Company other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Directors, the Investment Adviser, Numis or any other person.

Without prejudice to the Company's obligations under the Prospectus Rules or FSMA, neither the delivery of this document nor any subscription or purchase of New Ordinary Shares and/or C Shares made pursuant to this document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on Numis by FSMA or the regulatory regime established thereunder, Numis does not accept any responsibility whatsoever for the contents of this document or for any other document or statement made or purported to be made by it, or on its behalf, in connection with the Company, the Investment Adviser, the New Ordinary Shares, the C Shares, the Consideration Shares, the Acquisition or any Admission. Numis accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this document or any such other document or statement.

In connection with the Placing Programme, Numis and any of its affiliates acting as an investor for its or their own account(s), may subscribe for the New Ordinary Shares and/or C Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or other related investments in connection with the Placing Programme or otherwise. Accordingly, references in this document to the New Ordinary Shares and/or C Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, Numis and any of its affiliates acting as an investor for its or their own account(s). Numis does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

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

INVESTMENT CONSIDERATIONS

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

- the legal requirements within their own countries for the subscription for, purchase, holding, transfer or other disposal of New Ordinary Shares and/or C Shares;
- any foreign exchange restrictions applicable to the subscription for, purchase, holding, transfer or other disposal of New Ordinary Shares and/or C Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the subscription for, purchase, holding, transfer or other disposal of New Ordinary Shares and/or C Shares.

Prospective investors must rely on their own advisers, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

The Placing Programme will primarily be marketed to institutional and sophisticated investors.

This document should be read in its entirety before making any investment in the New Ordinary Shares and/or C Shares. All Shareholders are entitled to the benefit of, are bound by and are deemed

to have notice of, the provisions of the memorandum and articles of incorporation of the Company, which investors should review.

An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, for whom an investment in Ordinary Shares and/or C Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the whole amount invested) which might result from such investment. Typical investors in the Company are expected to be institutional and sophisticated investors and private clients. Investors may wish to consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser before making an investment in the Company.

The Ordinary 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 objectives of the Company are targets only and should not be treated as assurances or guarantees of performance. There can be no assurance that the Company's investment objective will be achieved.

A prospective investor should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in securities. There is no assurance that any appreciation in the value of the Ordinary Shares will occur or that the investment objective of the Company will be achieved. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company.

The value of the New Ordinary Shares and income derived from them (if any) can go down as well as up. Notwithstanding the existence of the share buyback powers as described in Part II (Information on the Company) of this document, there is no guarantee that the market price of the New Ordinary Shares will fully reflect their underlying net asset value. In the event of a winding-up of the Company, Shareholders will rank behind any creditors of the Company and, therefore, any positive return for Shareholders will depend on the Company's assets being sufficient to meet the prior entitlements of any creditors.

FORWARD-LOOKING STATEMENTS

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

All forward-looking statements address matters that involve risks and uncertainties. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements, including without limitation: conditions in the markets, market position of the Company's investments, earnings, financial position, return on capital, pipeline investments and expenditure, changing business or other market conditions and general economic conditions. Accordingly, there are or will be important factors that could cause the Company's actual results to differ materially from those indicated in these statements. These factors include, but are not limited to, those described in the part of this document entitled "Risk Factors", which should be read in conjunction with the other cautionary statements that are included in this document. Any forward-looking statements in this document reflect the Company's current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Company's operations, results of operations and growth strategy.

Subject to any obligations under FSMA, the Prospectus Rules, the Listing Rules and the Disclosure and Transparency Rules, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Forward-looking statements contained in this document based on past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Prospective investors should specifically consider the factors identified in this document which could cause actual results to differ before making an investment decision.

Nothing in the preceding paragraphs should be taken as limiting the working capital statement in paragraph 4 of Part VII of this document.

PRESENTATION OF INFORMATION

Market, economic and industry data

Market, economic and industry data used throughout this document 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 document to "sterling", "pounds sterling", "£", "pence" or "p" are to the lawful currency of the UK.

LATEST PRACTICABLE DATE

Unless otherwise indicated, the latest practicable date for the inclusion of information in this document is close of business on 1 October 2014.

DEFINITIONS

A list of defined terms used in this document is set out at pages 114 to 120.

GOVERNING LAW

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

TAP ISSUE

This document relates not only to the issue of New Ordinary Shares and C Shares pursuant to the Placing Programme and the Admission of the Consideration Shares but also sets out information relating to the Tap Issue. The gross issue proceeds received by the Company from the Tap Issue were approximately £13.2 million, and the aggregate expenses of the Tap Issue amounted to £181,928. The net proceeds of the Tap Issue (being approximately £13 million) were used to fund the acquisition of the asset at Pentylands, Wiltshire and the Hoback assets, further details of which are set out in Part IV of this document.

EXPECTED TIMETABLE

Placing Programme opens	3 October 2014
Admission of the Consideration Shares	9 October 2014
Placing Programme closes	2 October 2015

The dates and times specified are subject to change in which event details of the new times and dates will be notified, as required, through an RIS. References to times are to London times unless otherwise stated.

PLACING PROGRAMME STATISTICS

Maximum number of New Ordinary Shares and/or C Shares (in aggregate) to be issued pursuant to the Placing Programme	250 million
Placing Price per New Ordinary Share	NAV per Ordinary Share at the time of issue plus a premium to cover the expenses of such issue
Placing Price per C Share	£1.00
Estimated maximum Net Proceeds of the Placing Programme[(1)]	£253.8 million
New Ordinary Share ISIN number	GG00BB0RDB98
New Ordinary Share SEDOL	BB0RDB9
C Share ISIN number	GG00BRB2W527
C Share SEDOL	BRB2W52

Note:

(1) Assuming: (i) 250 million New Ordinary Shares are issued pursuant to the Placing Programme at an issue price of 103 pence per New Ordinary Share; and (ii) issue expenses of £3.7 million.

DIRECTORS, AGENTS AND ADVISERS

Directors (*all non-executive*)	John Rennocks (*Chairman*) Paul Le Page Laurence McNairn John Scott
Administrator, Designated Manager, Company Secretary and Registered Office	Heritage International Fund Managers Limited Heritage Hall PO Box 225 Le Marchant Street St Peter Port Guernsey GY1 4HY
Investment Adviser	Bluefield Partners LLP 40 Queen Anne Street London W1G 9EL
Sponsor, Broker and Financial Adviser	Numis Securities Limited The London Stock Exchange Building 10 Paternoster Square London EC4M 7LT
Legal Advisers to the Company *(as to English law)*	Norton Rose Fulbright LLP 3 More London Riverside London SE1 2AQ
Legal Advisers to the Company *(as to Guernsey law)*	Carey Olsen PO Box 98 Carey House Les Banques St Peter Port Guernsey GY1 4BZ
Legal Advisers to the Sponsor, Broker and Financial Adviser	Travers Smith LLP 10 Snow Hill London EC1A 2AL
Reporting Accountants	KPMG Channel Islands Limited PO Box 20, 20 New Street St Peter Port Guernsey GY1 4AN
Auditors	KPMG Channel Islands Limited PO Box 20, 20 New Street St Peter Port Guernsey GY1 4AN
Registrar	Capita Registrars (Guernsey) Limited Mont Crevelt House Bulwer Avenue St Sampson Guernsey GY2 4LH

Principal Bankers	Royal Bank of Scotland International Royal Bank Place 1 Glategny Esplanade St Peter Port Guernsey GY1 4BQ

PART I

THE PLACING PROGRAMME

BACKGROUND TO AND REASONS FOR THE PLACING PROGRAMME

In July 2013 the Company raised gross proceeds of £130 million through an initial public offering. Over the subsequent months the Investment Adviser supported the deployment of those proceeds ahead of schedule and by February 2014 the initial proceeds were fully committed across eight distinct projects. A further £13 million was raised in February 2014 through the Tap Issue, enabling the Company to make its ninth investment. On 13 June 2014 the Company announced that it had entered into the Acquisition Facility Agreement for up to £50 million. The Acquisition Facility together with the proposed Placing Programme allows the Company to pursue the growth strategy of building out the asset base through a combination of debt and further equity fund raisings as set out in the IPO Prospectus. As at the date of this document, £30,210,670 million in aggregate has been drawn down or has been contractually committed by the Group in relation to assets in the Current Portfolio and will be drawn down under the Acquisition Facility.

BENEFITS OF THE PLACING PROGRAMME

The Directors believe that the Placing Programme will have the following benefits:

- the market capitalisation of the Company will increase, and it is expected that secondary market liquidity of the Ordinary Shares will improve;
- the Placing Programme will provide the potential for greater diversification of the Company's assets;
- the Placing Programme, in combination with the Acquisition Facility, should enable the Company to acquire a select number of opportunities from the pipeline of deals it is negotiating;
- the Placing Programme will provide greater flexibility for the Company to continue to benefit from the buoyant market for primary acquisitions and the growing market of potential secondary acquisitions from its existing and new contractor relationships; and
- the Company's fixed running costs will be spread across a wider investor base therefore lowering the ongoing charges ratio.

USE OF PROCEEDS

The Board intends to use the net proceeds of the Placing Programme, firstly, to prepay amounts outstanding under the Acquisition Facility from time to time and, secondly, to finance further acquisitions of assets in accordance with the Company's investment objective and policy.

THE STRUCTURE OF THE PLACING PROGRAMME

The Company is proposing the Placing Programme to enable the Company to raise additional capital in the period from 3 October 2014 to 2 October 2015 to prepay debt drawn under the Acquisition Facility from time to time as and when it identifies acquisition opportunities that satisfy the Company's investment objective and policy. The combination of the Acquisition Facility and the Placing Programme should enable the Company to make opportunistic acquisitions whilst mitigating the risk of cash drag on existing Shareholders' funds and has been structured to provide the Directors with the flexibility to issue New Ordinary Shares and/or C Shares, which should enable the Directors to further mitigate the risk of cash drag.

Up to 250 million New Ordinary Shares and/or C Shares in aggregate are available for issue under the Placing Programme.

The Placings under the Placing Programme will not be underwritten.

Pursuant to resolutions passed at the general meeting of the Company held on 1 October 2014, the Directors are authorised to issue up to 150 million New Ordinary Shares and/or C Shares (in

aggregate) pursuant to the Placing Programme without having to first offer those shares to existing Shareholders or holders of C Shares (as applicable). Assuming only New Ordinary Shares are issued pursuant to the Placing Programme and the Placing Programme is fully subscribed as to 150 million New Ordinary Shares, the New Ordinary Shares issued under the Placing Programme would represent 104.6 per cent. of the issued share capital of the Company as at the date of this document. If the Directors wish to issue more than 150 million New Ordinary Shares and/or C Shares, in aggregate, under the Placing Programme (up to the maximum of 250 million New Ordinary Shares and/or C Shares, in aggregate, available under the Placing Programme), the Directors will have to convene an extraordinary general meeting of the Shareholders in order to seek their consent to the disapplication of pre-emption rights in respect of such New Ordinary Shares and C Shares and the authority to allot such shares.

In the event that the aggregate demand for any particular Placing under the Placing Programme were to significantly exceed the amount required to: (i) repay debt under the Acquisition Facility; and (ii) fund specific assets identified by the Investment Manager for acquisition at the time of such issue, then it would be necessary to scale back applications under the relevant Placing. In such circumstances, it is intended that New Ordinary Shares and/or C Shares will be allocated so that applications from existing Shareholders are given priority over other applicants, with a view to ensuring that existing Shareholders are allocated such percentage of New Ordinary Shares and/or C Shares as is as close as possible to their existing percentage holding of Ordinary Shares.

Existing Shareholders should note however, that to the extent that pre-emption rights have been waived, there is no formal entitlement of an existing Shareholder to any minimum allocation of New Ordinary Shares and/or C Shares in the Placing Programme and there will be no guarantee that existing Shareholders wishing to participate in the Placing Programme will receive all or some of the New Ordinary Shares and/or C Shares for which they have applied. Further, Numis, in consultation with the Company, will have absolute discretion to determine the proportion of New Ordinary Shares and/or C Shares allocated to each person wishing to participate in the Placing Programme.

If the maximum number of New Ordinary Shares available to be issued by the Company under the Placing Programme are issued, an existing Shareholder holding Ordinary Shares representing 10 per cent. of the Company's issued Ordinary Share capital as at the date of this document, who does not participate in the Placing Programme, would, following the completion of the Placing Programme, hold Ordinary Shares representing approximately 3.6 per cent. of the Company's issued Ordinary Share capital following the conclusion of the Placing Programme.

The New Ordinary Shares issued pursuant to the Placing Programme will rank *pari passu* with the Ordinary Shares then in issue (save that New Ordinary Shares will not rank for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the issue of such New Ordinary Shares).

The C Shares will not be entitled to any dividends payable in respect of the Ordinary Shares but on their conversion into Ordinary Shares they will rank *pari passu* with the Ordinary Shares then in issue (save that such Ordinary Shares will not rank for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to conversion of the C Shares).

The Placing Programme is conditional, *inter alia*, on:

(a) Admission of the New Ordinary Shares or C Shares issued pursuant to each Placing at such time and on such date as the Company and Numis may agree prior to the closing of that Placing, not being later than 2 October 2015;

(b) if a supplementary prospectus is required to be published in accordance with the FSMA, such supplementary prospectus being approved by the FCA and published by the Company in accordance with the Prospectus Rules; and

(c) the Placing Agreement becoming otherwise unconditional in respect of that Placing, and not being terminated in accordance with its terms before the relevant Admission becomes effective.

If these conditions are not satisfied in respect of any Placing under the Placing Programme, the relevant issue of the New Ordinary Shares or C Shares will not proceed.

Placings under the Placing Programme will be on the terms of, and subject to the conditions to, the Placing Programme set out in Appendix 1 to this document.

ISSUE PRICE

All New Ordinary Shares issued pursuant to the Placing Programme will be issued at a premium to the Net Asset Value per Ordinary Share at least sufficient to cover the costs and expenses of the relevant Placing. The Issue Price of any New Ordinary Shares to be issued pursuant to a Placing will be announced through an RIS as soon as is practicable following the allotment of such New Ordinary Shares.

The Issue Price of any C Shares issued pursuant to the Placing Programme will be £1.00.

The net proceeds of the Placing Programme are dependent on the number of New Ordinary Shares and/or C Shares issued pursuant to the Placing Programme and the Issue Price of any New Ordinary Shares issued.

Assuming: (i) only New Ordinary Shares are issued pursuant to the Placing Programme at an Issue Price of 103 pence per New Ordinary Share; and (ii) the Company issues the maximum number of New Ordinary Shares available for issue under the Placing Programme for which pre-emption rights have already been disapplied (being 150 million New Ordinary Shares), the Company would raise £257.5 million of gross proceeds from the Placing Programme. After deducting expenses (including any commission) of approximately £3.7 million, the net proceeds of the Placing Programme would be approximately £253.8 million.

ADMISSION AND DEALING ARRANGEMENTS

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all the New Ordinary Shares to be issued pursuant to the Placing Programme to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all the C Shares to be issued pursuant to the Placing Programme to be admitted to the standard segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that such admissions will become effective, and that dealings in the New Ordinary Shares and/or C Shares will commence, during the period from 3 October 2014 to 2 October 2015.

The New Ordinary Shares and/or C Shares will be issued in registered form and may be held in uncertificated form. The New Ordinary Shares and/or C Shares allocated will be issued to Placees through the CREST system unless otherwise stated.

The New Ordinary Shares and C Shares will be eligible for settlement through CREST with effect from the relevant Subsequent Admission.

The Company will arrange for CREST to be instructed to credit the appropriate CREST accounts of the Placees concerned or their nominees with their respective entitlements to the New Ordinary Shares and/or C Shares.

The names of Placees or their nominees that invest through their CREST accounts will be entered directly on to the share register of the Company.

Dealings in the New Ordinary Shares and/or C Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

The New Ordinary Shares and C Shares will be denominated in Sterling.

L&P AND CCLA RELATED PARTY TRANSACTIONS

As at the date of this document:

(a) so far as the Company is aware, the L&P Sellers hold, in aggregate, 9,026,478 Ordinary Shares in the capital of the Company, representing 6.29 per cent. of the issued share capital. The

exact number of Consideration Shares to be issued to the L&P Sellers pursuant to the Acquisition Agreement is to be determined on the basis set out in the Acquisition Agreement (as further explained in Part IV of this document) and is not known as at the date of this document. However, assuming an issue price of 103.15 pence per Consideration Shares, 7,490,021 Consideration Shares would be issued to the L&P Sellers and their aggregate shareholding in the Company would be 16,516,499 Ordinary Shares, representing 10.9 per cent. of the issued share capital of the Company, immediately following the issue of the Consideration Shares. Consequently, following the issue of the Consideration Shares, the L&P Sellers will, together, be considered to be related parties of the Company by virtue of the size of their aggregate shareholding in the Company; and

(b) so far as the Company is aware, CCLA holds 25,000,000 Ordinary Shares in the capital of the Company, representing 17.43 per cent. of the issued share capital. Consequently, CCLA is considered to be a related party of the Company by virtue of the size of its shareholding in the Company,

(together, the **Related Parties** and each, a **Related Party**).

Under the Listing Rules, unless a relevant exemption applies, when a company issues shares to a related party, there is a requirement to obtain shareholders' approval for that transaction. If further New Ordinary Shares or C Shares were to be placed with any of the Related Parties pursuant to the Placing Programme (at any time during the period in which the Placing Programme is open), the Company could be required to seek Shareholder approval for such issue. The Company, in consultation with Numis, has agreed that it would be desirable to have the ability to place Ordinary Shares and/or C Shares with each of the Related Parties under the Placing Programme without potentially requiring a Shareholder vote on each such occasion. Accordingly, resolutions were proposed and passed at the EGM, the effect of which is to permit the Company to place Ordinary Shares and/or C Shares pursuant to the Placing Programme with any of the Related Parties.

OVERSEAS PERSONS

The attention of potential investors who are not resident in, or who are not citizens of, the UK (**Overseas Persons**) is drawn to the paragraphs below.

The offer of New Ordinary Shares and/or C Shares pursuant to the Placing Programme to Overseas Persons may be affected by the laws of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any governmental or other consent or need to observe any applicable legal requirements to enable them to obtain New Ordinary Shares and/or C Shares pursuant to the Placing Programme. It is the responsibility of all Overseas Persons receiving this document and/or wishing to subscribe for New Ordinary Shares and/or C Shares pursuant to the Placing Programme to satisfy themselves as to full observance of the laws of the relevant territory in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities needing to be observed and paying any issue, transfer or other taxes due in such territory.

No person receiving a copy of this document in any territory other than the UK may treat the same as constituting an offer or invitation to him/her, unless in the relevant territory such an offer can lawfully be made to him/her without compliance with any further registration or other legal requirements.

Persons (including, without limitation, nominees and trustees) receiving this document should not distribute or send it to any US Person or in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. In particular, investors should note that the Company has not, and will not be, registered under the US Investment Company Act and the offer, placing and sale of the New Ordinary Shares and/or C Shares have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States.

Accordingly, the New Ordinary Shares and/ or C Shares are only being offered and sold outside the United States to non-US Persons in reliance on the exemption from registration provided by

Regulation S. The New Ordinary Shares and/or C Shares may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any US Person. Any representation to the contrary is a criminal offence in the United States and the re-offer or resale of any New Ordinary Shares and/or C Shares in the United States may constitute a violation of US law.

The Company reserves the right to treat as invalid any agreement to subscribe for New Ordinary Shares and/or C Shares pursuant to the Placing Programme 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.

PART II

INFORMATION ON THE COMPANY

INVESTMENT OBJECTIVE

The Company seeks to provide Shareholders with an attractive return, principally in the form of semi-annual income distributions, by investing in a portfolio of large scale UK based solar energy infrastructure assets.

As further described under the heading "Target Returns" below, the Company is targeting a dividend of 7 pence per Ordinary Share in respect of the Company's second financial year ending on 30 June 2015, with the intention of this rising annually thereafter with RPI[(1)]. Subject to maintaining prudential level of reserves, the Company intends to distribute cash generated in order to optimise Shareholders' returns and expects to achieve its target returns without recourse to reinvestment of spare cash flows.

INVESTMENT POLICY

The Group invests in a diversified portfolio of solar energy assets, each located within the UK, with a focus on utility scale assets and portfolios on greenfield, industrial and/or commercial sites. The Group targets long life solar energy infrastructure, expected to generate stable renewable energy output over a 25 year asset life.

Individual solar assets or portfolios of solar assets are held within SPVs into which the Group invests through equity and/or debt instruments. The Group typically seeks legal and operational control through direct or indirect stakes of up to 100 per cent. in such SPVs, but may participate in joint ventures or minority interests where this approach enables the Group to gain exposure to assets within the Company's investment policy which the Group would not otherwise be able to acquire on a wholly-owned basis.

The Group may make use of non-recourse finance at the SPV level to provide leverage for specific solar energy infrastructure assets or portfolios provided that at the time of entering into (or acquiring) any new financing, total non-recourse financing within the portfolio will not exceed 50 per cent. of the prevailing Gross Asset Value. In addition, the Group may, at holding company level, make use of short term debt finance to facilitate the acquisition of investments, but such short term debt (when taken together with the SPV finance noted above) will also be limited so as not to exceed 50 per cent. of the Gross Asset Value.

No single investment in a solar energy infrastructure asset (excluding any third party funding or debt financing in such asset) will represent, on acquisition, more than 25 per cent. of the Net Asset Value.

The portfolio provides diversified exposure through the investment in not less than five individual solar energy infrastructure assets. Diversification is achieved across various factors such as grid connection points, individual landowners and leases, providers of key components (such as PV panels and inverters) and assets being located across various geographical locations within the United Kingdom.

The Group aims to derive a significant portion of its targeted return through a combination of the sale of Renewable Obligation certificates and RPI-linked FITs (or any such regulatory regimes that replace them from time to time). Both such regimes are currently underwritten by UK Government regulation providing a level of Renewable Obligation certificates or FITs fixed for 20 years and each regime benefits from an annual RPI escalation. The Group also intends, where appropriate, to enter into power purchase agreements with appropriate counterparties, such as co-located industrial energy consumers or wholesale energy purchasers.

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(1) These are targets only and not profit forecasts. There can be no assurance that these targets can or will be met and it should not be seen as an indication of the Company's expected or actual results or returns. Accordingly, investors should not place any reliance on these targets in deciding whether to invest in the Ordinary Shares or assume that the Company will make any distributions at all.

LISTING RULE INVESTMENT RESTRICTIONS

The Company currently complies with the investment restrictions set out below and will continue to do so for so long as they remain requirements of the Financial Conduct Authority:

- neither the Company nor any of its subsidiaries will conduct any trading activity which is significant in the context of the Group as a whole;
- the Company must, at all times, invest and manage its assets in a way which is consistent with its objective of spreading investment risk and in accordance with the published investment policy; and
- not more than 10 per cent. of the Gross Asset Value at the time of investment is made will be invested in other closed-ended investment funds which are listed on the Official List.

The Directors do not currently intend to propose any material changes to the Company's investment policy, save in the case of exceptional or unforeseen circumstances. As required by the Listing Rules, any material change to the investment policy of the Company will be made only with the approval of Shareholders.

REVENUE STREAMS

The assets to be invested by the Group are anticipated to benefit from revenue from two primary sources:

- regulated revenue from sale of ROCs, FITs or CfDs FITs or from payments being made by the counterparty to a CFD FIT; and
- sale of electricity to electricity suppliers, energy traders or on-site users.

The split of the Group's regulated revenue between the sale of ROCs, FITs and CfDs will depend on the projects acquired by the Group. All of the assets acquired by the Group using the proceeds of the IPO and Tap Issue were large scale ROC projects commissioned under the 2 ROC, 1.6 ROC and 1.4 ROC support bandings. Whilst it is expected that the majority of the assets acquired in the next phase will be ROC assets, the Group will also look to acquire FIT assets and will, via its Investment Adviser, bid in the first round of CfD auctions.

The regulated revenues for installations under the 2 ROC banding are typically c.65 per cent. of total revenue, under 1.6 regulated revenues are c.60 per cent. and under the 1.4 banding are c.55 per cent. of total revenues. Depending on the year of commissioning and size of installation, FIT assets will have, typically, between 65 per cent. and 87 per cent. of their revenues derived from a regulated FIT. As described in Part III of this document, both the ROC and FIT regulatory regimes benefit from RPI linkage under regulation and are fixed under regulation at the point of a plant's commissioning for 20 years. Support under the CFD FIT regime is provided by way of a private law contract for 15 years from the relevant start date and benefits from CPI linkage. To the extent the Group acquires assets installed under earlier regulatory regimes, such as plants installed in 2011 or 2012 the proportion of revenue coming from the regulated component may be significantly higher.

GROUP STRUCTURE

The Company makes its investments via a group structure which currently comprises the Company and its wholly-owned UK subsidiary, Bluefield SIF Investments Limited. Holdco invests directly or indirectly in the SPVs which own the solar assets.

ORIGINATION OF FURTHER INVESTMENTS

The Investment Adviser has secured a number of sources of pipeline to which the Company will be granted access:

- Established relationships with developers and contractors: The Investment Adviser has a proven set of relationships with developers and contractors who are expected to provide the majority of the primary assets. These types of relationships have resulted in the full deployment of the proceeds of the IPO and Tap Issue in the first twelve months since the IPO.

- Bluefield Development Fund pipeline: The Investment Adviser has sourced funding for a third party managed development pipeline through supporting the establishment of a third party managed development fund: the Bluefield Development Fund. The Investment Adviser has secured through the Pipeline Agreement the exclusive right to purchase the DevCos owned by the Bluefield Development Fund which hold solar PV construction permits and site lease, at a preferential rate capped at the higher of £55,000/MWp and 1.5 times the Bluefield Development Fund's equity invested in such special purpose vehicle.

Whilst the Investment Adviser has secured these routes of access to the solar market it is not subject to any exclusive obligation to source projects from these sources and has the capacity to select assets from across the solar market in order to deliver the Company's investment objectives. This has been demonstrated by the contractors the Company worked with to deliver the Current Portfolio.

INVESTMENT OPPORTUNITY

Solar PV installations in the UK have the opportunity to benefit from FITs (for installations up to 5MW in capacity) or Renewable Obligation Certificates. Both schemes now offer 20 year, inflation indexed, legislated regulatory support. When combined with relatively stable annual levels of solar irradiation (compared to other renewable technologies such as wind), such regulated revenue sources give rise to the potential for long-term relatively stable and predictable revenue streams. Meanwhile operational costs are typically low as a proportion of revenues (circa 20 to 30 per cent.), giving rise to the potential for generation of long term stable cashflows.

Utilising the experience of the Investment Adviser in the UK solar sector, the Company aims to acquire and/or construct UK solar PV infrastructure on a utility scale in order to achieve both stable income and to extract the maximum potential for asset optimisation through economies of scale and active technical management.

Since 2011 the Investment Adviser has developed specific experience investing in a series of industrial and electricity grid connected solar PV projects in the UK market, working with a number of established solar energy contractors. During this period of investment, the Investment Adviser has developed experience in both FITs and Renewable Obligation Certificate based projects, investing on behalf of institutional and private client investors. Further details of the Investment Adviser's track record in UK solar PV projects are set out in Part V of this document.

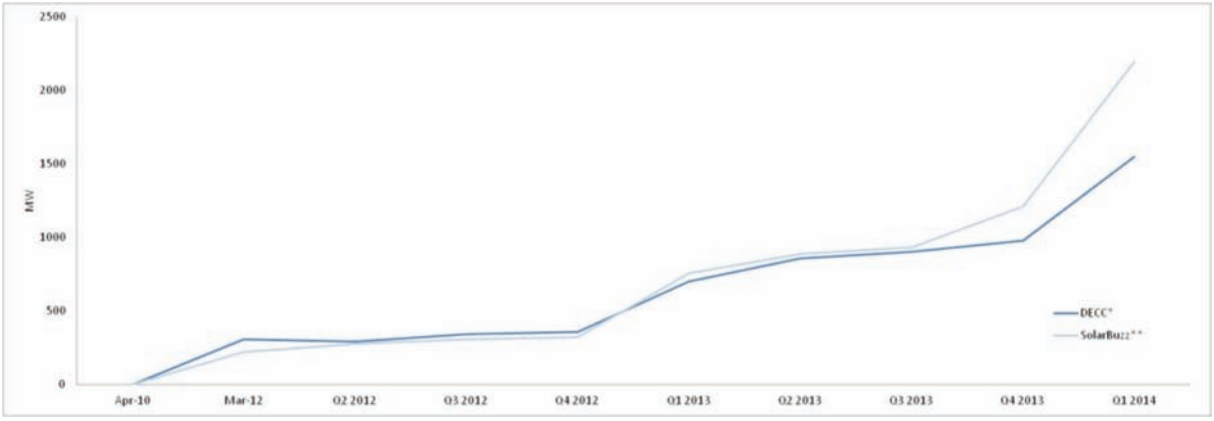
MARKET GROWTH

The development and installation of large scale Solar PV installations in the UK has experienced a significant growth phase during the period since IPO. Figure 1, below, shows the growth in the capacity of UK solar projects greater than 50kWp since the UK government introduced support for the technology in April 2010. Other than the officially published DECC numbers, the SolarBuzz Industry Database is the main reference point for the industry's market data. The Investment Advisor believes that the DECC numbers slightly lag the actual MWp installed in each quarter.

The growth trend is strong irrespective of the reductions in subsidy support as solar reduces in installation cost. In the period between February 2010 and 31 March, 2012, DECC's figures show installed capacity of solar assets of 50kWp or greater of 309MWp. Between April 2012 and 31 March, 2013, installed capacity grew to in excess of 700MWp with an average size of installation of 4MWp. Since the IPO and up to 31 March, 2014, cumulative installations grew to just in excess of 1.5GWp according to DECC although the figure from SolarBuzz stands at approximately 2.2GWp. SolarBuzz also estimates the average size of installation growing to close to 8MWp.

Figure 1

UK Solar Capacity greater than 50kWp since the introduction of Feed in Tariff in April 2010



* DECC Energy Trends total solar installations less DECC Weekly Solar Installations (<=50kWp)

** SolarBuzz Industry Database – July 2014 UK Deal Tracker cumulative capacity

FUTURE TRENDS

Indications are that the second half of 2014 will see continued growth in the primary market for agriculturally situated, large-scale sites. DECC confirmed on 2 October 2014 that it would close the Renewables Obligation to new solar PV generating stations above 5MWp after 31 March 2015. As the 31 March 2015 ROC deadline approaches, less activity is expected for sites that are bigger than 5MWp. Continued investment activity is expected for sites below the 5MWp size.

Recent announcements by DECC indicate that they are seeking to further encourage growth in the installed capacity of solar on commercial and industrial buildings.

ACQUISITION FACILITY

On 13 June 2014, the Company, HoldCo and The Royal Bank of Scotland plc entered into a £50 million acquisition facility, further details of which are set out in paragraph 5(e) of Part X of this document.

CAPITAL STRUCTURE

The Company's issued share capital currently comprises Ordinary Shares, and following First Admission will include the Consideration Shares to be issued in connection with the Acquisition.

The Company may issue New Ordinary Shares and/or C Shares pursuant to the Placing Programme.

The Ordinary Shares are admitted to trading on the main market for listed securities of the London Stock Exchange and are listed on the Official List.

Applications will be made for the Consideration Shares to be issued in connection with the Acquisition to be admitted to listing on the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that unconditional dealings in the Consideration Shares will commence on 9 October 2014.

Applications will be made to the UKLA and the London Stock Exchange for all the New Ordinary Shares to be issued pursuant to the Placing Programme to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. Applications will be made to the UKLA and the London Stock Exchange for all the C Shares to be issued pursuant to the Placing Programme to be admitted to the standard segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that such admissions will become effective, and that dealings in the C Shares and/or New Ordinary Shares will commence, during the period from 3 October 2014 to 2 October 2015.

The rights attaching to the Ordinary Shares are uniform in all respects and they form a single class for all purposes. Shareholders have uniform voting rights and rights to dividends or distributions in proportion to the number of Ordinary Shares they hold at any time (save for any dividends or other distributions made or paid on the Ordinary Shares by reference to a record date prior to the issue of the relevant New Ordinary Shares).

The rights attaching to the C Shares are set out in Part IX of this document.

On a winding up of the Company, provided the Company has satisfied all of its liabilities, the holders of the Ordinary Shares are entitled to all of the surplus assets of the Company attributable to the Ordinary Shares and the C Shareholders are entitled to all of the surplus assets of the Company attributable to the C Shares. C Shares are entitled to receive, and participate in, any dividends declared to the extent that such dividend derives from the net assets of the Company attributable to the C Shares.

Shareholders are entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Ordinary Share held. C Shareholders do not have any voting rights at a general meeting of the Company, except in certain limited circumstances described in Part IX of this document.

DISTRIBUTION POLICY

General

Dividends may be paid to holders of Ordinary Shares whenever the financial position of the Company, in the opinion of the Directors, justifies such payment, subject to the Company being able to satisfy the solvency test, as defined under the Companies Law, immediately after payment of such dividend.

Target Returns

The Company is targeting a dividend in respect of its second financial year ending 30 June 2015 of 7 pence per Ordinary Share and with the intention of this increasing annually thereafter in line with RPI[(2)].

Failure to achieve the RPI-linked target return of 7 pence per Ordinary Share in any financial year (excluding the Company's first financial year) will result in the Investment Adviser rebating up to 35 per cent. of its base fee paid in that financial year. On a conservative assumption of no terminal value to the Company's assets after 25 years, the Company expects to deliver a total return, net of all set-up costs and fund expenses, of no less than 7 per cent. per annum.

Subject to maintaining a prudential level of reserves, the Company does not expect to reinvest cash flows in order to achieve its target returns but together with asset performance optimisation will seek to achieve distributions of up to 9 pence per Ordinary Share. If in any year (excluding the Company's first financial year) the Company exceeds its distribution target of 7 pence per year (as increased annually with RPI), the Investment Adviser will be entitled to a variable fee equal to 30 per cent. of the excess, subject to a maximum variable fee in any year equal to 1 per cent. of the NAV as at the end of the relevant financial year. Further details of the fees payable to the Investment Adviser are set out under "Ongoing Expenses" in Part VI of this document.

The Directors will declare and pay dividends in compliance with the solvency test prescribed by the Companies Law.

The actual yield generated by the Company in pursuing its investment objective may depend on a wide range of factors including, but not limited to, general economic and market conditions, fluctuations in currency exchange rates, prevailing interest rates and credit spreads, the terms of the investments made by the Company and the risks highlighted in the section headed "Risk Factors" in

(2) These are targets only and not profit forecasts. There can be no assurance that these targets can or will be met and it should not be seen as an indication of the Company's expected or actual results or returns. Accordingly, investors should not place any reliance on these targets in deciding whether to invest in the Ordinary Shares or assume that the Company will make any distributions at all.

this document. The target return set out in this document should not be taken as an indication of the Company's expected future performance or results over any period. The target return is a target only and there is no guarantee that it can or will be achieved and it should not be seen as an indication of the Company's expected or actual return. Accordingly, investors should not place any reliance on the target return in deciding whether to invest in the New Ordinary Shares or C Shares. The future performance of the Company may be materially adversely affected by the risks discussed in the section of this document entitled "Risk Factors".

Timing of distributions

The Company's financial year end is 30 June and distributions on the Ordinary Shares are currently paid twice a year. The Company declared an interim dividend of 2 pence per Ordinary Share in February 2014 (which was paid in March 2014) and the Company's second interim dividend of 2 pence per Ordinary Share in respect of its first financial year ending on 30 June 2014 was declared on 8 September 2014 and is expected to be paid on 31 October 2014. The Consideration Shares and any New Ordinary Shares issued pursuant to the Placing Programme will not be entitled to this dividend.

Scrip Dividends

The Articles permit the Directors, in their absolute discretion, 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**). In the event a scrip dividend is offered, an electing Shareholder would be issued new, fully paid up Ordinary Shares (or Ordinary Shares sold from treasury) pursuant to the scrip dividend alternative. The scrip dividend alternative will be available only to those Shareholders to whom Ordinary Shares might lawfully be marketed by the Company.

FURTHER ISSUES OF ORDINARY SHARES

The Board was granted authority to allot further Ordinary Shares, representing 10 per cent. of the Company's issued share capital immediately following the Company's IPO, such authority lasting until the first annual general meeting of the Company. Shareholders' pre-emption rights as conferred by the Articles over this unissued share capital was disapplied so that the Board was not obliged to offer any new Ordinary Shares to Shareholders *pro rata* to their existing holdings. On 3 March 2014 the Company issued 13,028,999 Ordinary Shares pursuant to such authority (the **Tap Issue**).

Except where authorised by Shareholders, no Ordinary Shares will be issued at a price which is less than the Net Asset Value per existing Ordinary Share at the time of their issue unless they are first offered *pro rata* to Shareholders on a pre-emptive basis.

Pursuant to the terms of the Investment Advisory Agreement, the Investment Adviser, or its nominees, may receive Ordinary Shares in respect of the variable fee payable to it, details of which are set out in Part V (Directors, Management and Administration) of this document.

DISCOUNT MANAGEMENT

The Directors have the authority to purchase in the market up to 14.99 per cent. of the aggregate number of Ordinary Shares in issue immediately following First Admission. This authority will expire at the conclusion of the Company's first annual general meeting or, if earlier, 18 months from the date on which the resolution conferring the authority was passed. The Directors have proposed a resolution at the Company's annual general meeting to be held on 17 October 2014 seeking to renew this authority (in respect of 14.99 per cent. of the aggregate number of Ordinary Shares in issue immediately following the annual general meeting) until the end of the annual general meeting to be held in 2015 or, if earlier, 15 months from the date of the passing of the resolution. The Directors intend to seek annual renewal of this authority from Shareholders at each annual general meeting.

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 Ordinary Shares will be in accordance with the Articles and the Listing Rules in force at the time. Purchases of Ordinary Shares will be made within the price limits permitted by the Financial Conduct Authority which currently provide for a price not exceeding the higher of: (i) five per cent. above the average of the mid-market values of Ordinary Shares taken from The London Stock Exchange Daily Official List for the five Business Days before the purchase is made; or (ii) the higher of the last independent trade or the highest current independent bid for Ordinary Shares. 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. Ordinary Shares which are purchased may be cancelled or held in treasury.

Investors should note that the purchase of Ordinary Shares by the Company is entirely discretionary and no expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions. Investors should also note that any repurchase or redemption of Ordinary Shares will be subject to the ability of the Company to fund the purchase price or redemption amount. The Companies Law also provides, among other things, that any purchase is subject to the Company satisfying the solvency test contained in the Companies Law at the relevant time.

DURATION

The Company has been established with an unlimited life. However, under the Articles the Directors are required to propose an ordinary resolution every five years that the Company should cease to continue as presently constituted (a **Discontinuation Resolution**). In addition, the Directors will also be required to propose a Discontinuation Resolution in the event that the aggregate distributions over three years (excluding the Company's first financial year for these purposes) do not exceed the aggregate of the distribution targets over the same three year period. Such a Discontinuation Resolution will be put to Shareholders at the next annual general meeting of the Company following the requirement that it be put to Shareholders is triggered.

In the event that a Discontinuation Resolution is passed, the Directors will be required to formulate proposals to be put to Shareholders within four months to wind up or otherwise reconstruct the Company, bearing in mind the illiquid nature of the Company's underlying assets.

PART III

THE UK SOLAR MARKET AND THE INVESTMENT OPPORTUNITY

The Company confirms that the information extracted from third party sources in this Part III has been accurately reproduced and that, as far as the Company is aware and is able to ascertain from information published by those third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Sources for the information set out in this Part III are set out underneath each relevant figure or table, as applicable, or in footnotes at the bottom of the page.

MARKET OPPORTUNITY

The increased use of energy from renewable sources, including solar PV, constitutes an important part of the measures being implemented in the European Union and elsewhere to reduce greenhouse gas emissions in order to comply with international, EU and domestic targets.

The main driver for the promotion of renewable energy in the EU is the Renewable Energy Directive. Under the Renewable Energy Directive, the UK Government has a legally binding target for 15 per cent. of energy consumption to be from renewable sources by 2020. The Renewable Energy Directive is a key part of the EU's climate change package which encompasses the "20-20-20" targets, being:

- a 20 per cent. reduction in EU greenhouse gas emissions from 1990 levels by 2020;
- raising the share of EU energy consumption produced from renewable resources to 20 per cent. by 2020; and
- a 20 per cent. improvement in the EU's energy efficiency by 2020.

In addition, the EU ETS (which is applicable in the UK) incentivises low carbon generation of electricity by imposing a cost on emitting carbon dioxide.

Further, the UK's Climate Change Act 2008 establishes a legally binding target to reduce the UK's emissions of greenhouse gases to at least 80 per cent. below 1990 levels by 2050 and provides the framework for carbon budgets to be set in order to achieve this target.

The UK has implemented two regimes which specifically incentivise the deployment of solar PV technology, being the Renewables Obligation and FITs. In the future, CFD FITs will replace the Renewables Obligation in respect of new projects under EMR. Solar PV projects can also generate LECs. Funding for support of solar PV is now controlled under the Levy Control Framework.

The UK Renewable Energy Roadmap Update 2012, published on 27 December 2012, identifies solar PV as a 'key technology' in delivering the objectives of the UK Renewable Energy Roadmap for 2020. In December 2012 DECC revised up its estimate of the maximum technical deployment potential for large scale solar energy to 4,600MWp by 2017.

EU ETS

The EU ETS sits alongside the Renewable Energy Directive. Though solar PV installations are not regulated under the EU ETS, the EU ETS helps to support the growth of renewables by increasing the cost of generating electricity from non-renewable sources by requiring that operators of electricity generating stations purchase and surrender allowances in respect of the greenhouse gas emissions. This "carbon price" is further supported in the UK by the carbon floor price, which is described further below.

RENEWABLES OBLIGATION

The Renewables Obligation supports renewable electricity generation by placing an obligation on licensed electricity suppliers to surrender Renewables Obligation Certificates each year or else pay a buy-out price.

Suppliers source ROCs from generators of electricity from renewable sources. ROCs are awarded by Ofgem according to the generating station's metered output. Different technologies are awarded different amounts of ROCs for each MWh of generation. The value of ROCs fluctuates depending on the actual amount of renewable generation compared to the annual Renewables Obligation target.

Generating facilities accredited for support under the Renewables Obligation are accredited for 20 years. Levels of ROC support for newly accredited projects are adjusted according to pre-determined criteria pursuant to banding reviews. The policy commitment to "grandfathering" ensures that solar PV generating stations should continue to receive the number of ROCs per MWh of generation for which they were first accredited for the duration of their 20 year Renewables Obligation support.

In December 2012, DECC announced the result of the consultation on bandings for the Renewables Obligation for solar PV. DECC confirmed the level of Renewables Obligation support for large scale ground based and roof mounted installations for the period 2013-17. However, DECC confirmed on 2 October 2014 that it would close the Renewables Obligation to new solar PV generating stations (both ground- and building-mounted) above 5MW from 1 April 2015, two years earlier than planned (subject to limited grace periods). The current levels of Renewables Obligation support will not be changed. Some limited grace periods are available which would allow projects commission until 31 March 2016 and these are being further consulted on. The effect of this decision is to force solar PV projects to compete for support under a CFD FIT if they are no longer eligible for support under the Renewables Obligation. However, the Company notes that the consultation underlying DECC's decsion is currently reported to be subject to a legal challenge brought by four solar PV companies. The outcome of any legal challenge is unknown as at the date of this document. Further, the legislation implementing these changes has not yet entered into effect.

FEED-IN TARIFFS

FITs support renewable electricity generation by requiring certain licensed electricity suppliers to make generation and export payments in respect of certain kinds of renewable electricity generation up to 5MW. New small-scale electricity generating stations (including solar PV) above 50 kW and up to 5 MW in size have the option of choosing support from either the Renewables Obligation or the FITs scheme. Eligible technologies include solar PV. Generation payments are a fixed payment by the relevant electricity supplier to the FIT generator for every kWh generation by the installation. Export payments are a fixed payment by the relevant electricity supplier to the FIT generator for every kWh exported to the national grid (although electricity can alternatively be sold into the market).

Levels of FITs are determined by DECC and can only be adjusted pursuant to pre-determined criteria. FITs for solar PV are now granted for 20 years. Once an installation is FIT accredited, FIT payments are adjusted in accordance with RPI. The policy commitment to "grandfathering" ensures that solar PV generating stations should continue to receive the FIT for which they were first accredited for the duration of their FIT support. FIT payments for newly accredited FIT installations are reduced over time by a mechanism known as degression. DECC confirmed levels of FIT support for solar PV from August 2012 in May 2012.

As the levels of FIT support for solar PV is lower than for other technologies such as offshore wind and onshore wind, it can be inferred that the Government believes that solar PV requires less support than other technologies in order to be deployed.

LEVY EXEMPTION CERTIFICATES

Certain renewable generators are also eligible to receive transferable exemptions for the Climate Change Levy, which is a tax on the supply of energy products (including electricity) to non-domestic consumers. As such, the Climate Change Levy further supports renewable energy generation. The Climate Change Levy has been adjusted to provide carbon price support, which is discussed further below.

ELECTRICITY MARKET REFORM

The Government has introduced a number of measures to help achieve its goals in terms of energy supply and efficiency and the promotion of low-carbon energy under EMR. The main proposals in respect of EMR are:

- reform of the support regime for new renewable generation by the introduction of a feed-in tariff by means of CFD FIT for new low carbon generation projects above 5MW (extending support to include nuclear and carbon capture and storage projects, as well as renewables projects);
- a capacity market to ensure that there is sufficient reliable capacity to meet demand; and
- an emissions performance standard for all new fossil fuel plants.

As part of EMR, legislation has already implemented the removal of the exemption for CCL on fossil fuels used for electricity generation and the imposition of a form of CCL on such fuel at the relevant "carbon price support rate" in the UK, to underpin the cost of emissions allowances under the EU ETS for fossil-fuelled plants at a pre-determined level. This "carbon price floor" or "carbon price support" aims to set a price floor for carbon over the long term to 2030. The original carbon price support trajectory reached £30/ tonne of carbon dioxide (tCO^2) in 2009 prices by 2020. However, EU ETS carbon prices are now substantially lower than was expected when carbon price support was introduced. The carbon price support rate per tCO^2 will therefore be capped at a maximum of £18 from 2016 to 2017 until 2019 to 2020. This will freeze the carbon price support rates across this period at around 2015 to 2016 levels.

The Energy Act 2013 legislated for a number of aspects of the UK Government's current programme of EMR.

FUTURE OF THE RENEWABLES OBLIGATION

Subject to the special rules outlined above in respect of solar PV which prevent solar PV projects greater than 5MW from accessing support under the Renewables Obligation after 31 March 2015 (subject to certain limited grace periods), new renewable energy projects will continue to be able to gain accreditation under the Renewables Obligation until 31 March 2017. From 31 March 2017 (subject to limited grace periods), the UK Government intends to close the Renewables Obligation to new accreditation, from when a closed pool of RO-supported electricity capacity will be created which will decrease over time until the end date for the RO of 31 March 2037. ROCs issued after 1 April 2027 will be replaced with "fixed price certificates" a new form of certificate. DECC has indicated that the intention is to maintain levels and length of support for existing participants under the Renewables Obligation with the long term value of a fixed price certificate to be set at the prevailing buy-out price plus a fixed percentage, which the UK Government has said it intends to target as the long term value of the ROC. However, this may not eventually be the case as details have still to be finalised.

INTRODUCTION OF CONTRACT FOR DIFFERENCES FEED-IN TARIFFS

The UK Government has chosen to implement CFD FITs as the mechanism to incentivise low-carbon generation in the future. The first CFD FITs could be signed from 2014. CFD FITs are expected to provide better long-term revenue certainty by guaranteeing a contract price for electricity. The CFD FIT counterparty is a single government-owned counterparty known as the Low Carbon Contracts Company Ltd. A supplier obligation is being introduced to fund CFD FITs.

The duration of support under CFD FITs is 15 years. CFD FITs will be allocated by way of annual allocation rounds. On 24 July 2014, DECC published a draft Budget Notice in relation to the first allocation round of FIT CFDs. The final Budget Notice was issued on 29 September 2014, in advance of the opening of the first allocation round on 14 October 2014.

The budget which is expected to be released for the first allocation round is:

- Pot 1 (established technologies): £50 million for projects commissioning from 2015/16 onwards;
- Pot 2 (less established technologies): £155 million for projects commissioning from 2016/17 onwards; and

- Pot 3 (biomass conversions): indicative budget not yet decided for this pot.

If the budget is insufficient to satisfy all applications for a CFD FIT, projects in the same pot will have to compete with one another for a CFD FIT by way of auctions. Inevitably, the most expensive schemes which require higher Strike Prices will lose out. Solar PV is an "established technology". Budgets will be set for future allocation rounds and there are mechanisms for the allocation of budget to different technologies to be controlled.

LEVY CONTROL FRAMEWORK

The "Control framework for DECC levy-funded spending" (**Levy Control Framework**) was first published in March 2011 and then updated in November 2012. The purpose of the Levy Control Framework is to make sure that DECC achieves its fuel poverty, energy and climate change goals in a way that is consistent with economic recovery and minimising the impact on consumer bills.

The Levy Control Framework sets an overall cap for DECC's tax and spending through policies that entail levy-funded spending in the period to 2020-21. This includes spending relating to support schemes for renewable electricity generation. If forecasts or actual spend are greater than the agreed cap, the Treasury can request that DECC put in place a plan that will bring spending back down within the cap. DECC will need to set a policy such that the central forecast for DECC levy-funded spending is equal to or less than the agreed cap. Where the cap is exceeded, this could ultimately result in the Treasury refusing DECC permission to retain all or part of the tax income received above the agreed cap, which would leave DECC to fund all or part of the spending gap from within its Departmental Expenditure Limit. The cost of CFD FITs falls within the Levy Control Framework.

CHANGES TO THE COST OF SOLAR PV

One of the most significant changes to solar PV since regulatory support kick-started the solar PV industry in the UK in 2010 has been the reduction in installation costs. In the period between 2008 and 2012 the cost of solar PV modules fell from an estimated USD4 per watt to USD1 per watt, making solar energy far more cost competitive relative to other renewable energy technologies than it had been previously. This has resulted in solar PV requiring far lower regulatory and legislative support in the form of ROCs or FITs than was previously the case.

However, the price of solar PV panels has been under scrutiny by competition authorities. On 5 December 2013, the following instruments were published in the Official Journal:

- Council Implementing Regulation (EU) No 1238/2013 of 2 December 2013 imposing an anti-dumping duty and collecting the provisional duty imposed on imports of crystalline silicon photovoltaic modules and key components (i.e. cells) originating in or consigned from the People's Republic of China.
- Council Implementing Regulation (EU) No 1239/2013 of 2 December 2013 imposing a countervailing duty on imports of crystalline silicon photovoltaic modules and key components (i.e. cells) originating in or consigned from the People's Republic of China. The countervailing duties vary from 3.5% to 11.5% depending on the company concerned.

A Decision accepting the undertaking of Chinese solar PV panel exporters to commit to stop dumping was also published (Commission Implementing Decision of 4 December 2013 confirming the acceptance of an undertaking offered in connection with the anti-dumping and anti-subsidy proceedings concerning imports of crystalline silicon photovoltaic modules and key components (i.e. cells) originating in or consigned from the People's Republic of China for the period of application of definitive measures). This legislation may have an impact on the costs for solar PV projects in the future.

GROWTH MARKET

The UK solar market has seen strong growth in large scale solar installations since 2012[1]. Between 2010 and 2012, total large scale installed capacity stood at sub-500MWp[2]. Between April 2012 and 31 March 2013, installed capacity grew to in excess of 700MWp with an average size of installation of 4MWp. Since the IPO and up to 31 March 2014, cumulative installations grew to just in excess of 1.5GWp according to DECC although the figure from IPD SolarBuzz stands at approximately 2.2GWp. SolarBuzz also estimates the average size of installation growing to close to 8MWp[3].

LONG-TERM VISIBILITY OF SUPPORT

DECC has sought to create stability in the market for investors and to create a long-term sustainable regulatory framework. This is illustrated by the policy commitment to "grandfathering", the long duration of the Renewables Obligation, CfD and FIT support levels and mechanisms such as banding reviews, degression and the Levy Control Framework which are designed to ensure that levels of support for renewables are sustainable.

(1) Defined as installations with an energy capacity >50kWp.

(2) Sources: DECC Energy Trends total solar installations less DECC Weekly Solar Installations (<=50kWp) and IPD SolarBuzz Industry Database – July 2014 UK Deal Tracker cumulative capacity.

(3) Sources: DECC Energy Trends total solar installations less DECC Weekly Solar Installations (<=50kWp) and IPD SolarBuzz Industry Database – July 2014 UK Deal Tracker cumulative capacity

PART IV

THE CURRENT PORTFOLIO, TARGET PORTFOLIO AND FURTHER INVESTMENTS

The Company has made 12 investments since IPO deploying the proceeds of the IPO, Tap Issue and part of the Acquisition Facility.

CURRENT PORTFOLIO

Project	Location	ROC Band	MWp	Commissioning Date	Total Commitment (£m)	Total Commitment (£m/MWp)
Betingau	Glamorgan	1.6	9.99	27 March 2014	11.20	1.12
Capelands	Devon	1.4	8.40	n/a	8.62	1.03
Goosewillow 1[1]	Oxfordshire	1.6	10.64	24 March 2014	11.88	1.12
Goosewillow 2[1]	Oxfordshire	1.6	6.29	24 March 2014	7.20	1.14
Hall Farm	Norfolk	1.6	11.45	27 March 2014	13.37	1.17
Hardingham	Norfolk	1.6	14.84	10 December 2013	17.00	1.15
Hill Farm	Oxfordshire	1.6	15.19	11 March 2014	17.30	1.14
Hoback	Hertfordshire	1.4	17.52	n/a	19.00	1.08
North Beer	Cornwall	2	6.87	31 March 2013	9.35	1.36
Pentylands	Wiltshire	1.6	19.23	31 March 2014	21.40	1.11
Redlands	Somerset	1.4	6.20	n/a	6.37	1.03
Saxley	Hampshire	1.6	5.88	27 March 2014	7.05	1.20
Sheppey	Kent	1.4	10.63	25 June 2014	12.00	1.13
Total			**143.14**		**161.74**	

(1) The Goosewillow asset was acquired and constructed in two phases.

All of the assets in the Current Portfolio are large ground based and agriculturally situated plants. There is the expertise within the Investment Adviser to acquire commercial or industrially situated sites however the current market opportunity is such that it is expected that the majority of the investments made the Company in the medium term will be large, ground based and agriculturally situated sites.

ASSET SUMMARIES

Betingau, Glamorgan

The acquisition of the 9.9 MWp plant was agreed in December 2013 and resulted in a total commitment of £11.2 million. The contractor was Spanish based Prosolia and the project was grid connected in the 1.6 ROC regulatory period. The plant uses modules from Sharp, REC and Trina and inverters from Gamesa. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Capelands, Devon

The acquisition of the 8.4 MWp plant was agreed in July 2014 and resulted in a total commitment of £8.6 million. The contractor is German based juwi Renewables Energies Ltd. The plant is expected to be grid connected in the 1.4 ROC regulatory period. The Company owns 100 per cent. of the plant via Holdco and the investment is being funded utilising the Acquisition Facility.

Goosewillow, Oxfordshire

The acquisition of the 16.9 MWp plant was agreed in two phases, between August and December 2013, and resulted in a total commitment of £19.1 million. The contractor was Belgium based Ikaros Solar and the project was grid connected in the 1.6 ROC regulatory period. The plant uses modules from Trina and Yingli and inverters from SMA. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Hall Farm, Norfolk

The acquisition of the 11.5 MWp plant was agreed in December 2013 and resulted in a total commitment of £13.4 million. The contractor was Ikaros Solar and the project was grid connected in

the 1.6 ROC regulatory period. The plant uses modules from Hanwha Solar One and inverters from Danfoss. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Hardingham, Norfolk

The acquisition of the 14.8MWp plant was agreed in September, 2013 and resulted in a total commitment of £17.0 million. The contractor was British based Solar Century and the project was grid connected in the 1.6 ROC regulatory period. The plant uses modules from Hanwha and inverters from Power One. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Hill Farm, Oxfordshire

The acquisition of the 15.2 MWp plant was agreed in October 2013 and resulted in a total commitment of £17.3 million. The contractor was Solar Century and the project was grid connected in the 1.6 ROC regulatory period. The plant uses modules from Yingli and inverters from SolarMax. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Hoback, Hertfordshire

The acquisition of the 17.5 MWp plant was agreed in June 2014 and resulted in a total commitment of £19.0 million. The contractor was Solar Century and the plant is expected to be grid connected in Quarter 4, 2014, within the 1.4 ROC regulatory period. The plant will use modules from Jinko Solar and inverters from Solarmax. The Company owns 100 per cent. of the plant via Holdco and the investment is being funded utilising the proceeds of the Placement and the RBS facility.

North Beer, Cornwall

The acquisition of the 6.9 MWp plant was agreed in October 2013 and resulted in a total commitment of £9.4 million. The contractor was German based Parabel AG and the project was grid connected in the 2 ROC regulatory period. The plant uses modules from Hareon and inverters from Refusol and Siemens. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Pentylands, Wiltshire

The acquisition of the 19.2 MWp plant was agreed in February 2014 and resulted in a total commitment of £21.4 million. The contractor was British contractor Wirsol, now rebranded Conergy UK and the project was grid connected in the 1.6 ROC regulatory period. The plant uses modules from Astroenergy and inverters from Power One. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO and Placement.

Redlands, Somerset

The acquisition of the 6.2 MWp plant was agreed in July 2014 and resulted in a total commitment of £6.4 million. The contractor is German based juwi Renewables Energies Ltd. The plant is expected to be grid connected in the 1.4 ROC regulatory period. The Company owns 100 per cent. of the plant via Holdco and the investment is being funded utilising the Acquisition Facility.

Saxley, Hampshire

The acquisition of the 5.9MWp plant was agreed in December 2013 and resulted in a total commitment of £7.1 million. The contractor was Solar Century and the project was grid connected in the 1.6 ROC regulatory period. The plant uses modules from Hanwha Q-Cells and inverters from Power One. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Sheppey, Kent

The acquisition of the 10.6 MWp plant was agreed in January 2014 and resulted in a total commitment of £12.0 million. The contractor was Solar Century and the project was grid connected

in the 1.4 ROC regulatory period. The plant uses modules from Yingli and inverters from SolarMax. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

TARGET PORTFOLIO

Pursuant to the Acquisition Agreement, Holdco has agreed to acquire the Target Portfolio which consists of 12 operating solar assets totalling 6.212MWp. The assets were commissioned between July 2011 and September 2012. The largest asset in the Target Portfolio, Durrant's Farm, was built by REC Systems Ltd (**REC**), the specialist contracting arm of REC Group, the global solar manufacturer and installer. The remaining eleven assets were built by British Gas New Heating (**BG**), the specialist solar contracting arm of Centrica.

The Target Portfolio is held by the Target Holdco within two special purpose companies: (i) KS SPV5 Ltd (an indirect wholly-owned subsidiary of the Target Holdco), which owns Durrant's Farm; and (ii) Bluefield Goshawk Ltd, which owns the remaining 11 assets (comprising the Thames Water assets and the Adnams Bio-energy asset).

SPV	Asset's Name	Location	Installed Capacity (MWp)[1]	Commissioned	FIT[2] level p/kWh	PPA Expiry	PPA Counterparty
KS SPV5	Durrants	Isle of Wight	4.997	Jul 2011	34.1	Sep 2014	Smartest
Bluefield Goshawk	Thames Water Weybridge	Surrey	0.050	July 2012	16.9	Jul 2037	Thames Water
	Thames Water Esher	Surrey	0.050	Jul 2012	16.9	Jul 2037	Thames Water
	Thames Water Hockford	Surrey	0.050	Jul 2012	16.9	Jul 2037	Thames Water
	Thames Water Holmwood	Surrey	0.050	Jul 2012	16.9	Jul 2037	Thames Water
	Thames Water Woking	Surrey	0.247	Jul 2012	13.66	Jul 2037	Thames Water
	Thames Water Ashvale	Surrey	0.050	Jul 2012	16.9	Jul 2037	Thames Water
	Thames Water Ripley	Surrey	0.249	Jul 2012	13.66	Jul 2037	Thames Water
	Thames Water Faringdon	Oxfordshire	0.050	Jul 2012	16.9	Jul 2037	Thames Water
	Thames Water Sandhurst	Surrey	0.099	Sep 2012	12.18	Sep 2037	Thames Water
	Thames Water East Hampstead	Surrey	0.099	Aug 2012	12.18	Aug 2012	Thames Water
	Adnams Bio Energy Southwold	Suffolk	0.226	Jul 2011	34.1	N/A	N/A

(1) All 0.050MW sites are in fact just under 0.050MW so they have been qualified for high FIT tariff.

(2) The FIT regime was implemented by way of the Feed in Tariffs Order 2010. It requires FIT Licensees to pay a fixed generation tariff, formally known as **Feed in Tariff (FIT)**, and an **export tariff** to low carbon generators whose capacity does not exceed 5 MW. An eligible generator receives a fixed amount indexed with RPI for all electricity produced for a duration of 20 or 25 years depending on the year of installation. Annual FIT payments are made according to published tariffs by OFGEM. The export tariff can be opted out by contracting directly with an electricity supplier through a direct power purchase agreement (**PPA**). Therefore, in essence, export tariff offers a floor price for PPA.

- ***Solar plant on Durrant's Farm***

  Durrant's Farm is the largest single asset in the Target Portfolio and at 4.997MWp amounts to 80 per cent. of the Target Portfolio's total output capacity. It was constructed and grid-connected prior to the tariff reductions in August 2011 and qualified for 30.9 pence per kWh FIT with guaranteed minimum FIT export tariff of 3 pence per kWh for 25 years rising with

RPI (with the 2014/2015 year's FIT being 34.1 pence per kWh). It is the only asset within the portfolio with project finance in place with a total outstanding balance on three facilities of £15,042,497 as at 30 September 2014. The project finance is provided by Bayerische Landesbank, London Branch and the fixed-rate loan is fully amortising over 18 years until its maturity in September 2028 at a weighted average rate of 5.22 per cent. The project finance is limited recourse to the assets of the borrower under the financing (KS SPV5 Ltd). Immediately following completion of the Acquisition, the Group's aggregate borrowings (consisting of the outstanding balances of these facilities and the amount outstanding under the Group's acquisition facility with RBS) will be, £23,274,560, giving a gearing level of approximately 14.9 per cent. against the enlarged Group's NAV (calculated as the aggregate of the Group's last published NAV as at 30 June 2014 and the NAV of the Target Portfolio as at 30 June 2014).

- ***Solar plants on Thames Water assets***

  The 10 Thames Water assets are small, ground based operational solar farms based on the sites of water and waste processing plants owned by Thames Water Utilities (**Thames Water**). They are all in the south east of England. The total energy capacity is just under 1MWp. All the sites qualified for 20-25 year FIT and have 25 year RPI linked PPAs with Thames Water. All the plants were built by and are currently operated by BG.

- ***Solar plant on Adnams Bio Energy asset***

  The Adnams Bio Energy asset is a ground-based solar plant which supplies power directly to a biogas plant owned by Adnams Bio Energy. The solar plant was grid-connected prior to the drop in FIT in August 2011. The Adnams Bio Energy asset derives 100 per cent. of its net revenue for FIT which was qualified at 30.7p per kWh for 25 years rising with RPI (with the current year's FIT being 34.1 pence per kWh).

The total consideration payable by Holdco under the Acquisition Agreement will be £8,914,000, which will be satisfied through a combination of cash and the allotment of the Consideration Shares, as described in more detail below.

Of the total consideration payable under the Acquisition Agreement, £7,725,957.35 in aggregate will be satisfied by the issue of the Consideration Shares and for these purposes the issue price of each Consideration Share will be an amount equal to the average mid-market price of the Ordinary Shares during the seven dealing days up to and including the third dealing day prior to completion of the Acquisition Agreement. The Consideration Shares will rank *pari passu* with the Ordinary Shares then in issue (save that Consideration Shares will not rank for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the issue of the Consideration Shares).

The Acquisition which is categorised as a related party transaction for the purposes of the Listing Rules was approved by Shareholders at the general meeting of the Company held on 1 October 2014 and the only remaining condition precedent to completion of the Acquisition is Admission of the Consideration Shares following the publication of this document, which is expected to occur on 9 October 2014.

FURTHER INVESTMENTS

The Company has demonstrated an ability to scale its portfolio rapidly and efficiently, as seen with the investment of the net proceeds from the IPO and the Tap Issue and monies drawn down under the Acquisition Facility, whilst maintaining significant contractual protection for its Shareholders. This is highlighted by its approach to funding assets through the construction phase. The Company has two primary routes to acquisition: (i) it will look to acquire either secondary, operational assets, as seen in the case of the North Beer, taking over the assets once fully operational and grid connected; and (ii) it will make payments to contractors throughout the construction phase, taking over the asset post grid connection. This approach, which delivered the majority of the Current Portfolio, seeks to maximise the Company's control and influence during the construction phase whilst minimising the risk to Shareholders. Typically, construction agreements are structured with significant protections

such as the contractor taking full responsibility to deliver the plant at a fixed cost and guaranteed timing. Examples of typical contractual protections are:

- the contractor guarantees the date of connection and for each day of delay, payment is received to compensate for the revenue forgone;
- fixed price build contract where the contractor is required to meet the additional cost or a rejection right is triggered; and
- the ROC banding is agreed and in the case the plant qualifies for a lower banding due to delays, the acquisition price is adjusted to enable the same investor return to be achieved.

During the construction phase, milestone payments will typically be backed by bank bonds or parent company guarantees and security over equipment to ensure that any capital provided before completion is recoverable.

Once the asset is operational, it is standard for the contractor to warrant its performance. Typically, over the first two years of operation, the contractor will compensate for revenue foregone in the event that efficiency in converting irradiation to energy is below the 'warranted level' (typically 80 to 85 per cent.). This obligation is normally backed by callable security in the form of a bank bond or parent guarantee and takes the form of a one-off price adjustment to put the Company's return back in line with its base case. If the underperformance exceeds a specified cap then this typically triggers a right to reject the plant whereby the Company is entitled to recover its full investment.

Pipeline

The Company has a pipeline of assets that are either under exclusivity or being negotiated on. All are being evaluated in the context of the DECC announcement of 2 October 2014. The Company will continue to buy secondary assets or, where appropriate contractual protections can be agreed, will make protected milestone payments during the construction phase.

Pipeline Origination

The Company has a proven track record in the origination and acquisition of large scale solar assets having committed to over 143MWp of assets since IPO. Via its Investment Adviser the Company has a significant pipeline of primary and secondary assets under review. The origination of this pipeline comes from a diverse range of developers, contractors and asset managers, many of whom the Investment Adviser has worked with previously. The Company also has access to a captive pipeline of developments via its development vehicle, BER.

Established Routes to Market

- ***Developers:*** Developers are established in the solar market to identify properties suitable for solar installations, to secure landlord consents for installations and to secure planning approvals and authorised grid connection points. Upon projects reaching the fully permitted stage, the Investment Adviser works closely with contractors who are able to complete the installation of the permitted solar site using Special Purpose Companies to hold the relevant asset.
- ***Contractors:*** Solar energy contractors, responsible for designing, procuring and constructing solar PV plants typically work closely with developers or develop their own pipeline of permitted sites, for which they then seek investment funding in order to construct the relevant asset. The Investment Adviser intends to work with such contractors to negotiate terms for the construction and delivery of solar PV assets to the Company, and through its relationship with construction contractors, the Investment Advisor continues to source an exclusive pipeline of potential solar assets for the Company.
- ***Acquisitions:*** As at 30 June 2014 there was approximately 2GWp of large scale non-domestic solar PV capacity operational in the UK. The Investment Adviser estimates the market value of this capacity to be in excess of £3.5 billion. Although the Company's deployment expectation is not reliant upon acquisition of solar PV assets in the secondary market, the Company expects to gain access to such market opportunities as they arise and will review such opportunities in accordance with its investment policy.

Exclusive access to development pipeline through captive development team

In anticipation of establishing the Company, the Investment Adviser established and staffed BER, a specialist solar development company in 2013. The owners of the Investment Adviser retain 100 per cent. ownership of BER and two of Bluefield's managing partners (James Armstrong and Giovanni Terranova) sit as non-executives on BER's board of directors.

In parallel to establishing BER, the Investment Adviser also supported the promotion of a new solar development fund, the Bluefield Development Fund, which is managed by an independent third party discretionary fund manager, Thompson Taraz Collectives Limited (**TTCL**). BER has been appointed by TTCL as its adviser in connection with the management of the Bluefield Development Fund and BER's services include sourcing investment opportunities, providing development consultancy services to take investments from inception to fully permitted status, and project management and other services to the SPVs in which the Bluefield Development Fund invests.

BER and the Bluefield Development Fund were established by the Investment Adviser with the aim of establishing a proprietary source of pipeline for the Company whilst avoiding the Company having to take direct risk investing in any projects prior to them being fully consented for construction and grid connection. The third party fund manager, TTCL, was appointed in order to ensure that investment and divestment decisions were clearly delinked from the control of the Investment Adviser.

The Investment Adviser's proprietary access to the Bluefield Development Fund pipeline has been achieved through the Investment Adviser entering into a pipeline agreement with TTCL (acting on behalf of the Bluefield Development Fund) and BER under which the Investment Adviser has the exclusive right, on behalf of any investment vehicle established, managed or advised by the Investment Adviser, to purchase and/or fund all DevCos from the Bluefield Development Fund at a capped price equal to the higher of £55,000/MWp per consented megawatt capacity or 1.5x of the value of the equity subscribed by the Bluefield Development Fund into the relevant DevCo. The Investment Adviser believes this price to be highly attractive relative to other third party development sources. In addition, through its active participation, and its members' ownership of BER, the Investment Adviser is able to gain a direct route to expertise and influence within the solar project development market.

As described above, under the Investment Advisory Agreement the Investment Adviser has granted a right of first refusal to the Group in respect of any projects within the Company's investment policy to which the Investment Adviser gains any exclusivity or right of first refusal, subject to the value of investment being not less than £5.0 million (whether in terms of the amount to be funded or the purchase price for the relevant asset).

The Group will have no obligation to buy any DevCo from the Bluefield Development Fund and any decision to acquire a DevCo will be subject to the approval of the Company's Board of Directors, following a recommendation from both the Investment Adviser's Investment Committee and Holdco's Investment Committee, in accordance with the investment approval process described in Part V of this document.

On any sale of a DevCo (whether to the Group or any other purchaser), BER will be entitled to 20 per cent. of the profits realised on the sale by the Bluefield Development Fund, such profit share to be payable by the DevCo. In view of James Armstrong and Giovanni Terranova acting as non-executive directors of BER and also as directors of the DevCos, they will not vote on any decision by the Investment Adviser's Investment Committee to recommend to the Group the proposed acquisition of any DevCo from the Bluefield Development Fund. In addition, BER has no authority to take investment decisions on behalf the Bluefield Development Fund and any decision to sell a DevCo will be taken by TCCL.

Whilst the proprietary access to project pipeline through BER and the Bluefield Development Fund is anticipated to be a key source of dealflow for the Company, the Company has no obligation to off-take projects from the Bluefield Development Fund and the Investment Adviser is actively working with other solar project developers as complimentary and potentially competing sources of deal flow.

PART V

DIRECTORS, MANAGEMENT AND ADMINISTRATION

DIRECTORS

The Board comprises four directors, each of whom is non-executive and independent of the Investment Adviser. Details of each of the Directors are set out below.

John Rennocks (*Chairman*)

John Rennocks is non-executive chairman of Diploma plc, a non-executive deputy chairman of Inmarsat Ventures plc and a non-executive director of Greenko Group plc, a developer and operator of hydro and wind power plants in India. He has broad experience in emerging energy sources, support services and manufacturing. Mr Rennocks previously served as a non-executive director of Foreign & Colonial Investment Trust plc, as well as several other public and private companies, and as Executive Director-Finance for Smith & Nephew plc, Powergen plc and British Steel plc/Corus Group plc. Mr Rennocks is a Fellow of the Institute of Chartered Accountants of England and Wales.

Paul Le Page (*Chairman of the Audit Committee*)

Paul Le Page is a director of FRM Investment Management Guernsey Limited, a subsidiary of Man Group Plc. He is responsible for managing hedge fund portfolios, and is a director of a number of FRM funds. Mr Le Page was formerly a Director of, and Audit Committee Chairman for, Cazenove Absolute Equity Limited and Thames River Multi Hedge PCC Limited. He has extensive knowledge of, and experience in, the fund management and the hedge fund industry. Prior to joining FRM, he was an Associate Director at Collins Stewart Asset Management from January 1999 to July 2005, where he was responsible for managing the firm's hedge fund portfolios and reviewing fund managers. He joined Collins Stewart in January 1999 where he completed his MBA in July 1999. He originally qualified as a Chartered Electrical Engineer after a 12-year career in industrial research and development, latterly as the Research and Development Director for Dynex Technologies (Guernsey) Limited, having graduated from University College London in Electrical and Electronic Engineering in 1987.

Laurence McNairn

Laurence McNairn was appointed as a non-executive director of the Company on 1 July 2013 and is a member of The Institute of Chartered Accountants of Scotland. He is an executive director of Heritage International Fund Managers Limited, the Company's Administrator and Secretary. He joined the Heritage Group in 2006 and prior to this worked for the Baring Financial Services Group in Guernsey from 1990.

John Scott

John Scott is a former investment banker who spent 20 years with Lazard and is currently a director of several investment trusts. Mr Scott has been Chairman of Scottish Mortgage Investment Trust PLC since December 2009 and Chairman of Impax Environmental Markets plc since May 2014; he has also been Chairman of Alpha Insurance Analysts since April 2013. Until the company's sale in March 2013 he was Deputy Chairman of Endace Ltd. of New Zealand and in November 2012 he retired after 12 years as a non-executive director of Miller Insurance. He has an MA in Economics from Cambridge University and an MBA from INSEAD; he is also a Fellow of the CII and of the CISI.

The business address of the Directors is the registered office of the Company.

MANAGEMENT

The Directors are responsible for managing the business affairs of the Company in accordance with the Articles and the investment policy and have overall responsibility for the Company's activities including its investment activities and reviewing the performance of the Company's portfolio.

The Directors may delegate certain functions to other parties such as the Investment Adviser, the Administrator and the Registrar. In particular, the Directors have delegated responsibility for day to day management of the assets comprised in the Company's portfolio to the Investment Adviser, but all investment decisions will be taken by the Board, having regard to advice from the Investment Adviser. The Directors also have responsibility for exercising overall control and supervision of the Investment Adviser.

CORPORATE GOVERNANCE

The GFSC issued a Corporate Governance Code (the **GFSC Code**) which came into effect on 1 January 2012 and which applies to Guernsey regulatory licensees and collective investment schemes. The Company has voluntarily committed to comply with the UK Corporate Governance Code (the **UK Code**) and the AIC Code (as defined below). Companies which report against the UK Code or the AIC Code are deemed to meet the requirements of the GFSC Code.

The Listing Rules require that the Company must "comply or explain" against the UK 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 arrangements.

The Directors recognise the value of the UK 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 Code. The areas of non-compliance by the Company with the UK Code are as follows:

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

The Company has not established a nomination committee or a remuneration committee, which is not in accordance with provisions B.2.1 and D.2.1 respectively of the UK Code. As all of the Directors are independent and non-executive, the Company considers that the Board as a whole can fulfil the role otherwise undertaken by such committees.

AIC Code

The Board has agreed to comply with the AIC Code of Corporate Governance (the **AIC Code**) produced by the Association of Investment Companies (**AIC**). The Company is a member of the AIC.

Audit Committee

The Company's Audit Committee, comprising all the Directors meets formally at least twice a year for the purpose, amongst other things, of considering the appointment, independence and remuneration of the auditor and to review the annual accounts, interim reports and interim management statements. Where non-audit services are to be provided by the auditor, full consideration of the financial and other implications on the independence of the auditor arising from any such engagement will be considered before proceeding. Mr Le Page acts as chairman of the Audit Committee. The principal duties of the Audit Committee are to consider the appointment of external auditors, to discuss and agree with the external auditors the nature and scope of the audit, to keep under review the scope, results and cost effectiveness of the audit and the independence and objectivity of the auditor, to review the external auditors' letter of engagement and management letter and to analyse the key procedures adopted by the Company's service providers.

Other committees

As noted above, the Board fulfils the responsibilities typically undertaken by a nomination committee and a remuneration committee. The Board as a whole also fulfils the functions of a management engagement committee and reviews the actions and judgments of the Investment Adviser and also the terms of the Investment Advisory Agreement.

Directors' Share dealings

The Directors have adopted a code of directors' dealings in Ordinary Shares, which is based on the Model Code for directors' dealings contained in the Listing Rules (the **Model Code**). The Board is responsible for taking all proper and reasonable steps to ensure compliance with the Model Code by the Directors.

THE INVESTMENT ADVISER

The Investment Adviser is a limited liability partnership registered in England (registered number: OC348071) with its registered office at 40 Queen Anne Street, London W1G 9EL and is authorised and regulated by the UK Financial Conduct Authority under number 507508.

The Investment Adviser has been appointed pursuant to the Investment Advisory Agreement, which is summarised in paragraph 5(a) of Part X of this document.

The Investment Adviser is led by its managing partners, James Armstrong, Mike Rand and Giovanni Terranova, who founded the business in 2009 following their prior work together in European solar energy. They are supported by an experienced executive team working from the London office.

The Investment Adviser's managing partners have a combined track record, prior to Bluefield, of investing in or project financing approximately £7 billion of renewable and conventional energy projects.

The managing partners have been involved in over £400 million of solar PV deals in both the UK and Europe since 2008, including over £235 million of solar PV transactions in the UK since December 2011 including the Company.

Bluefield's non-executive team includes William Doughty, the founding CEO of Semperian; Dr. Anthony Williams, the former chair of the Risk Committee for the Fixed Income, Currencies & Commodities Division, and Partner, at Goldman Sachs & Co; and Jon Moulton, the current chairman of Better Capital and former managing partner and founder of Alchemy Partners.

INVESTMENT COMMITTEE

The Investment Adviser's Investment Committee comprises William Doughty (Chairman), Dr. Anthony Williams, Mike Rand, Giovanni Terranova and James Armstrong. The committee members have a combined experience of over £17 billion of large scale infrastructure investments and have extensive experience of the acquisition and disposal of large scale infrastructure. Key sector experience includes renewable energy, conventional energy and social infrastructure.

James Armstrong

James Armstrong is a founder of the Investment Adviser and is one of the three managing partners. James has worked in renewable energy investment since 2006, and solar energy since 2007. He has been involved in over £300 million of solar funds and/or transactions in the UK & Europe since 2008 at, and prior to founding, Bluefield. He has worked in alternative asset investment since 2002 and has been focused on markets driven by government regulation.

Prior to founding Bluefield, James was a director at Foresight Group where, from 2006, he was involved in the establishment of its first renewable energy fund and its first specialised solar energy infrastructure fund. It was at Foresight that James first worked with the other founding partners of Bluefield, Mike Rand and Giovanni Terranova.

James has served as Board Director on a number of UK based solar energy asset companies. He is a regular speaker or panellist at solar and infrastructure conferences. James has a BA (Hons) in History from Newcastle University.

Mike Rand

Mike Rand is a founder of the Investment Adviser and is one of the three managing partners. He has worked in investment and finance since 1999, with energy sector experience dating from 2002.

Mike has participated in the financing of energy and infrastructure transactions with a total value of over £1 billion across Europe, America and Africa, including a significant number of transactions in solar PV in the UK and Europe. Mike has been involved in over £300 million of UK and European solar energy transactions at, and prior to founding, Bluefield.

Prior to founding Bluefield, Mike was investment director for Foresight Group, taking leading roles in equity investment and project financing of the solar energy portfolio for the Foresight European Solar Fund. It was at Foresight that Mike first worked with the other founding partners of Bluefield, James Armstrong and Giovanni Terranova.

Mike previously worked as Principal Banker in the Energy Group at the European Bank for Reconstruction and Development, with a particular focus on renewable energy; and as Investment Associate at Actis Capital LLP, formerly CDC Group. During his career Mike has taken responsibility for the management of a number of equity portfolios in the energy sector and his experience includes project mergers, exits and restructurings.

Mike has served as Board Director on a number of UK based solar energy asset companies. Mike has an MA in Economics from Cambridge University and has presented at a number of international renewable energy conferences.

Giovanni Terranova

Giovanni Terranova is a founder of the Investment Adviser and is one of the three managing partners. He is an energy finance specialist having worked in banking, advisory and private equity since 2000, with a particular focus on energy and renewables since 2005. Giovanni has participated in the funding of over €8 billion of energy transactions globally. He has been involved in over £400 million of UK and European solar energy transactions at, and prior to founding, Bluefield.

Giovanni's previous responsibilities include investment director at Foresight Group, taking a leading role in the project financing of the solar energy portfolio for the Foresight European Solar Fund. It was at Foresight that Giovanni first worked with the other founding partners of Bluefield, James Armstrong and Mike Rand. Giovanni previously worked in the Energy Group at Fortis Bank where he focussed on renewable energies and was instrumental in establishing the Bank's competence centre in solar energy.

Giovanni has served as the President of the Board of Directors on two Italian solar energy companies. He has as MBA from Luiss School of Management, Rome, and an MSc in Power Engineering. Giovanni has presented at a number of international renewable energy conferences and published research on the solar energy sector in 1998.

William Doughty

William Doughty is a partner in Bluefield and is chairman of the Bluefield Partners LLP investment committee. He is an infrastructure and fund management specialist. He is the former founding executive chairman of Semperian Group, one of the largest PPP (**Public Private Partnership**) investors in Europe at that time, managing a £1.4 billion infrastructure fund, with 106 projects under management.

William was a former board director of Land Securities Trillium, responsible for its Infrastructure and PPP activities. He was personally responsible for the establishment, management and sale of the Secondary Market Infrastructure Fund (**SMIF**) to Land Securities. He was previously responsible for the management and realisation of a £3 billion infrastructure portfolio for Abbey National.

William's previous board positions include Land Securities Trillium, Sydney Airport, Macquarie's Airport Group and Portsmouth Water. He has been an investor in solar energy funds managed by Bluefield's Managing Partners prior to, and since, Bluefield was established.

Dr. Anthony Williams

Anthony Williams is a partner in Bluefield, the chairman of Bluefield Partners LLP and chairman of the Bluefield Partners LLP valuation committee. He is a financial risk management specialist.

He was formerly a partner and managing director at Goldman Sachs & Co. where he worked for over 10 years. During his time at Goldman Sachs, he was responsible for building the firm's Fixed Income Arbitrage and Swaps businesses. In addition to his positions as Global Head of Fixed Income Arbitrage and Global Co-Head of Swaps, during his tenure Anthony took responsibility for managing risk across the firm's global Fixed Income, Currency and Commodities trading activities as Chair of the Risk Committee for the Fixed Income, Currency and Commodities Division.

Previously, he held a Research Fellowship in Radio Astronomy at St John's College Cambridge where he was Director of Studies in Mathematics for Natural Sciences. Anthony has a BA, MA and PhD from Cambridge University where he studied Physics.

OTHER PARTNERS

Jon Moulton

Jon Moulton is a partner in Bluefield Partners LLP and brings over 30 years' specialist experience in private equity investing. He is currently the Chairman of Better Capital, founded in 2009. This followed 13 years as the founding managing partner of Alchemy Partners, where he was responsible for building the business to become a leading UK private equity investor, and investing over £2 billion with a focus on turnaround and distressed assets.

Jon's prior responsibilities included his role as director at Apax Partners, managing partner at Schroder Ventures, and managing director at Citicorp Venture Capital. He is a qualified Chartered Accountant, is a well known representative of the private equity industry and has been a source of government and media consultation on wide ranging private equity and tax issues. He is the non-executive chairman of FinnCap, the stockbroker, and chairman of the Channel Island Stock Exchange.

He has also been appointed a member of the advisory board for the £2.8 billion UK Regional Growth Fund. Jon does not have any day-to-day involvement in the running of the partnership.

SELECTED SENIOR EXECUTIVES

The partners are backed by a highly experienced, dedicated team of investment and administrative professionals working out of the London office. The team previously worked for major European and UK based energy utilities, renewable energy investment funds, developers and EPC and generalist private equity firms.

TRACK RECORD

The Investment Adviser has been operating in the UK market since its establishment in 2009 and in 2011 acquired one of the first large-scale solar plants to be developed and constructed in the UK market which was grid connected in July 2011 under the UK's first solar PV feed-in tariff legislation. When the Investment Adviser established the Company it was the first large scale solar focused fund to be listed on the London Stock Exchange. The Investment Adviser has been involved in c.£235 million of UK based solar transactions to date.

INVESTMENT PROCESS AND STRATEGY

Through its track record of investment in the UK solar energy market the Investment Adviser has developed a rigorous approach to investment selection, appraisal and commitment. This investment process is based upon repeat transaction experience with specialist advisors; application of standardised terms which have been developed and refined based upon direct experience of operating solar assets; and through a rigorous internal approval process prior to issuing investment recommendations. All investment recommendations by the Investment Adviser (including investment and divestment recommendations) are subject to review and approval by the Company's experienced Board of Directors.

Repeat transaction experience with specialist advisors

The Investment Adviser has worked with legal, technical, insurance and accounting advisors in each of the transactions it has executed in the UK market. This direct experience has enabled it to develop an understanding of key areas of competence to address specific issues; for example, identifying

specific individuals who are expert in advising in specific detailed technical aspects of a project. Through this direct specialist experience the Investment Adviser is able to source relevant expertise to address project issues both during and following a transaction.

Application of standardised terms developed based upon direct experience

The Investment Adviser has developed standardised terms which have been specifically tested by reference to real transaction and project operational experience. Whilst contract terms are specifically negotiated and tailored for each individual project, solar project contracts applied by the Investment Adviser typically have specific protections from the construction contractor regarding recovery of revenue losses for underperformance and obligations for correction of defects. Both such provisions have been specifically exercised by Bluefield giving it direct experience in activating contractual protections.

Rigorous internal approval process

All investment recommendations issued to the Company, and all investment recommendations made in relation to previous transactions of the Investment Adviser are made following the formalised review process described below:

1. ***Investment origination and review by Managing Partners***

   Before incurring costs in relation to the preparation of a transaction a project is concept reviewed by the Investment Advisor's Managing Partners, following which a letter of interest or memorandum of understanding is issued and project exclusivity is secured.

2. ***Director Concept Approval***

   In the event that material costs are to be incurred in pursuing a transaction a concept paper is issued by the Investment Adviser for review by the Directors of the Company. This concept review fixes a project budget as well as confirming the project proposal is in line with the Company's investment policy and strategy.

3. ***Due diligence***

   In addition to applying its direct commercial experience in executing solar PV project acquisitions and managing operational solar plants, the Investment Adviser engages legal, technical and, where required, insurance and accounting advisors to undertake independent due diligence in respect of a project. Where specialist expertise is required due to project specificities, the Investment Advisor has experience is identifying relevant experts.

4. ***Bluefield Investment Committee***

   Investment recommendations issued by the Investment Adviser are made following the submission of a detailed investment paper to Bluefield's Investment Committee. Bluefield's Investment Committee operates on the basis of unanimous consent and has a track record of making detailed evaluation of project risks. The investment paper submitted to Bluefield's Investment Committee will disclose all interests which the Investment Adviser and any of its affiliates may have in the proposed transaction and in the case of any investment proposal concerning an asset sourced from the Bluefield Development Fund, neither James Armstrong nor Giovanni Terranova (both of whom are non-executive Directors of BER and may act as directors of the DevCo's offered for sale to the Group), will vote on any decision to recommend the proposed transaction.

5. ***Group Board Approval***

   Following approval by Bluefield's Investment Committee, investment recommendations are issued by the Investment Adviser to the Group for review by the boards of the Company and Holdco. Both the Company and the Holdco board undertake detailed review meetings with the Investment Adviser to assess the project prior to determining any approval. Both board approvals are required in order for a transaction to be approved. If the boards of the Company and Holdco approve the relevant transaction, the Investment Adviser is authorised to execute

the transaction in accordance with the Investment Adviser's recommendation and any condition stipulated in the boards' approval.

6. ***Closing Memorandum***

Prior to executing the transaction the Investment Adviser completes a closing memorandum confirming that the final transaction is in accordance with the terms presented in the investment paper to the Investment Committee, detailing any material variations and outlining how any conditions to the approval of the Investment Committee and/or Board approval have been addressed. This closing memorandum is countersigned by an appointed member of the Investment Committee prior to closing of the transaction.

CONFLICTS OF INTEREST

The Investment Adviser and any of its members, directors, officers, employees, agents and connected persons, and any person or company with whom they are affiliated or by whom they are employed (**Interested Parties**) may be involved in other financial, investment or other professional activities which may cause potential conflicts of interest with the Company and its investments. Interested Parties may provide services similar to those provided to the Group to other entities and will not be liable to account for any profit earned from any such services. In particular, BER, a company which is under common control with the Investment Adviser, provides project management and other services to Special Purpose Companies in which the Bluefield Development Fund invests.

The Special Purpose Companies owning the solar PV assets developed by the Bluefield Development Fund may be sold to, or funded by, the Company in accordance with the pipeline arrangements, further details of which are set out in Part IV of this document, and on any sale of shares in the Special Purpose Companies, BER will be entitled to 20 per cent. of the profits realised on the sale by the Bluefield Development Fund.

The Investment Adviser and its directors, officers, employees and agents will at all times have due regard to their duties owed to members of the Group and where a conflict arises they will endeavour to ensure that it is resolved fairly. Subject to the arrangements explained above, the Company may (directly or indirectly) acquire securities from or dispose of securities to any Interested Party or any investment fund or account advised or managed by any such person. An Interested Party may provide professional services to members of the Group (provided that no Interested Party will act as auditor to the Company) or hold Ordinary Shares and/or C Shares and buy, hold and deal in any investments for their own accounts, notwithstanding that similar investments may be held by the Group (directly or indirectly).

An Interested Party may contract or enter into any financial or other transaction with any member of the Group or with any shareholder or any entity, any of whose securities are held by or for the account of the Group, or be interested in any such contract or transaction. Furthermore, any Interested Party may receive commissions to which it is contractually entitled in relation to any sale or purchase of any investments of the Group effected by it for the account of the Group, provided that in each case the terms are no less beneficial to the Group than a transaction involving a disinterested party and any commission is in line with market practice.

The Directors have noted that the Investment Adviser has other clients and have satisfied themselves that the Investment Adviser has procedures in place to address potential conflicts of interest.

OTHER ARRANGEMENTS

Administrator and secretary

Heritage International Fund Managers Limited has been appointed as Administrator to the Company pursuant to the Administration Agreement (further details of which are set out in paragraph 5(b) of Part X of this document) and also provides company secretarial services and a registered office to the Company. For the purposes of the Rules, the Administrator is the designated manager of the Company.

The Administrator is responsible for the safekeeping of any share and loan note certificates in respect of the Group's investments, the implementation of the Group's cash management policy, production

of the Company's accounts, regulatory compliance, providing support to the Board's corporate governance process and its continuing obligations under the Listing Rules and the Disclosure and Transparency Rules, and for dealing with dividend payments and investor reporting. In addition, the Administrator is responsible for the day to day administration of the Company (including but not limited to the calculation, in conjunction with the Investment Adviser, of the Net Asset Value of the Company and the Ordinary Shares) and for general secretarial functions required by the Companies Law (including but not limited to the maintenance of the Company's accounting and statutory records).

Registrar

Capita Registrars (Guernsey) Limited has been appointed as the Company's registrar in relation to the transfer and settlement of Shares held in certificated and uncertificated form.

Auditor

KPMG Channel Islands Limited provides audit services to the Group. The annual report and accounts are prepared in accordance with IFRS, as adopted by the EU.

PART VI

FEES AND EXPENSES, REPORTING AND VALUATION

FEES AND EXPENSES

Placing Programme costs

Up to 250 million New Ordinary Shares and/or C Shares in aggregate are available for issue under the Placing Programme.

The net proceeds of the Placing Programme are dependent on: (i) the aggregate number of New Ordinary Shares and/or C Shares issued pursuant to the Placing Programme; and (ii) the price at which any New Ordinary Shares are issued.

Assuming: (i) only New Ordinary Shares are issued pursuant to the Placing Programme at an Issue Price of 103 pence per New Ordinary Share; and (ii) the Company issues the maximum number of New Ordinary Shares available for issue under the Placing Programme, the Company would raise £257.5 million of gross proceeds from the Placing Programme. After deducting expenses (including any commission) of approximately £3.7 million, the net proceeds of the Placing Programme would be approximately £253.8 million.

All New Ordinary Shares issued pursuant to the Placing Programme will be issued at a premium to the Net Asset Value per Ordinary Share at least sufficient to cover the costs and expenses of the relevant Placing. The Issue Price of any New Ordinary Shares to be issued pursuant to a Placing will be announced through an RIS as soon as is practicable following the allotment of such New Ordinary Shares.

The costs and expenses of any Placing of C Shares will be deducted from the gross proceeds of such Placing.

Ongoing expenses

Investment Adviser's fees

- *Base Fee*

  The Investment Adviser is entitled to an annual base fee which accrues daily and is calculated on a sliding scale as follows:

  - 1.00 per cent. of NAV up to and including £100 million;
  - 0.80 per cent. of NAV above £100 million and up to and including £200 million; and
  - 0.60 per cent. of NAV above £200 million.

  The base fee is payable quarterly in arrears in cash, and is calculated on the NAV reported in the most recent quarterly NAV calculation as at the date of payment. The base fee is subject to clawback as described below under "Variable Fee".

- *Variable Fee*

  If in any year (excluding the Company's first financial year), the Company fails to achieve its distribution target of 7 pence per Ordinary Share per year (as increased annually in line with RPI), the Investment Adviser will repay its base fee in the proportion by which the actual annual distribution per Ordinary Share is less than the target distribution, subject to a maximum repayment in any year equal to 35 per cent. of the base fee calculated prior to any deduction being made. The repayment will be split equally across the four quarters in the following financial year and will be set off against the quarterly management fee payable to the Investment Adviser in that following financial year.

  If in any year (excluding the Company's first financial year), the Company exceeds its distribution target of 7 pence per Ordinary Share per year (as increased annually in line with RPI), the Investment Adviser will be entitled to a variable fee equal to 30 per cent. of the

excess, subject to a maximum variable fee in any year equal to 1.00 per cent. of the NAV as at the end of the relevant financial year. The variable fee shall be satisfied by the issue of Ordinary Shares to the Investment Adviser at the end of the relevant financial year at an issue price equal to the prevailing NAV per Ordinary Share at the financial year end. The Ordinary Shares issued to the Investment Adviser in satisfaction of the variable fee will be subject to a three year lock-up period, with one-third of the relevant Ordinary Shares becoming free from the lock-up on each anniversary of their issue (subject to certain usual exceptions which are summarised in paragraph 5(a) of Part X of this document). The Board may, at its discretion, satisfy such issue of Ordinary Shares to the Investment Adviser by way of a new issue of Ordinary Shares, a sale of Ordinary Shares out of treasury or through Ordinary Shares purchased in the market.

The Base Fee and the Variable Fee will be borne by the members of the Group to reflect the extent to which the services provided by the Investment Adviser are provided to the relevant member of the Group. It is expected that the majority of the Investment Adviser's fees will be borne by Holdco as most of the Investment Adviser's services are and will be provided to it in respect of the Special Purpose Companies in which the Group invests.

Other fees and expenses

The Company will also incur further on-going annual fees and expenses, which will include the following:

- *Administrator*

  Under the terms of the Administration Agreement, the Administrator is entitled to an annual fee in respect of administration, accounting, corporate secretarial, corporate governance, regulatory compliance and Listing Rule continuing obligations calculated on a sliding scale based on the Net Asset Value subject to a minimum fee of £100,000 per annum. In addition, the Administrator will receive an annual fee of £5,000 and £2,500 for the provision of a compliance officer and MLRO respectively. The Administrator will, in addition, be entitled to recover third party expenses and disbursements.

- *Registrar*

  The Registrar is entitled to an annual fee from the Company equal to £1.65 per Shareholder per annum or part thereof; with a minimum of £7,500 per annum. Other registrar activity will be charged for in accordance with the Registrar's normal tariff as published from time to time.

- *Directors*

  The Directors are remunerated for their services at a fee of £30,000 per annum (£50,000 for the Chairman). In addition, the chairman of the Audit Committee receives an additional £5,000 per annum for his services in this role. Further information in relation to the remuneration of the Directors is set out in Part X of this document.

  The Company has agreed that in relation to their first two years' fees, the Directors could elect to receive some or all of such fees through an issue of Ordinary Shares at the IPO issue price of £1.00 per Ordinary Share, with such issue to take place immediately following the IPO. In aggregate, 290,000 Ordinary Shares were issued to the Directors who made this election, resulting in a reduction of the cash fees payable to the Directors in respect of the Company's first two financial years of £290,000.

- *Other operational expenses*

  All other ongoing operational expenses (excluding fees paid to service providers as detailed above) of the Company will be borne by the Company including, without limitation, the incidental costs of making its investments and the implementation of its investment objective and policy; travel, accommodation and printing costs; the cost of directors' and officers' liability insurance and website maintenance; audit and legal fees; and annual listing fees. All out of pocket expenses that are reasonably and properly incurred, of the Investment Adviser, the Administrator, the Registrar and the Directors relating to the Company will be borne by the Company or Holdco.

MEETINGS AND REPORTS

All general meetings of the Company shall be held in Guernsey. The Company's first annual general meeting will be held in Guernsey on 17 October 2014. The Company's audited annual report and accounts will be prepared to 30 June each year, with the Company's first annual audited accounts having being prepared to 30 June 2014, and it is expected that copies will be sent to Shareholders in October each year, or earlier if possible. Shareholders will also receive an unaudited interim report each year commencing in respect of the period to 31 December, expected to be despatched in February each year, or earlier if possible. The Company's audited annual report and accounts are available on the Company's website, www.bluefieldsif.com.

The Company's accounts and the annual report are drawn up in sterling and in accordance with IFRS, as adopted by the EU.

VALUATIONS

The Investment Adviser will produce fair market valuations of the Group's investments on a semi-annual basis as at 30 June and 31 December each year, which forms the basis of the Net Asset Value calculation prepared by the Administrator. In every third year, commencing not later than the financial year ending 30 June 2016, the Board intends to instruct an independent third party to value the Group's investments as at the end of the relevant financial year.

The Administrator, in conjunction with the Investment Adviser, will calculate the Net Asset Value and the Net Asset Value per Ordinary Share as at the end of each quarter of the Company's financial year and report such calculation to the Board.

The Board will approve each quarterly Net Asset Value calculation. These calculations will be reported quarterly to Shareholders and reconciled in the Company's annual report. The Net Asset Value will also be announced as soon as possible on a Regulatory Information Service, by publication on the Company's website, www.bluefieldsif.com, and on www.londonstockexchange.com. The Company may delay public disclosure of the Net Asset Value to avoid prejudice to its legitimate interests, provided that such delay would not be likely to mislead the public and the Company has put in place appropriate measures to ensure confidentiality of that information. Any delay in the public disclosure of the Net Asset Value will be announced as soon as possible via a Regulatory Information Service.

All calculations will be based, in part, on valuation information provided by the SPVs. Although the Administrator and the Investment Adviser, as appropriate, will evaluate the information and data provided by the SPVs, they may not be in a position to confirm the completeness, genuineness or accuracy of such information or data, nor may such information be up to date by the time it has been received by the Company. Shareholders should bear in mind that the actual Net Asset Values may be materially different from the quarterly estimates.

The Board may determine that the Company shall temporarily suspend the determination of the Net Asset Value per Ordinary Share when the prices of any investments owned by the Group cannot be promptly or accurately ascertained; however, in view of the nature of the Company's proposed investments, the Board does not envisage any circumstances in which valuations will be suspended.

PART VII

FINANCIAL INFORMATION

DOCUMENT INCORPORATED BY REFERENCE

The annual report and financial statements of the Group for the period from 29 May 2013 to 30 June 2014, containing the audited consolidated financial statements of the Group for that period together with the audit report by the Auditors thereon is incorporated into this document by reference:

Copies of this document are available as provided for in paragraph 13 of Part X of this Prospectus. Where this document makes reference to other documents, such other documents are not incorporated into and do not form part of this document. Any information contained in the document incorporated by reference which is not expressly incorporated in, and does not form part of, this document is either not relevant for investors or is covered elsewhere in the document.

The discussion includes forward-looking statements that reflect the current views of the Directors and the Investment Adviser and involves risks and uncertainties. The actual results of the Group could differ materially from those contained in any forward-looking statements as a result of factors discussed below and elsewhere in this document, particularly in "Risk Factors". Prospective investors should read the whole of this document and not rely just on summarised information.

The financial information contained in this Part VII in respect of the Company has been extracted without material adjustment from the report and audited accounts of the Group in respect of the period from 29 May 2013 to 30 June 2014 (the **First Accounting Period**), which have been incorporated by reference.

KPMG Channel Islands Limited was engaged by the Company as its auditors in respect of the First Accounting Period. The audit opinion provided by KPMG Channel Islands Limited and incorporated by reference in this Prospectus has not been qualified.

1. STATUTORY ACCOUNTS FOR THE FIRST ACCOUNTING PERIOD

Statutory accounts of the Group for the period from 29 May 2013 to 30 June 2014, in respect of which the Company's auditors, KPMG Channel Islands Limited has given an unqualified opinion that the accounts give a true and fair view of the state of affairs of the Group for the period from 29 May 2013 to 30 June 2014 and that the accounts have been properly prepared in accordance with the Companies (Guernsey) Law, 2008 and have been incorporated into this document by reference.

KPMG Channel Islands Limited is a member of the Institute of Chartered Accountants in England and Wales.

2. PUBLISHED REPORT AND ACCOUNTS FOR THE FIRST ACCOUNTING PERIOD

2.1 Historical financial information

The published report and audited accounts for the Group for the period from 29 May 2013 to 30 June 2014, which have been incorporated in this document by reference, included, on the pages specified in the table below, the following information:

Annual report and accounts for the period from 29 May 2013 to 30 June 2014 (audited)

	Page numbers
General Information	3
Highlights	4
Corporate Summary	6
Chairman's Statement	7
The Company's Investment Portfolio	10
Analysis of the Company's Investment Portfolio	11
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2.2 **Selected financial information**

The key audited figures that summarise the Group's financial condition in respect of the period from 29 May 2013 to 30 June 2014, which have been extracted without material adjustment from the historical financial information referred to in paragraph 2.1 of this Part VII, are set out in the following table:

	As at or for the period from 29 May 2013 to 30 June 2014 (audited)
Net assets (£'000)	147,676
Net asset value per Ordinary Share (pence)	102.96
Total operating income (£'000)	12,039
Net (loss)/profit (£'000)	9,444
Earnings per Ordinary Share (pence)	6.99
Dividend per Ordinary Share (pence)[(1)]	4.00

2.3 **Operating and financial review**

The Group's published annual reports and accounts for the period from 29 May 2013 to 30 June 2014, included, on the pages specified in the table below: descriptions of the Group's financial condition (in both capital and revenue terms); details of the Group's investment activity and portfolio exposure; and changes in its financial condition for such period.

	Annual report and accounts for the period ended 30 June 2014 (audited) Page numbers
Chairman's Statement	7
Report of the Investment Adviser	26
Analysis of the Company's Investment Portfolio	11

(1) A first interim dividend of 2 pence per Ordinary Share was declared and paid during the period from 29 May 2013 to 30 June 2014 with a second interim dividend of 2 pence per Ordinary Share declared in respect of that period declared and to be paid after the end of the period.

2.4 **Capital resources**

The Group is funded by both equity and debt, with the debt provided through a £50 million Acquisition Facility pursuant to a loan agreement with The Royal Bank of Scotland which expires on 10 June 2017. As at 30 September 2014, the latest practicable date prior to the publication of this document, £8,2323,062 of the Acquisition Facility was drawn down and the Group's borrowings represent approximately 5.57 per cent, of the Gross Asset Value.

2.5 **Availability of annual reports and accounts for inspection**

Copies of the Company's report and audited accounts for the period from 29 May 2013 to 30 June 2014 are available for inspection at the address set out in paragraph 13 of Part X of this document and also at www.bluefieldsif.com.

3. CAPITALISATION AND INDEBTEDNESS

Set out below is a statement of capitalisation and indebtedness in relation to the Group.

The indebtedness information set out below has been extracted without material adjustment from the Company's unaudited management accounts as at 31 August 2014. The capitalisation information set out below has been extracted without material adjustment from the Company's audited financial information for the period from 29 May 2013 to 30 June 2014. There has been no material change in the capitalisation of the Group since 30 June 2014.

	As at 31 August 2014 (unaudited) £000s
Indebtedness	
Total Current Debt	0
Guaranteed	0
Secured	0
Unguaranteed/Unsecured	0
Total Non-current Debt	2,400
Guaranteed	0
Secured	2,400
Unguaranteed/Unsecured	0

	As at or for the period ended 30 June 2014 (audited) £000s
Capitalisation	
Shareholders' Equity	
Share capital	140,838
Legal reserve	0
Other reserve	6,838
Total	147,676

The following table shows the Company's unaudited net indebtedness as at 31 August 2014.

		31 August 2014 (unaudited) £'000
A.	Cash	1,850
B.	Cash equivalent	1,820
C.	Trading securities	0
D.	**Liquidity (A+B+C)**	**3,670**
E.	**Current financial receivable**	**427**
F.	Current bank debt	0
G.	Current portion of non-current debt	0
H.	Other current financial debt	0
I.	**Current financial debt (F+G+H)**	**0**
J.	**Net current financial indebtedness (I-E-D)**	**(4,097)**
K.	Non-current bank loans	2,400
L.	Bonds issued	0
M.	Other non-current loans	0
N.	**Non-current financial indebtedness (K+L+M)**	**2,400**
O.	**Net financial indebtedness (J+N)**	**(1,697)**

4. WORKING CAPITAL

The Company is of the opinion that the working capital available to it is sufficient for the Group's present requirements, that is for at least the next 12 months from the date of this document.

PART VIII

TAXATION

GENERAL

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

GUERNSEY TAXATION

(i) The Company

The Company has applied for and been granted exemption from liability to income tax in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 as amended by the Director of Income Tax in Guernsey for the current year. Exemption must be applied for annually and will be granted, subject to the payment of an annual fee, which is currently fixed at £600 per applicant, provided the applicant qualifies under the applicable legislation for exemption. It is the intention of the Directors to conduct the affairs of the Company so as to ensure that it continues to qualify for exempt company status for the purposes of Guernsey taxation.

As an exempt company, the Company is and will be treated as if it were not resident in Guernsey for the purposes of liability to Guernsey income tax. Under current law and practice in Guernsey, the Company will only be liable to tax in Guernsey in respect of income arising or accruing in Guernsey, other than from a relevant bank deposit.

(ii) Taxation of Shareholders

Provided the Company maintains its exempt status, Shareholders who are resident for tax purposes in Gunersey (which includes Alderney and Herm for these purposes) will suffer no deduction of tax by the Company from any dividends payable by the Company but the Administrator will provide details of distributions made to Guernsey resident Shareholders to the Director of Income Tax in Guernsey, including the names and addresses of the Guernsey resident Shareholders, the gross amount of any distribution paid and the date of the payment. The Director of Income Tax can require the Company to provide the name and address of every Guernsey resident who, on a specified date, has a beneficial interest in Shares, with details of the interest. Shareholders resident outside Guernsey will not be subject to any tax in Guernsey in respect of distributions paid in relation to any Shares owned by them or on the disposal of their holding of shares in the Company.

(iii) Capital Taxes and Stamp Duty

Guernsey currently does not levy taxes upon capital inheritances, capital gains (with the exception of a dwellings profit tax, which is currently suspended) gifts, sales or turnover, nor are there any estate duties, save for registration fees and *ad valorem* duty for a Guernsey Grant of Representation where the deceased dies leaving assets in Guernsey (which required presentation of such a grant). No stamp duty is chargeable in Guernsey on the issue, transfer, switching or redemption of shares in the Company.

(iv) **EU Savings Tax Directive**

Although not a member state of the European Union, Guernsey, in common with certain other jurisdictions, entered into bilateral agreements with EU member states on the taxation of savings income. From 1 July 2011, paying agents in Guernsey must automatically report to the Director of Income Tax in Guernsey any interest payment to individuals resident in the contracting EU member states which falls within the scope of the EU Savings Directive (2003/48/EC) (**EU Savings Directive**) as applied in Guernsey. However, whilst such interest payments may include distributions from the proceeds of shares or units in certain collective investment schemes which are, or are equivalent to, UCITS, in accordance with EC Directive 85/611/EEC (as recast by EC Directive 2009/65/EC (recast)) and guidance notes issued by the States of Guernsey on the implementation of the bilateral agreements, the Company should not be regarded as, or as equivalent to, a UCITS. Accordingly, any payments made by a paying agent in Guernsey to Shareholders will not be subject to reporting obligations pursuant to the agreements between Guernsey and EU member states to implement the EU Savings Directive in Guernsey. It is unclear whether paying agents in other jurisdictions that have implemented the EU Savings Directive or equivalent measures will also view the Company as outside the scope of the EU Savings Directive.

On 24 March 2014, the Council of the European Union formally adopted a directive to amend the EU Savings Directive. The amendments significantly widen the scope of the EU Savings Directive. EU member states are required to adopt national legislation to comply with the amended EU Savings Directive by 1 January 2016. The amended EU Savings Directive is anticipated to be applicable from 2017. Guernsey, along with other dependent and associated territories, will consider the effect of the amendments to the EU Savings Directive in the context of existing bilateral agreements and domestic law. If changes to the implementation of the EU Savings Directive are brought into effect, then the treatment of investors in the Company and the position of the Company in relation to the EU Savings Directive may be different to that set out above.

(v) **FATCA – US-Guernsey Intergovernmental agreement**

On 13 December 2013, the Chief Minister of Guernsey signed an intergovernmental agreement with the US (**US-Guernsey IGA**) regarding the implementation of FATCA, under which certain disclosure requirements will be imposed in respect of certain investors in the Company who are, or being entities are controlled by one or more, residents or citizens of the US. The US-Guernsey IGA will be implemented through Guernsey's domestic legislation in accordance with guidance which is currently in draft form. Accordingly, the full impact of the US-Guernsey IGA on the Company and the Company's reporting responsibilities pursuant to the US-Guernsey IGA as implemented in Guernsey is currently uncertain.

The US Treasury and the IRS issued Notice 2013-43 (**Notice**) on 12 July 2013 which, *inter alia*, refers to the treatment of financial institutions operating in jurisdictions that have signed an intergovernmental agreement to implement FATCA. According to the Notice, a jurisdiction will be treated as having in effect an intergovernmental agreement if the jurisdiction is listed on the US Treasury website as a jurisdiction that is treated as having an intergovernmental agreement in effect. In general, the US Treasury and the IRS intend to include on this list jurisdictions that have signed but have not yet brought into force an intergovernmental agreement. A financial institution resident in a jurisdiction that is treated as having an intergovernmental agreement in effect will be permitted to register on the FATCA registration website. The US-Guernsey IGA is listed on the US Treasury website.

(vi) **UK-Guernsey Intergovernmental Agreement**

On 22 October 2013, the Chief Minister of Guernsey signed an intergovernmental agreement with the UK (**UK-Guernsey IGA**) under which certain disclosure requirements will be imposed in respect of certain investors in the Company who are resident in the UK or which are entities that are controlled by one or more residents in the UK. The UK-Guernsey IGA will be

implemented through Guernsey's domestic legislation in accordance with guidance which is currently in draft form. Accordingly, the full impact of the UK-Guernsey IGA on the Company and its reporting responsibilities pursuant to the UK-Guernsey IGA is currently uncertain.

UNITED KINGDOM TAXATION

The following paragraphs are intended only as a general guide and are based on current legislation and HM Revenue & Customs (**HMRC**) published practice, which is subject to change at any time (possibly with retrospective effect). They are of a general nature and do not constitute tax advice and apply only to Shareholders who are resident in the UK, who are the absolute beneficial owners of their New Ordinary Shares, Consideration Shares and/or C Shares and who hold their shares as an investment. They do not address the position of certain classes of Shareholders such as dealers in securities, insurance companies or collective investment schemes.

If you are in any doubt as to your tax position or if you are subject to tax in a jurisdiction outside the UK, you should consult an appropriate professional adviser without delay.

The Company

The Directors intend that the affairs of the Company should be managed and conducted so that it does not become resident in the UK for UK taxation purposes. Accordingly, and provided that the Company does not carry on a trade in the UK through a permanent establishment, the Company will not be subject to UK income tax or corporation tax on its profits other than on any UK source income.

Certain interest and other income received by the Company which has UK source may be subject to withholding taxes in the UK.

Holdco

Holdco will be liable to UK corporation tax on its income, although dividend income may be exempt from tax. Income arising from overseas investments may be subject to foreign withholding taxes at varying rates, but double taxation relief may be available. Holdco will also be liable to UK corporation tax on chargeable gains, however in certain cases these may be exempt under the Substantial Shareholding Exemption subject to meeting the relevant qualifying criteria.

Shareholders

Income

Shareholders who are resident in the UK for taxation purposes may, depending on their circumstances, be liable to UK income tax or corporation tax in respect of dividends paid by the Company.

UK resident individual Shareholders who are additional rate taxpayers will be liable to income tax at 37.5 per cent., higher rate taxpayers will be liable to income tax at 32.5 per cent. and other individual taxpayers will be liable to income tax at 10 per cent. A tax credit equal to 10 per cent. of the gross dividend (also equal to one-ninth of the cash dividend received) should be available to set off against a Shareholder's total income tax liability. The effect of the tax credit is that a basic rate taxpayer will have no further tax to pay, a higher rate taxpayer will have to account for additional tax equal to 22.5 per cent. of the gross dividend (which also equals 25 per cent. of the net dividend received) and an additional rate taxpayer will have to account for additional tax equal to 27.5 per cent. of the gross dividend (or 30.56 per cent. of the cash dividend received). The tax credit will not be available to any individual who owns (together with connected persons) 10 per cent. or more of the class of issued share capital of the Company in respect of which the dividend is made.

A UK resident corporate Shareholder will be liable to UK corporation tax (currently 21 per cent. but falling to 20 per cent. in April 2015 on the assumption that the UK government implements announcements made in the 2013 Budget) unless the dividend falls within one of the exempt classes set out in Part 9A of the Corporation Tax Act 2009. It is likely that dividends will fall within one of such exempt classes but Shareholders within the charge to UK corporation tax are advised to consult their independent professional tax advisers to determine whether dividends received will be subject to UK corporation tax.

Chargeable gains

Any gains on disposals by UK resident Shareholders or Shareholders who carry on a trade in the UK through a permanent establishment with which their investment in the Company is connected may, depending on their circumstances, give rise to a liability to UK tax on capital gains.

UK resident Shareholders who are individuals (or otherwise not within the charge to UK corporation tax) and who are basic rate taxpayers are currently subject to tax on their chargeable gains at a flat rate of 18 per cent. Individuals who are higher or additional rate taxpayers are currently subject to tax on their chargeable gains at a flat rate of 28 per cent. No indexation allowance will be available to such Shareholders but they may be entitled to an annual exemption from capital gains (this is £11,000 for the year 2014/2015).

Shareholders who are individuals and who are temporarily non-resident in the UK may, under anti-avoidance legislation, still be liable to UK tax on any capital gain realised (subject to any available exemption or relief).

Shareholders within the charge to UK corporation tax may be subject to corporation tax on chargeable gains in respect of any gain arising on disposals. Indexation allowance may apply to reduce any chargeable gain arising on disposals but will not create or increase an allowable loss.

The Directors have been advised that the Company should not be an offshore fund for the purposes of UK taxation and the provisions of Part 8 of the Taxation (International and Other Provisions) Act 2010 should not apply.

Scrip Dividends

On the basis of case law, UK-resident Shareholders should not receive any income liable to UK income tax or corporation tax to the extent that they elect to receive further Ordinary Shares (**Scrip Dividend Shares**) instead of the cash dividend, nor should they make any disposal for chargeable gains tax purposes at the time the Scrip Dividend Shares are allotted. Instead the Scrip Dividend Shares and the original registered holding of Ordinary Shares in respect of which the Scrip Dividend Shares are allotted (the **Original Holding**) should be treated as a single holding acquired at the time of the Original Holding.

There will be no allowable expenditure for chargeable gains tax purposes arising in respect of the Scrip Dividend Shares and the allowable expenditure arising in respect of the Original Holding will be apportioned across the Original Holding and the Scrip Dividend Shares.

A disposal for chargeable gains tax purposes will only arise at the time the Shareholder subsequently disposes of the Scrip Dividend Shares or the Original Holding (a **Subsequent Disposal**). UK-resident individual Shareholders may be subject to capital gains tax in respect of chargeable gains arising on a Subsequent Disposal depending on individual circumstances. UK-resident corporate Shareholders may be subject to corporation tax in respect of chargeable gains arising on a Subsequent Disposal depending on their individual circumstances.

C Shares

The C Shares will convert into Ordinary Shares on the basis of the Conversion Ratio as set at the Conversion Time, unless the Company exercises its discretion to redeem the C Shares prior to the Conversion Time. The conversion will be treated as a reorganisation of share capital for UK tax purposes. Accordingly, the new Ordinary Shares will be treated as the same asset as the Shareholder's holding of Ordinary Shares and as having been acquired at the same time as the Shareholder's holding of Ordinary Shares was acquired. The amount of subscription money paid (if any) for such new Ordinary Shares will be added to the base cost of the existing holding of Ordinary Shares. In the case of individuals, trustees and personal representatives, indexation allowance is not available. In the case of an existing Shareholder within the charge to corporation tax, in calculating the chargeable gain or allowable loss arising on a subsequent disposal of new Ordinary Shares, indexation allowance will apply to the amount paid for the new Ordinary Shares only from, generally, the date the subscription monies for the new Ordinary Shares were payable.

Other UK tax considerations

The attention of UK resident or ordinarily resident Shareholders is drawn to the provisions of section 13 of the Taxation of Chargeable Gains Act 1992 under which, in certain circumstances, a portion of capital gains made by the Company can be attributed to a Shareholder who holds, alone or together with associated persons, more than 25 per cent. of the Shares. This applies if the Company is a close company for the purposes of UK taxation. It is not anticipated that the Company would be regarded as a close company if it were resident in the UK although this cannot be guaranteed.

The attention of individuals resident in the UK for taxation purposes is drawn to the provisions of sections 714 to 751 of the Income Tax Act 2007. These sections contain anti-avoidance legislation dealing with the transfer of assets to overseas persons in circumstances which may render such individuals liable to taxation in respect of undistributed profits of the Company.

The attention of companies resident in the UK is drawn to the controlled foreign companies legislation contained in Part 9A of the Taxation (International and Other Provisions) Act 2010. Broadly, a charge may arise to UK tax resident companies if the Company is controlled directly or indirectly by persons who are resident in the UK, it has profits which are attributable to its significant people functions and one of the exemptions does not apply.

Stamp duty and stamp duty reserve tax (*SDRT*)

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

No UK stamp duty or SDRT will be payable on the issue of the New Ordinary Shares, Consideration Shares or C Shares. UK stamp duty (at the rate of 0.5 per cent., rounded up where necessary to the next £5, of the amount of the value of the consideration for the transfer) is payable on any instrument of transfer of New Ordinary Shares, Consideration Shares or C Shares executed within, or in certain cases brought into, the UK. Provided that New Ordinary Shares, Consideration Shares or C Shares are not registered in any register of the Company kept in the UK and are not paired with shares issued by a UK company, any agreement to transfer New Ordinary Shares, Consideration Shares or C Shares should not be subject to SDRT and any instrument of transfer of shares which is executed and retained outside the UK should not be subject to stamp duty.

ISAs and SIPPs

General

The New Ordinary Shares, Consideration Shares and C Shares will be "qualifying investments" for the stocks and shares component of an ISA. The subscription limit for an ISA account is £15,000 (for the tax year 2014/2015). Where the New Ordinary Shares, Consideration Shares or C Shares are held in an ISA, income and gains arising in respect of them will be exempt from UK taxation.

Placing

New Shares and C Shares allotted under the Placing are not eligible for inclusion in an ISA.

Secondary market purchases

New Ordinary Shares, Consideration Shares and C Shares acquired by an account manager by purchase in the secondary market, subject to applicable subscription limits, as set out above, will be eligible for inclusion in an ISA.

UK small self administered schemes and self invested personal pensions

New Ordinary Shares, Consideration Shares and C Shares will be eligible for inclusion in a UK SSAS or a UK SIPP.

PART IX

TERMS OF THE C SHARES AND THE CONVERSION RATIO

1. GENERAL

1.1 An issue of C Shares is designed to overcome the potential disadvantages for both existing and new investors which could arise out of a conventional fixed price issue of further Ordinary Shares of an existing issued class for cash. In particular:

(a) the Net Asset Value of the existing Ordinary Shares will not be diluted by the expenses associated with the relevant Placing which will be borne by the subscribers for C Shares and not by existing Shareholders; and

(b) the basis upon which the C Shares will convert into Ordinary Shares is such that the number of Ordinary Shares to which C Shareholders will become entitled will reflect the relative investment performance and value of the pool of new capital attributable to the C Shares raised pursuant to the Issue up to the Calculation Time as compared to the assets attributable to the existing Ordinary Shares at that time and, as a result, neither the Net Asset Value attributable to the existing Ordinary Shares nor the Net Asset Value attributable to the C Shares will be adversely affected by Conversion.

The C Shares will convert into Ordinary Shares on the basis of the Conversion Ratio which will be calculated at a time determined by the Directors at their absolute discretion with a view to achieving the objective that the conversion of the C Shares should not be earnings dilutive as far as the existing Ordinary Shares are concerned, provided however that the Calculation Time cannot fall later than a longstop date falling six months after Admission of the relevant class of C Shares. Once the Conversion Ratio has been calculated, the C Shares will convert into Ordinary Shares on the basis set out below.

2. EXAMPLE OF CONVERSION MECHANISM

2.1 The following example illustrates the basis on which the number of Ordinary Shares arising on Conversion will be calculated. The example is unaudited and is not intended to be a forecast of the number of Ordinary Shares which will arise on Conversion, nor a forecast of the level of income which may accrue to Ordinary Shares in the future. The Conversion Ratio at the Calculation Time will be calculated by reference to the Net Asset Values of the Ordinary Shares and the C Shares at the Calculation Time and may not be the same as the illustrative Net Asset Values set out below.

2.2 The example illustrates the number of Ordinary Shares which would arise on the conversion of 1,000 C Shares held at Conversion using assumed NAVs attributable to the C Shares and the Ordinary Shares in issue at the Calculation Time. The assumed NAV attributable to a C Share at the Calculation Time is based on the assumption that 250 million C Shares are issued and that the costs of the relevant Placing of C Shares amount to £3.7 million. The assumed NAV attributable to each Ordinary Share is 102.96 pence, being the NAV as at the close of business on 30 June 2014.

Example

Number of C Shares subscribed	1,000
Amount subscribed (£)	1,000
Net Asset Value attributable to a C Share at the Calculation time (p)	98.52
Net Asset Value attributable to an Ordinary Share at the Calculation Time (p)	102.96
Conversion Ratio	0.9569
New Ordinary Shares arising in Conversion	956

3. TERMS OF THE C SHARES

The rights and restrictions attaching to the C Shares are set out in the Articles. The relevant provisions are as set out below.

4. DEFINITIONS

The following definitions apply for the purposes of this Part IX in addition to, or (where applicable) in substitution for, the definitions applicable elsewhere in this Prospectus.

C Shares means the redeemable convertible shares of no par value in the capital of the Company issued and designated as C Shares of such class, denominated in such currency, and convertible into New Ordinary Shares and having the rights described in the Articles;

C Share Surplus in relation to any class of C Shares means the net assets of the Company attributable to the C Shares in that class, being the assets attributable to the C Shares in that class (including for the avoidance of doubt, any income and/or revenue (net of expenses) arising from or relating to such assets) less such proportion of the Company's liabilities as the Directors shall reasonably allocate to the assets of the Company attributable to such C Shares;

Calculation Time in relation to any C Shares issued pursuant to the Placing Programme means, the earliest of:

(a) the close of business on the last Business Day prior to the day on which Force Majeure Circumstances have arisen or the Directors resolve that they are in contemplation;

(b) 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 class of C Shares; and

(c) the close of business on such Business Day as shall be determined by the Directors, in their absolute discretion, with a view to achieving the objective that the Conversion of that class of C Shares is not earnings dilutive as far as the existing Ordinary Shares is concerned, provided that such Business Day shall not fall more than six months after admission of that class of C Shares.

Conversion means in relation to any class of C Shares, the subdivision and conversion of that class of C Shares into New Ordinary Shares in accordance with the Articles and paragraph 12 below;

Conversion Ratio is A divided by B calculated to four decimal places (with 0.00005 being rounded upwards) where:

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

and

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

and where:

C is the aggregate of:

(a) the value of the investments of the Company attributable to the C Shares of the relevant class (other than investments which are subject to restrictions on transfer or a suspension of dealings, which are to be valued in accordance with (b) below) which are listed or dealt in on a stock exchange or on a similar market:

(i) calculated in the case of investments of the Company which are listed on the London Stock Exchange according to the prices issued by the London Stock Exchange as at the Calculation Time, being the closing middle market prices for all investments other than the FTSE 100 constituents and FTSE 100 reserve list constituents for which the last trade prices shall be used. If any such investments are traded under the London Stock Exchange Daily Electronic Trading Service ("SETS") and the latest recorded prices at which such investments have been traded as shown in the London Stock Exchange Daily Official List differ materially from the bid and offer prices of the investments quoted on SETS as at the Calculation Time, the value of such investments shall be adjusted to reflect the fair realisable value as determined by the Directors. Investments of the Company

which are listed, quoted or dealt in on any other recognised stock exchange shall be valued by reference to the closing middle market prices on the principal stock exchange or market where the relevant investment is listed, quoted or dealt in as at the Calculation Time, as shown by the relevant exchange's or market's recognised method of publication of prices for such investments. Debt related securities (including Government stocks) shall be valued by reference to the closing middle market price, subject to any adjustment to exclude any accrual of interest which may be included in the quoted price, as at the Calculation Time; or

(ii) where such published prices are not available, calculated by reference to the Directors' belief as to a fair current trading price at the Calculation Time for those investments, after taking account of any other price publication services reasonably available to the Directors;

(b) the value of all other investments of the Company attributable to the C Shares of the relevant class at their respective acquisition costs or at such other value as the Directors may, in their discretion, determine to be appropriate, subject to such adjustments as the Directors may deem appropriate to be made for any variations in the value of such investments between the date of acquisition and the Calculation Time; and

(c) the amount which, in the Directors' opinion, fairly reflects, at the Calculation Time, the value of the current assets of the Company attributable to the C Shares of the relevant class (including cash and deposits with or balances at bank and including any accrued income and other items of a revenue nature less accrued expenses);

D is the amount which (to the extent not otherwise deducted in the calculation of "C") in the Directors' opinion fairly reflects the amount of the liabilities attributable to the C Shares of the relevant class at the Calculation Time;

E is the number of C Shares of the relevant class in issue at the Calculation Time;

F is the aggregate of:

(a) the value of all the investments of the Company (other than investments which are subject to restrictions on transfer or a suspension of dealings, which are to be valued in accordance with (b) below), other than investments attributable to the C Shares (of whatever class) in issue at the Calculation Time, which are listed or dealt in on a stock exchange or on a similar market:

(i) calculated in the case of investments of the Company which are listed on the London Stock Exchange according to the prices issued by the London Stock Exchange as at the Calculation Time, being the closing middle market prices for all investments other than the FTSE 100 constituents and FTSE 100 reserve list constituents for which the last trade prices shall be used. If any such investments are traded under SETS and the latest recorded prices at which such investments have been traded as shown in the London Stock Exchange Daily Official List differ materially from the bid and offer prices of the investments quoted on SETS as at the Calculation Time, the value of such investments shall be adjusted to reflect the fair realisable value as determined by the Directors. Investments of the Company which are listed, quoted or dealt in on any other recognised stock exchange shall be valued by reference to the closing middle market prices on the principal stock exchange or market where the relevant investment is listed, quoted or dealt in as at the Calculation Time, as shown by the relevant exchange's or market's recognised method of publication of prices for such investments. Debt related securities (including Government stocks) shall be valued by reference to the closing middle market price, subject to any adjustment to exclude any accrual of interest which may be included in the quoted price, as at the Calculation Time; or

(ii) where such published prices are not available, calculated by reference to the Directors' belief as to a fair current trading price for those investments, after taking

account of any other price publication services reasonably available to the Directors;

(b) the value of all other investments of the Company, other than investments attributable to the C Shares (of whatever class) in issue at the Calculation Time at their respective acquisition costs, subject to such adjustments as the Directors may deem appropriate to be made for any variations in the value of such investments between the date of acquisition and the Calculation Time; and

(c) the amount which, in the Directors' opinion, fairly reflects at the Calculation Time, the value of the current assets of the Company (including cash and deposits with or balances at bank and including any accrued income or other items of a revenue nature less accrued expenses), other than such assets attributable to the C Shares (of whatever class) in issue at the Calculation Time;

G is the amount which (to the extent not otherwise deducted in the calculation of "F") in the Directors' opinion fairly reflects the amount of the liabilities and expenses of the Company at the Calculation Time (including, for the avoidance of doubt, the full amount of all dividends declared but not paid) less the amount of "D"; and

H is the number of Ordinary Shares in issue at the Calculation Time;

Conversion Time means a time which falls after the Calculation Time and is the time at which the admission of the New Ordinary Shares to the Official List becomes effective and which is the earlier of:

(a) the opening of business on such Business Day as is selected by the Directors provided that such day shall not be more than 20 Business Days after the Calculation Time; or

(b) such earlier date as the Directors may resolve should Force Majeure Circumstances have arisen or the Directors resolve that such circumstances are in contemplation;

***Force Majeure* Circumstances** means in relation to any class of C Shares 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 notwithstanding that less than 80 per cent. of the assets attributable to the relevant class of C Shares are invested (as defined below) in accordance with the Company's investment policy;

Independent Accountants means KPMG LLP or such other firm of chartered accountants as the Directors may appoint for the purpose;

Issue Date means in relation to any class of C Shares, the date on which admission of such C Shares to the Official List becomes effective or, if later, the date on which the Company receives the net proceeds of the issue of such C Shares;

Law means the Companies (Guernsey) Law 2008, as amended, extended or replaced and any ordinance, statutory instrument or regulation made thereunder;

Member means a registered holder of a share in the Company and any person entitled thereto on death, disability or insolvency of a Member;

New Ordinary Shares means the Ordinary Shares arising on the conversion of the C Shares of the relevant class; and

Share Surplus means the net assets of the Company less the C Share Surplus.

5. ISSUES OF C SHARES

5.1 Subject to the Law, the Directors shall be authorised to issue C Shares in classes on such terms as they determine provided that such terms are consistent with the provisions summarised in this paragraph 5.1. The Directors shall, on the issue of each class of C Shares, determine the Calculation Time and Conversion Time together with any amendments to the definition of Conversion Ratio attributable to each such class.

5.2 Each class of C Shares, if in issue at the same time, shall be deemed to be a separate class of shares. The Directors may, if they so decide, designate each class of C Shares in such manner as they see fit in order that each class of C Shares can be identified.

6. DIVIDEND AND *PARI PASSU* RANKING OF C SHARES AND NEW ORDINARY SHARES

6.1 The holders of C Share(s) of any class shall be entitled to receive, and participate in, any dividends declared only insofar as such dividend is attributed, at the sole discretion of the Directors, to the C Share Surplus of that class.

6.2 If any dividend is declared after the issue of any class of C Shares and prior to the Conversion of that class, the holders of Ordinary Shares shall be entitled to receive and participate in such dividend only insofar as such dividend is not attributed, at the sole discretion of the Directors, to the C Share Surplus of the relevant class of C Shares.

6.3 Subject as provided in the following sentence the New Ordinary Shares shall rank in full for all dividends and other distributions declared, made or paid after the Conversion Time and otherwise *pari passu* with Ordinary Shares in issue at the Conversion Time. For the avoidance of doubt, New Ordinary Shares shall not be entitled to any dividends or distributions which are declared prior to the Conversion Time but made or paid after the Conversion Time.

7. RIGHTS AS TO CAPITAL

The capital and assets of the Company shall, on a winding-up or on a return of capital prior, in each case, to Conversion be applied as follows:

(a) the Share Surplus shall be divided amongst the holders of Ordinary Shares according to the rights attaching thereto as if the Share Surplus comprised the assets of the Company available for distribution; and

(b) the C Share Surplus shall be divided amongst the holders of C Shares *pro rata* according to their holdings of C Shares.

8. VOTING AND TRANSFER

The C Shares shall not carry the right to receive notice of, or to attend or vote at, any general meeting of the Company. The C Shares shall be transferable in the same manner as the Ordinary Shares.

9. REDEMPTION

9.1 The C Shares are issued on terms that each class of C Shares shall be redeemable by the Company in accordance with the terms set out in the Articles.

9.2 At any time prior to Conversion, the Company may, at its discretion, redeem all or any of the C Shares then in issue by agreement with any holder(s) thereof in accordance with such procedures as the Directors may determine (subject to the facilities and procedures of CREST) and in consideration of the payment of such redemption price as may be agreed between the Company and the relevant holders of C Shares.

10. CLASS CONSENTS AND VARIATION OF RIGHTS

10.1 Without prejudice to the generality of the Articles, until Conversion the consent of the holders of the C Shares as a class shall be required for, and accordingly, the special rights attached to the C Shares shall be deemed to be varied, *inter alia*, by:

(a) any alteration to the memorandum of incorporation of the Company or the Articles; or

(b) the passing of any resolution to wind up the Company; or

(c) the selection of any accounting reference date other than 31 December.

11. UNDERTAKINGS

Until Conversion, and without prejudice to its obligations under the Law, the Company shall in relation to each class of C Shares:

(a) procure that the Company's records and bank accounts shall be operated so that the assets attributable to the C Shares of the relevant class can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall procure that separate cash accounts shall be created and maintained in the books of the Company for the assets attributable to the C Shares of the relevant class;

(b) allocate to the assets attributable to the C Shares of the relevant class such proportion of the expenses or liabilities of the Company incurred or accrued between the Issue Date and the Calculation Time (both dates inclusive) as the Directors fairly consider to be attributable to the C Shares of the relevant class including, without prejudice to the generality of the foregoing, those liabilities specifically identified in the definition of "Conversion Ratio" above; and

(c) give appropriate instructions to the Investment Manager to manage the Company's assets so that such undertakings can be complied with by the Company.

12. CONVERSION OF C SHARES

12.1 In relation to each class of C Shares, the C Shares shall be sub-divided and converted into New Ordinary Shares at the Conversion Time in accordance with the provisions set out below.

12.2 The Directors shall procure that:

(a) the Company (or its delegate) calculate, within two Business Days after the Calculation Time, the Conversion Ratio as at the Calculation Time and the number of New Ordinary Shares to which each holder of C Shares of that class shall be entitled on Conversion; and

(b) the Independent Accountants shall be requested to certify, within three Business Days after the Calculation Time, that such calculations:

(i) have been performed in accordance with the Articles; and

(ii) are arithmetically accurate,

whereupon, subject to any proviso in the definition of Conversion Ratio above, such calculations shall become final and binding on the Company and all Members.

12.3 The Directors shall procure that, as soon as practicable following such certificate, an announcement is made to a Regulatory Information Service advising holders of C Share(s) of that class of: (i) the Conversion Time; (ii) the Conversion Ratio; and (iii) the aggregate number of New Ordinary Shares to which holders of the C Shares of that class are entitled on Conversion.

12.4 Conversion shall take place at the Conversion Time designated by the Directors for the C Shares. On Conversion the issued C Shares of the relevant class then in issue shall automatically convert (by redesignation and/or sub-division and/or consolidation and/or a combination of each or otherwise as appropriate) into such number of New Ordinary Shares as equals the number of C Shares of the relevant class in issue at the Calculation Time multiplied by the Conversion Ratio (rounded down to the nearest whole New Ordinary Share) and if, as a result of Conversion, the Member concerned is entitled to:

(a) more shares of the relevant class of New Ordinary Shares than the original C Shares of the relevant class, additional New Ordinary Shares of the relevant class shall be allotted and issued accordingly; or

(b) fewer shares of the relevant class of New Ordinary Shares than the original C Shares of the relevant class, the appropriate number of original C Shares shall be cancelled accordingly.

12.5 The New Ordinary Shares arising upon Conversion shall be divided amongst the former holders of C Shares pro rata according to their respective former holdings of C Shares of the relevant class (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to New Ordinary Shares, including, without prejudice to the generality of the foregoing, selling any such shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company) and for such purposes any Director is hereby authorised as agent on behalf of the former holders of C Share(s), in the case of a share in certificated form, to execute any stock transfer form, and to do any other act or thing as may be required to give effect to the same including, in the case of a share in uncertificated form, the giving of directions to or on behalf of the former holders of any C Shares who shall be bound by them.

12.6 Forthwith upon Conversion, any certificates relating to the C Shares of the relevant class shall be cancelled and the Company shall issue to each such former C Shareholder new certificates in respect of the New Ordinary Shares which have arisen upon Conversion unless such former holder of any C Shares elects to hold their New Ordinary Shares in uncertificated form.

12.7 The Company will use its reasonable endeavours to procure that, upon Conversion, the New Ordinary Shares are admitted to the Official List.

12.8 The Directors are authorised to effect such and any consolidations and/or divisions and/or combinations of both (or otherwise as appropriate) as may have been or may be necessary from time to time to implement the conversion mechanics for C Shares set out in the Articles for the time being and as the same may from time to time be amended.

PART X

ADDITIONAL INFORMATION

1. INCORPORATION AND ADMINISTRATION

(a) The Company was incorporated with liability limited by shares in Guernsey under the Companies Law on 29 May 2013 with registered number 56708 as a closed-ended investment company registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and the Registered Collective Investment Scheme Rules 2008 issued by the GFSC. Registered schemes are regulated by the Commission insofar as they are required to comply with the requirements of the Rules, including requirements to notify the Commission of certain events and the disclosure requirements of the Commission's Prospectus Rules 2008. The Company is not regulated by the Financial Conduct Authority or any other regulator.

(b) The registered office and principal place of business of the Company is Heritage Hall, PO Box 225, Le Marchant Street, St Peter Port, Guernsey GY1 4HY, and the telephone number is +44 (0)1481 716000. The statutory records of the Company will be kept at this address. The Company operates under the Companies Law and ordinances and regulations made thereunder and has no employees.

(c) Historical financial information in respect of the period from 29 May 2013 to 30 June 2014 has been incorporated by reference into Part VII of this Prospectus. The Company's accounting period ends on 30 June of each year, and the first period ended on 30 June 2014.

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

(e) The annual report and accounts are prepared according to IFRS, as adopted by the EU.

(f) Changes to the issued share capital of the Company since its incorporation are summarised in paragraph 2 of this Part X.

2. SHARE CAPITAL

(a) The share capital of the Company consists of an unlimited number of shares of no par value which upon issue the Directors may classify into such classes as they may determine. Notwithstanding this, a maximum of 250 million New Ordinary Shares and/or C Shares will be issued pursuant to the Placing Programme.

(b) On incorporation, the share capital of the Company was £1.00 represented by one Ordinary Share of no par value issued at a price of £1.00, which was taken by the subscriber to the memorandum of incorporation of the Company, HG Nominees 1 Limited (a nominee company owned by the Administrator).

(c) On 12 July 2013, 130 million Ordinary Shares were allotted to investors in connection with the Company's IPO and 290,000 Ordinary Shares were allotted to Directors in satisfaction of all or part of the Directors' first two years' fee. On 3 March 2014, 13,028,999 Ordinary Shares were issued in connection with the Tap Issue. As at the date of this document, the Company's issued share capital comprises 143,426,684 Ordinary Shares.

(d) The Directors have absolute authority to allot the New Ordinary Shares and C Shares under the Articles.

(e) The New Ordinary Shares and the C Shares will be issued and created in accordance with the Articles and the Companies Law. The New Ordinary Shares and the C Shares are denominated in sterling.

(f) By written ordinary and extraordinary resolutions of the Company's sole Shareholder passed on 24 June 2013:

(i) the Directors had authority to issue up to 175 million Ordinary Shares in connection with the Company's IPO;

(ii) the Directors have authority to issue such number of Ordinary Shares equal to 10 per cent. of the number of Ordinary Shares issued pursuant to the placing and offer for subscription in connection with the Company's IPO, without being obliged to first offer any Ordinary Shares to Shareholders pro rata basis, such authority extending until the conclusion of the first annual general meeting of the Company; and

(iii) the Directors have authority to sell such number of treasury shares as is equal to the number of Ordinary Shares held in treasury at any time following Admission without being obliged to first offer any treasury shares sold to Shareholders on a pro rata basis, such authority extending until the conclusion of the first annual general meeting of the Company.

(g) By a special resolution passed at the extraordinary general meeting of the Company held on 1 October 2014, the Directors are authorised to allot, issue and/or sell equity securities for cash as if the pre-emption rights contained in 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 as described in this document of up to an aggregate number of 150 million New Ordinary Shares and/or C Shares in connection with the Placing Programme and shall expire on 1 October 2015 (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.

(h) Pursuant to a written ordinary resolution of the Company's sole Shareholder passed on 24 June 2013, the Directors are authorised to make market purchases of Ordinary Shares up to 14.99 per cent. of the aggregate number of Ordinary Shares in issue immediately following First Admission. The maximum price which may be paid for an Ordinary Share must not be more than the higher of: (i) five per cent. above the average of the mid-market values of Ordinary Shares 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. Such authority will expire on the earlier of the conclusion of the first annual general meeting of the Company and the date 18 months after the date on which the resolution was passed. Since the date of the Company's incorporation, the Company has not repurchased any Ordinary Shares.

(i) The New Ordinary Shares and the C Shares will be in registered form and, from Admission, will be capable of being held in uncertificated form and title to such New Ordinary Shares and C Shares may be transferred by means of a relevant system (as defined in the CREST Regulations). Where the New Ordinary Shares or C Shares are held in certificated form, share certificates will be sent to the registered members or their nominated agent (at their own risk) within 10 days of the completion of the registration process or transfer, as the case may be, of the New Ordinary Shares or C Shares, as applicable. Where New Ordinary Shares or C 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 37 of this document, maintains a register of Shareholders holding their Ordinary Shares and the C Shares in CREST.

(j) Save as disclosed in this paragraph 2 and for the Company's obligations to issue Ordinary Shares in respect of the variable fee to the Investment Adviser in accordance with the Investment Advisory Agreement, no share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.

3. DIRECTORS' AND OTHER INTERESTS

(a) Insofar as is known to the Company, the interests of each Director, including any connected person, the existence of which is known to, or could with reasonable diligence be ascertained

by, that Director whether or not held through another party, in the share capital of the Company as at the date of this document is as follows:

Director	Ordinary Shares currently held	Percentage of Ordinary Shares currently held
John Rennocks	155,000	0.12
Paul Le Page	70,000	0.05
Laurence McNairn	91,764	0.06
John Scott	201,176	0.14

(b) As at 1 October September 2014 (being the latest practicable date prior to the publication of this document), the only persons known to the Company who, directly or indirectly, are interested in five per cent. or more of the Company's issued share capital are as set out in the following table:

Shareholder	Number of Ordinary Shares	Percentage of issued Ordinary Shares
CCLA	25,000,000	17.43
BlackRock	14,452,855	10.08
Newton Investment Management	10,784,829	7.52
Baillie Gifford	9,674,472	6.75
L&P Sellers	9,026,478[(1)]	6.29

(1) The Consideration Shares are expected to be issued to the L&P Sellers on 9 October 2014. The issue price of the Consideration Shares is to be determined on the basis set out in the Acquisition Agreement. As at the date of this document, such issue price (and so the exact number of Consideration Shares to be issued) is not known. However, assuming an issue price of 103.15 pence per Consideration Shares, 7,490,021 Consideration Shares would be issued to the L&P Sellers and their aggregate shareholding in the Company would be 16,516,499 Ordinary Shares, representing 10.9 per cent. of the issued share capital of the Company, immediately following the issue of the Consideration Shares.

(c) The Company is not aware of any person who, immediately following First Admission, could, directly or indirectly, jointly or severally, exercise control over the Company.

(d) The Company knows of no arrangements, the operation of which may result in a change of control of the Company

(e) All Shareholders of the same class have the same voting rights in respect of the share capital of the Company.

(f) There are no outstanding loans from the Company to any of the Directors or any outstanding guarantees provided by the Company in respect of any obligation of any of the Directors.

(g) The aggregate remuneration and benefits in kind of the Directors in respect of the Company's accounting period ending on 30 June 2015 which will be payable out of the assets of the Company are not expected to exceed £155,000. Each of the Directors will be entitled to receive £30,000 per annum other than the Chairman who will be entitled to receive £50,000 per annum and the chairman of the Audit Committee who will be entitled to receive an additional fee of £5,000 per annum. The Company agreed with the Directors that in relation to their first two years' fees, the Directors could elect to receive some or all of such fees through an issue of Ordinary Shares at the IPO issue price of £1.00 per Ordinary Share, with such issue to take place immediately following the IPO. In aggregate, 290,000 Ordinary Shares were issued to the Directors who made this election, resulting in a reduction of the cash fees payable to the Directors in respect of the Company's financial year ending on 30 June 2014 of £150,986. At 30 June 2014, the prepaid element of the Ordinary Shares issued was £139,014. No amount has been set aside or accrued by the Company to provide pension, retirement or other similar benefits.

(h) Each of the Directors was appointed pursuant to a letter of appointment dated 24 June 2013 other than Laurence McNairn who was appointed pursuant to a letter of appointment dated

1 July 2013. No Director has a service contract with the Company, nor are any such contracts proposed. The Directors' appointments can be terminated in accordance with the Articles and without compensation. There is no notice period specified in the 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 12 months or more; (iii) written request of the other Directors; and (iv) a resolution of the Shareholders.

(i) 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 which has been effected by the Company since its incorporation.

(j) Pursuant to an instrument of indemnity entered into between the Company and each Director, the Company has undertaken, subject to certain limitations, to indemnify each Director out of the assets and profits of the Company against all costs, charges, losses, damages, expenses and liabilities arising out of any claims made against him in connection with the performance of his duties as a Director of the Company.

(k) In addition to their directorships of the Company, the Directors hold or have held the directorships and are or were members of the partnerships, as listed in the table below, over or within the past five years.

Name	Current directorships/partnerships	Past directorships/partnerships
John Rennocks	Diploma plc Greenko Group plc Inmarsat plc	Babcock International Group plc Composite Energy Ltd Foss Securities Limited Intelligent Energy Holdings plc JP Morgan Fleming Overseas Investment Trust plc Nestor Healthcare Group plc Wagon plc
Paul Le Page	ARK Masters Management Limited FCA Catalyst Fund SPC FCA Catalyst Master Fund SPC FCA Catalyst Trading SPC Financial Risk Management Matrio Fund Limited FRM Credit Strategies Fund PCC Limited FRM Credit Strategies Master Fund PCC Limited FRM Global Equity Fund SPC FRM Global Equity Master Fund SPC FRM Idiosyncratic Alpha SPC FRM Phoenix Fund Limited FRM Selection Fund Limited FRM Tail Hedge Limited FRM Thames General Partner Limited Liquidity Pass Through Holdings SPC	Cazenove Absolute Equity Limited Financial Risk Management Academy Fund Limited FRM Conduit Fund FRM Equity Alpha Fund Limited FRM Hedge Overlay Ltd FRM Premium Portfolio Global Managed Futures Fund Limited Prospect Finance Limited Searock Plus Fund Limited Thames River Multi Hedge PCC Limited The Da Vinci Fund Limited
Laurence McNairn	AAC Capital NEBO Carry GP Limited AAC Capital NEBO Feeder GP Limited BC European Capital – HSI Co-Investment Limited BC Partners Holdings Limited BC Partners Investment Holdings Limited Becap GP Limited BECAP12 GP Limited (formerly BECAP11 GP Limited) CIE Holdings Limited	Adnams B Fundco Limited Aile Limited Black Sea Enhanced Returns Fund Limited Bream Limited Cannonball Limited CIE Feeder Limited Partner Limited (in voluntary liquidation) CIE Executive Partners Limited (in voluntary liquidation)

Name	Current directorships/partnerships	Past directorships/partnerships
Laurence McNairn *continued*	CIE Management Holdings Limited CIE Management II Limited CIE Management IX Limited Cohen Fund III/Fund IV Ltd Collingwood Holdings Limited Crystal Amber Asset Management (Guernsey) Limited Crystal Amber Asset Management (Guernsey) Limited DF Investments Limited (formerly Fun Capital Limited) Falcon Investment Property SICAV PLC Finakabel Holdings Limited GLC Limited Greensphere Management Limited Greensphere Waste Income Limited GTU Limited HAT Limited Heritage Administration Services Limited Heritage Depositary Company (UK) Limited Heritage International Fund Managers Limited Heritage International Fund Managers (Malta) Limited Heritage Partners GP Limited International Hospitals Network (GP) Limited Mediterra Capital Management Limited NB PEP GP Limited NEBO I Carry GP Limited NEBO I GP Limited P25 (GP) Limited P25 Investments Limited Patria Brazil Fund Limited Pietersen Holdings Limited Rue des Landes Limited Trilantic Capital Management GP (Guernsey) Limited Trilantic Capital Partners Management Limited Trilantic Capital Partners V Management Limited Yucatan Devco Limited Yucatan Devco 2 Limited	Civet Limited Collateral 1 Limited Collateral 2 Limited Collateral 3 Limited EDF Limited (in voluntary liquidation) Enigmatic Investments Limited (FKA BECAP SPV 8 Limited) (in voluntary liquidation) FED Limited (in voluntary liquidation) Falcon Carry (GP) Limited (in voluntary liquidation) Fund Capital Limited Heritage Management Holdings Limited JB Fund III/Fund IV LP ISAT Holdings Limited (in voluntary liquidation) ISAT Limited (in voluntary liquidation) Lehman Brothers Merchant Banking Europe Capital Partners Management Limited (in voluntary liquidation) MM LBMB Pledge Ltd MPOF (6A) Limited MPOF (6B) Limited MPOF (7A) Limited MPOF (7B) Limited MPOF (8A) Limited MPOF (8B) Limited MPOF (9A) Limited MPOF (9B) Limited MPOF (10A) Limited MPOF (10B) Limited MPOF (Antonio) Limited MPOF (Guia) Limited MPOF (Jose) Limited MPOF (Monte) Limited MPOF (Paulo) Limited MPOF (Penha) Limited MPOF (Sun) Limited MPOF (Taipa) Limited MPOF Mainland Company 1 Limited Nordic Leisure Limited Phoenix Logistics (Guernsey) Limited (in voluntary liquidation) Plein Limited Range Park-Servicos de Consultoria Commercial Sociedade Unipessoal SA RMSQARED UK Land & Opportunities Fund Limited (in voluntary liquidation) Schroder Ventures Investments Limited Talisman Guernsey Management Limited Yoho (Domingos) Limited Yoho (Senado) Limited

Name	Current directorships/partnerships	Past directorships/partnerships
John Scott	Alpha Insurance Analysts Limited Alternative Asset Opportunities PCC Impax Environmental Markets plc JP Morgan Claverhouse Investment Trust plc Martin Currie Pacific Trust plc Oundle School Services Co. Ltd. Scottish Mortgage Investment Trust PLC Schroder Japan Growth Fund plc The Abbotsford Trust The Tweed Foundation	Dunedin Income Growth Investment Trust PLC Endace Limited Miller 2012 Limited Miller E.T. Limited Miller Insurance Holdings Limited Miller Insurance Investments Limited PH (Dawson) Ltd The Grocers' Trust Company Ltd Xaar plc

(l) Mr McNairn, a Director of the Company, is also a director of the Administrator. Accordingly, Mr McNairn has interests in a service provider to the Company. Save as disclosed above, there are no potential conflicts of interest between any duties to the Company of any of the Directors and their private interests and/or other duties. There are no lock-up provisions regarding the disposal by any of the Directors of any Ordinary Shares.

(m) At the date of this document:

(i) none of the Directors has had any convictions in relation to fraudulent offences for at least the previous five years;

(ii) save as detailed above, none of the Directors was a director of a company, a member of an administrative, management or supervisory body or a senior manager of a company within the previous five years which has entered into any bankruptcy, receivership or liquidation proceedings;

(iii) none of the Directors has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years; and

(iv) none of the Directors are aware of any contract or arrangement subsisting in which they are materially interested and which is significant to the business of the Company which is not otherwise disclosed in this document.

(n) The Company maintains directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

4. MEMORANDUM AND ARTICLES

The following is a summary of the Memorandum and Articles. Prospective investors should read in full the Articles copies of both of which are available for inspection at the place specified in paragraph 13 of this Part X.

(a) Objects

The memorandum of incorporation of the Company provides that the objects of the Company are unrestricted.

(b) Dividends and other distributions

(i) Subject to the rights of any Ordinary Shares which may be issued with special rights or privileges, the Ordinary Shares carry the right to receive all income of the Company attributable to the Ordinary Shares, and to participate in any distribution of such income made by the Company, such income shall be divided *pari passu* among the holders of Ordinary Shares in proportion to the number of Ordinary Shares held by them.

(ii) The Directors may from time to time authorise dividends and distributions to be paid to Shareholders in accordance with the procedure set out in the Companies Law and subject to any Shareholder's rights attaching to their shares.

(iii) The Directors may from time to time authorise dividends and distributions to be paid to holders of C Shares out of the assets attributable to the C Shares in accordance with the procedure set out in the Companies Law and subject to any rights attaching to such C Shares.

(iv) All unclaimed dividends and distributions may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. All dividends unclaimed on the earlier of (i) a period of six years after the date when it first became due for payment and (ii) the date on which the Company is wound-up, shall be forfeited and shall revert to the Company without the necessity for any declaration or other action on the part of the Company.

(c) **Scrip Dividends**

(i) The Directors may, if authorised by an ordinary resolution, offer any holders of any particular class of shares (excluding treasury shares) the right to elect to receive further shares (whether or not of that class), credited as fully paid, instead of cash in respect of all or part of any dividend.

(ii) The value of the further shares shall be calculated by reference to the average of the middle market quotations for a fully paid share of the relevant class, as shown in the Official List, for the day on which such shares are first quoted "ex" the relevant dividend and the four subsequent dealing days or in such other manner as the Directors may decide.

(iii) The Directors shall give notice to the members of their rights of election in respect of the scrip dividend and shall specify the procedure to be followed in order to make an election.

(iv) The further shares so allotted shall rank in all respects with the fully paid shares of the same class then in issue except as regards participation in the relevant dividend.

(v) The Board may from time to time establish or vary a procedure for election mandates, under which a holder of shares may, in respect of any future dividends for which a right of election is offered, elect to receive shares in lieu of such dividend on the terms of such mandate.

(d) **Voting**

(i) Subject to any special rights, restrictions or prohibitions as regards voting for the time being attached to any Ordinary Shares, holders of Ordinary Shares shall have the right to receive notice of and to attend and vote at general meetings of the Company.

(ii) Each Shareholder being present in person or by proxy or by a duly authorised representative (if a corporation) at a meeting shall upon a show of hands have one vote and upon a poll each such holder present in person or by proxy or by a duly authorised representative (if a corporation) shall, in the case of a separate class meeting, have one vote in respect of each share held by him and, in the case of a general meeting of all Shareholders, have one vote in respect of each Ordinary Share held by him.

(iii) Save in certain limited circumstances, C Shares will not carry the right to attend or receive notice of general meetings of the Company nor will they carry the right to vote at such meetings.

(e) **Capital**

(i) As to a winding-up of the Company or other return of capital (other than by way of a repurchase or redemption of Ordinary Shares in accordance with the provisions of the

Articles and the Companies Law), the surplus assets of the Company attributable to the Ordinary Shares remaining after payment of all creditors shall, subject to the rights of any Ordinary Shares that may be issued with special rights or privileges, be divided amongst the holders of Ordinary Shares *pari passu* among the holders of Ordinary Shares in proportion to the number of Ordinary Shares held by them.

(ii) The manner in which distributions of capital proceeds realised from investments (net of fees and expenses) and attributable to the Ordinary Shares (**Capital Proceeds**) shall be effected shall, subject to compliance with the Companies Law, be determined by the Directors in their absolute discretion and, once determined, shall be notified to Shareholders by way of an RIS announcement.

(iii) Without restricting the discretion of the Directors described in paragraph 4(e)(ii), the Directors may effect distributions of Capital Proceeds by:

(A) compulsorily redeeming a proportion of each Shareholder's holding of Ordinary Shares and paying the redemption proceeds to Shareholders on such terms and in such manner as the Directors may determine; or

(B) in such other manner as may be lawful.

(f) **Pre-emption rights**

There are no provisions of Guernsey law which confer rights of pre-emption in respect of the allotment of the Ordinary Shares. However, the Articles of Incorporation provide that the Company is not permitted to allot (for cash) equity securities (being Ordinary Shares or C Shares or rights to subscribe for, or convert securities into, Ordinary Shares or C Shares) or sell (for cash) any Ordinary Shares or C Shares held in treasury, unless it shall first have offered to allot to each existing holder of Ordinary Shares and C Shares on the same or more favourable terms a proportion of those Ordinary Shares or C Shares the aggregate value of which (at the proposed issue price) is as nearly as practicable equal to the proportion of the total Net Asset Value of the Company represented by the Ordinary Shares or C Shares held by such shareholder. These pre-emption rights may be excluded and disapplied or modified by special resolution of the Shareholders.

(g) **Variation of rights**

(i) Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class of shares may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated:

(A) with the consent in writing of the holders of more than half in number of the issued shares of that class; or

(B) with the sanction of an ordinary resolution passed at a separate meeting of the holders of the shares of that class.

(ii) The necessary quorum at any separate class meeting shall be two persons present holding or representing by proxy at least one-third of the voting rights of the issued shares of that class (provided that if any such meeting is adjourned for lack of a quorum, the quorum at the reconvened meeting shall be one person present holding shares of that class or his proxy) provided always that where the class has only one member, that member shall constitute the necessary quorum and any holder of shares of the class in question may demand a poll.

(iii) The special rights conferred upon the holders of any shares or class of shares issued with preferred, deferred or other rights shall (unless otherwise expressly provided by the conditions of issue of such shares) be deemed not to be varied by: (a) the creation or issue of further shares ranking *pari passu* therewith; or (b) the purchase or redemption by the Company of any of its shares (or the holding of such shares as treasury shares).

(h) **Disclosure of interests in Ordinary Shares**

(i) The Directors shall have power by notice in writing (a **Disclosure Notice**) to require a Shareholder to disclose to the Company the identity of any person other than the Shareholder (an **interested party**) who has any interest (whether direct or indirect) in the Ordinary Shares held by the Shareholder and the nature of such interest or has been so interested at any time during the three years immediately preceding the date on which the Disclosure Notice is issued. Any such Disclosure Notice shall require any information in response to such Disclosure Notice to be given in writing to the Company within 28 days of the date of service (or 14 days if the Ordinary Shares concerned represent 0.25 per cent. or more of the number of Ordinary Shares in issue of the class of Ordinary Shares concerned).

(ii) If any member is in default in supplying to the Company the information required by the Company within the prescribed period (which is 28 days after service of the notice or 14 days if the Ordinary Shares concerned represent 0.25 per cent. or more in number of the issued Ordinary Shares of the relevant class), or such other reasonable period as the Directors may determine, the Directors in their absolute discretion may serve a direction notice on the member (a **Direction Notice**). The Direction Notice may direct that in respect of the Ordinary Shares in respect of which the default has occurred (the **Default Shares**) and any other Ordinary Shares held by the member shall not be entitled to vote in general meetings or class meetings. Where the Default Shares represent at least 0.25 per cent. in number of the class of Ordinary Shares concerned, the Direction Notice may additionally direct that dividends on such Default 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.

(iii) The Directors may be required to exercise their power to require disclosure of interested parties on a requisition of Shareholders holding not less than 1/10th of the total voting rights attaching to the Ordinary Shares in issue at the relevant time.

(iv) In addition to the rights referred to above, the Board may serve notice on any Shareholder requiring that Shareholder to promptly provide the Company with any information, representations, certificates or forms relating to such Shareholder (or its direct or indirect owners or account holders) that the Board determines from time to time are necessary or appropriate for the Company to:

(A) satisfy any account or payee identification, documentation or other diligence requirements and any reporting requirements imposed under sections 1471 to 1474 of the United States Internal Revenue Code of 1986 Treasury Regulations made thereunder and any agreement relating thereto (including, any amendments, modification, consolidation, re-enactment or replacement thereof made from time to time) (**FATCA**) or the requirements of any similar laws or regulations to which the Company may be subject enacted from time to time by any other jurisdiction (**Similar Laws**); or

(B) avoid or reduce any tax otherwise imposed by FATCA or Similar Laws (including any withholding upon any payments to such Shareholder by the Company); or

(C) permit the Company to enter into, comply with, or prevent a default under or termination of, an agreement of the type described in section 1471(b) of the US Internal Revenue Code of 1986 or under Similar Laws.

If any Shareholder (a Defaulting Shareholder) is in default of supplying to the Company the information referred to above within the prescribed period (which shall not be less than 28 days after the service of the notice), the Defaulting Shareholder shall be deemed to be a Non-Qualified Holder.

(i) **Transfer of Shares**

(i) Subject to the Articles (and the restrictions on transfer contained therein), a Shareholder may transfer all or any of his Shares in any manner which is permitted by the Companies Law or in any other manner which is from time to time approved by the Board.

(ii) A transfer of a certificated Share shall be in the usual common form or in any other form approved by the Board. An instrument of transfer of a certificated Share shall be signed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee.

(iii) The Articles of Incorporation provide that the Board has power to implement such arrangements as it may, in its absolute discretion, think fit in order for any class of Ordinary Shares or C Shares to be admitted to settlement by means of an uncertificated system (including the CREST UK system). If the Board implements any such arrangements, no provision of the Articles will apply or have effect to the extent that it is in any respect inconsistent with:

(A) the holding of shares of the relevant class in uncertificated form;

(B) the transfer of title to shares of the relevant class by means of the CREST UK system; or

(C) the Guernsey USRs or the CREST Rules.

(iv) Where any class of Ordinary Shares or C Shares is, for the time being, admitted to settlement by means of the CREST UK system such securities may be issued in uncertificated form in accordance with and subject to the Guernsey USRs and the CREST Rules. Unless the Board otherwise determines, shares held by the same holder or joint holders in certificated form and uncertificated form will be treated as separate holdings. Shares may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject to the Guernsey USRs and the CREST Rules. Title to such of the shares as are recorded on the register as being held in uncertificated form may be transferred only by means of the CREST UK system.

(v) The Board may, in its absolute discretion and without giving a reason, refuse to register a transfer of any share in certificated form or uncertificated form subject to the Articles which is not fully paid or on which the Company has a lien provided that this would not prevent dealings in the shares from taking place on an open and proper basis on the London Stock Exchange.

(vi) In addition, the Board may decline to transfer, convert or register a transfer of any share in certificated form or (to the extent permitted by the Guernsey USRs and the CREST Rules) uncertificated form: (a) if it is in respect of more than one class of shares; (b) if it is in favour of more than four joint transferees; (c) if applicable, if it is delivered for registration to the registered office of the Company or such other place as the Board may decide, not accompanied by the certificate for the shares to which it relates and such other evidence of title as the Board may reasonably require; or (d) the transfer is in favour of any Non-Qualified Holder.

(vii) If any shares are owned directly, indirectly or beneficially by a person believed by the Board to be a Non-Qualified Holder, the Board may give notice to such person requiring him either: (i) to provide the Board within 30 days of receipt of such notice with sufficient satisfactory documentary evidence to satisfy the Board that such person is not a Non-Qualified Holder; or (ii) to sell or transfer his Ordinary Shares to a person who is not a Non-Qualified Holder within 30 days and within such 30 days to provide the Board with satisfactory evidence of such sale or transfer and pending such sale or transfer, the Board may suspend the exercise of any voting or consent rights and rights to receive notice of or attend any meeting of the Company and any rights to receive dividends or

other distributions with respect to such shares. Where condition (i) or (ii) is not satisfied within 30 days after the serving of the notice, the person will be deemed, upon the expiration of such 30 days, to have forfeited his shares. If the Board in its absolute discretion so determines, the Company may dispose of the shares at the best price reasonably obtainable and pay the net proceeds of such disposal to the former holder.

(viii) The Board of Directors may decline to register a transfer of an uncertificated share which is traded through the CREST UK system in accordance with the CREST rules where, in the case of a transfer to joint holders, the number of joint holders to whom uncertificated shares is to be transferred exceeds four.

(j) **General meetings**

(i) The first general meeting (being an annual general meeting) of the Company shall be held within such time as may be required by the Companies Law and thereafter general meetings (which are annual general meetings) shall be held at least once in each calendar year and in any event, no more than 15 months since the last annual general meeting. All general meetings (other than annual general meetings) shall be called extraordinary general meetings. Extraordinary general meetings and annual general meetings shall be held in Guernsey or such other place outside the United Kingdom as may be determined by the Board from time to time.

(ii) The notice must specify the date, time and place of any general meeting and the text of any proposed special and ordinary resolution. Any general meeting shall be called by at least ten clear days' notice. A general meeting may be deemed to have been duly called by shorter notice if it is so agreed by all the members entitled to attend and vote thereat. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive such notice shall not invalidate the proceedings at the meeting.

(iii) The Shareholders may require the Board to call an extraordinary general meeting in accordance with the Companies Law.

(k) **Restrictions on voting**

Unless the Board otherwise decides, no member shall be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all calls and other sums presently payable by him in respect of that share have been paid. No member of the Company shall, if the Directors so determine, be entitled in respect of any share held by him to attend or vote (either personally or by representative or by proxy) at any general meeting or separate class meeting of the Company or to exercise any other right conferred by membership in relation to any such meeting if he or any other person appearing to be interested in such shares has failed to comply with a Disclosure Notice (see paragraph 4(h)(i) above) within 14 days, in a case where the shares in question represent at least 0.25 per cent. of their class, or within 28 days, in any other case, from the date of such Disclosure Notice.

These restrictions will continue until the information required by the notice is supplied to the Company or until the shares in question are transferred or sold in circumstances specified for this purpose in the Articles.

(l) **Appointment, retirement and disqualification of Directors**

(i) Unless otherwise determined by the Shareholders by ordinary resolution, the number of Directors shall not be less than two and there shall be no maximum number. At no time shall a majority of the Board be resident in the UK for UK tax purposes.

(ii) A Director need not be a Shareholder. A Director who is not a Shareholder shall nevertheless be entitled to attend and speak at Shareholders' meetings.

(iii) Subject to the Articles, Directors may be appointed by the Board (either to fill a vacancy or as an additional Director). No person other than a Director retiring at a general meeting shall, unless recommended by the Directors, be eligible for election by the Company to the office of Director unless not less than seven and not more than 42 clear days before the date appointed for the meeting there shall have been left at the Company's registered office (or, if an electronic address has been specified by the Company for such purposes, sent to the Company's electronic address) notice in writing signed by a Shareholder who is duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election together with notice in writing signed by that person of his willingness to be elected, specifying his tax residency status and containing a declaration that he is not ineligible to be a Director in accordance with the Companies Law.

(iv) No person shall be or become incapable of being appointed a Director, and no Director shall be required to vacate that office, by reason only of the fact that he has attained the age of 70 years or any other age.

(v) Subject to the Articles, at each annual general meeting of the Company, any Director: (i) who has been appointed by the Board since the last annual general meeting; (ii) who held office at the time of the two preceding annual general meetings and who did not retire at either of them; or (iii) who has held office with the Company, other than employment or executive office, for a continuous period of nine years or more at the date of the meeting, shall retire from office and may offer himself for election or re-election by the Shareholders.

(vi) A Director who retires at an annual general meeting may, if willing to continue to act, be elected or re-elected at that meeting. If he is elected or re-elected he is treated as continuing in office throughout. If he is not elected or re-elected, he shall remain in office until the end of the meeting or (if earlier) when a resolution is passed to appoint someone in his place or when a resolution to elect or re-elect the Director is put to the meeting and lost.

(vii) A Director may resign from office as a Director by giving notice in writing to that effect to the Company at its registered office, which notice shall be effective upon delivery to the registered office.

(viii) The office of a Director shall be vacated: (i) if he (not being a person holding for a fixed term an executive office subject to termination if he ceases from any cause to be a Director) resigns his office by one month's written notice signed by him sent to or deposited at the Company's registered office; (ii) if he dies; (iii) if he shall have absented himself (such absence not being absence with leave or by arrangement with the Board on the affairs of the Company) from meetings of the Board for a consecutive period of 12 months and the Board resolves that his office shall be vacated; (iv) if he becomes bankrupt or makes any arrangements or composition with his creditors generally; (v) if he ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason of, an order made under the provisions of any law or enactment; (vi) if he is requested to resign by written notice signed by a majority of his co-Directors (being not less than two in number); (vii) if the Company by ordinary resolution shall declare that he shall cease to be a Director; (viii) if he becomes resident in the United Kingdom for tax purposes and, as a result thereof, a majority of the Directors would, if he were to remain a Director, be resident in the United Kingdom for tax purposes; or (ix) if he becomes ineligible to be a Director in accordance with the Companies Law.

(ix) Any Director may, by notice in writing, appoint any other person (subject to the provisions in paragraph 4(l)(x) below), who is willing to act as his alternate and may remove his alternate from that office.

(x) Each alternate Director shall be either: (i) resident for tax purposes in the same jurisdiction as his appointor; or (ii) resident outside the UK for UK tax purposes, in each

case for the duration of the appointment of that alternate Director and in either case shall also be eligible to be a Director under the Companies Law and signs a written consent to act. Every appointment or removal of an alternate Director shall be by notice in writing signed by the appointor and served upon the Company.

(m) **Proceedings of the Board**

(i) The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed shall be two. Subject to the Articles, a meeting of the Board at which a quorum is present shall be competent to exercise all the powers and discretion exercisable by the Board.

(ii) All meetings of the Board are to take place outside the United Kingdom and any decision reached or resolution passed by the Directors at any meeting of the Board held within the United Kingdom or at which no majority of Directors resident outside the UK (and not within the UK) for UK tax purposes is present shall be invalid and of no effect.

(iii) The Board may elect one of their number as chairman. If no chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

(iv) Questions arising at any meeting shall be determined by a majority of votes.

(v) The Board may delegate any of its powers to committees consisting of one or more Directors as they think fit with a majority of such Directors being resident outside of the United Kingdom for United Kingdom tax purposes. Committees shall only meet outside the United Kingdom. Any committee so formed shall be governed by any regulations that may be imposed on it by the Board and (subject to such regulations) by the provisions of the Articles that apply to meetings of the Board.

(n) **Remuneration of Directors**

The Directors shall be entitled to receive fees for their services, such sums not to exceed in aggregate £300,000 in any financial year in aggregate (or such sum as the Company in general meeting shall from time to time determine). The Directors may be paid all reasonable travelling, hotel and other out of pocket expenses properly incurred by them in attending board or committee meetings or general meetings, and all reasonable expenses properly incurred by them seeking independent professional advice on any matter that concerns them in the furtherance of their duties as a Director.

(o) **Interests of Directors**

(i) Subject to and in accordance with the Companies Law, a Director must, immediately after becoming aware of the fact that he is interested in a transaction or proposed transaction with the Company, disclose that fact to the Directors (including, if the monetary value of the Director's interest is quantifiable, the nature and monetary value of that interest, or if the monetary value of the Director's interest is not quantifiable, the nature and extent of that interest).

(ii) Subject to the provisions of the Companies Law, and provided that he has disclosed to the Directors the nature and extent of any interests of his, a Director notwithstanding his office:

(A) may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director on such terms as to the tenure of office and otherwise as the Directors may determine;

(B) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

(C) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, a shareholder of or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;

(D) shall not, by reason of his office, be accountable to the Company for any remuneration or benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit;

(E) may act by himself or his firm in a professional capacity for the Company, other than as auditor, and he or his firm shall be entitled to remuneration for professional services as though he were not a Director of the Company; and

(F) may be counted in the quorum present at any meeting in relation to any resolution in respect of which he has declared an interest (but he may not vote thereon).

(p) **Winding-up**

(i) If the Company shall be wound up, the liquidator may, with the sanction of an extraordinary resolution and any other sanction required by the Companies Law, divide the whole or any part of the assets of the Company among the members entitled to the same *in specie* and the liquidator or, where there is no liquidator, the Directors may for that purpose value any assets as he or they deem fair and determine how the division shall be carried out as between the members or different classes of members and, with the like sanction, may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he or they may determine, but no member shall be compelled to accept any assets upon which there is a liability.

(ii) Where the Company is proposed to be or is in the course of being wound up and the whole or part of its business or property is proposed to be transferred or sold to another company, the liquidator may, with the sanction of an ordinary resolution, receive in compensation shares, policies or other like interests for distribution or may enter into any other arrangements whereby the members may, in lieu of receiving cash, shares, policies or other like interests, participate in the profits of or receive any other benefit from the transferee.

(q) **Borrowing powers**

The Directors may exercise all the powers of the Company to borrow money and to give guarantees, mortgage, hypothecate, pledge or charge all or part of its undertaking, property (present or future) or assets or uncalled capital and 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.

(r) **Discontinuation Resolution**

The Directors are required to propose an ordinary resolution every five years that the Company should cease to continue as presently constituted (a **Discontinuation Resolution**). In addition, the Directors will also be required to propose a Discontinuation Resolution in the event that the aggregate distributions over three years (excluding the Company's first financial year for these purposes) do not exceed the aggregate of the distribution targets over the same three year period. Such a Discontinuation Resolution will be put to Shareholders at the next annual general meeting of the Company following the requirement that it be put to Shareholders is triggered. In the event that a Discontinuation Resolution is passed, the Directors will be required to formulate proposals to be put to Shareholders within four months to wind up or otherwise reconstruct the Company, bearing in mind the illiquid nature of the Company's underlying assets.

5. MATERIAL CONTRACTS

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 that 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 document:

(a) **Investment Advisory Agreement**

Pursuant to an agreement dated 25 June 2013 made between the Company, Holdco and the Investment Adviser, the Investment Adviser has been appointed to provide investment advisory services to the Company and Holdco, to identify and source potential investments for the Company in accordance with the investment policy and to undertake the day to day management of the Company's investment portfolio, subject to the overall supervision of the Board. The Investment Adviser does not have authority to make investment decisions on behalf of the Company and all investment decisions (including in respect of new investments and the realisation of existing investments) will be subject to the approval of the Board.

The Investment Adviser will be entitled to the base fee and variable fee described in Part VI of this document.

The Investment Advisory Agreement is terminable by either the Investment Adviser or the Company giving to the other not less than 12 months' written notice, such notice not to be given before the fourth anniversary of the IPO Admission.

The Investment Advisory Agreement may be terminated by the Company with immediate effect, *inter alia* if:

(i) an order has been made or an effective resolution passed for the liquidation of the Investment Adviser;

(ii) the Investment Adviser ceases to carry on business;

(iii) the Investment Adviser has committed a material breach of the Investment Advisory Agreement and fails to remedy such breach within 30 days of receiving notice requiring it to do so or is guilty of wilful default, fraud or gross negligence or if the Investment Adviser fails to comply with any reasonable direction of the Board;

(iv) the Investment Adviser ceases to hold any required authorisation to carry out its services under the Investment Advisory Agreement;

(v) the Company is required to do so by a relevant regulatory authority and this is a final decision with no right of appeal; or

(vi) a Key Executive Event occurs (as defined in the agreement) and if only one Key Executive (initially being any of James Armstrong, Giovanni Terranova or Mike Rand) remains and a replacement is not nominated and approved by the Board within three months or if no Key Executives remain following such Key Executive Event.

The Investment Advisory Agreement may be terminated by the Investment Adviser with immediate effect if an order has been made or an effective resolution passed for the winding up of the Company or the Company has committed a material breach of the Investment Advisory Agreement and fails to remedy such breach within 30 days of receiving notice requiring it to do so.

The Company has given certain market standard indemnities in favour of the Investment Adviser in respect of the Investment Adviser's potential losses in carrying on its responsibilities under the Investment Advisory Agreement.

The Ordinary Shares acquired by the Investment Adviser in respect of the variable fee payable to it will be subject to a three year lock-up period, with one-third of the relevant Ordinary Shares becoming free from the lock-up on each anniversary of their issue. These restrictions will not prevent the Investment Adviser disposing of the relevant Ordinary Shares in the

following circumstances: (i) pursuant to the acceptance of any general, partial or tender offer by any third party or the Company; (ii) in connection with a scheme of arrangement; (iii) to another member of the Investment Adviser's group or to any of its members or employees provided that the transferee continues to be bound by the lock-in; (iv) pursuant to an order of a court with competent jurisdiction; (v) on a winding-up of the Company; or (vi) a disposal of such number of Ordinary Shares (as agreed with the Board) in order to enable any member of the Investment Adviser to pay any taxation or similar levy payable by that member which is referable to the variable fee.

The Investment Advisory Agreement is governed by the laws of England and Wales.

(b) **Administration Agreement**

The Company and the Administrator have entered into an administration agreement dated 24 June 2013, pursuant to which the Company has appointed the Administrator to act as its administrator and company secretary.

Under the terms of the Administration Agreement, the Administrator is entitled to the fees described in Part VI of this document. The Administrator will, in addition, be entitled to recover third party expenses and disbursements.

The Company has given certain market standard indemnities in favour of the Administrator in respect of the Administrator's potential losses in carrying out its responsibilities under the Administration Agreement.

The Administration Agreement is terminable by either party on three months' notice in writing (given so as to expire on the last day of the calendar month), and may be terminated immediately by either party in the event of insolvency or material breach of the other party.

The Administration Agreement is governed by the laws of the Island of Guernsey.

(c) **Subscription Deed**

The Company, Numis the Investment Adviser and CCLA entered into a deed of subscription under which CCLA agreed to subscribe for such number of Ordinary Shares as shall represent 20.0 per cent. of the Company's issued share capital on IPO Admission, subject to a maximum of 25 million Ordinary Shares and conditional on a minimum of 100 million Ordinary Shares being subscribed under the Company's IPO.

The Subscription Deed contained standard representations and warranties from the Company and the Investment Adviser to CCLA and standard representations and warranties from CCLA to the Company and to Numis. CCLA's liability for such representations and warranties was limited to the consideration payable under the Subscription Deed.

In consideration of CCLA entering into the Subscription Deed, the Investment Adviser has agreed to pay CCLA an amount equal to the amount by which the Blended Base Fee Rate (as defined in the Subscription Deed) exceeds 0.80 per cent. per annum multiplied by the Net Asset Value attributable to the Ordinary Shares held by CCLA as at the relevant quarter date on which the base management fee is payable in arrears to the Investment Adviser. The Investment Adviser shall pay the fee rebate to CCLA within five business days of the Investment Adviser receiving payment of the base fee to which the fee rebate is attributable. For the avoidance of doubt no fee rebate will be payable in the event that the Blended Base Fee Rate is less than 0.80 per cent. per annum.

The Subscription Deed is governed by the laws of England and Wales.

(d) **Registrar Agreement**

The Company and the Registrar entered into a registrar agreement dated 25 June 2013, pursuant to which the Company appointed the Registrar to act as registrar of the Company.

The Registrar will be entitled to an annual fee from the Company equal to £1.65 per shareholder per annum or part thereof; with a minimum of £7,000 per annum. Other registrar

activity will be charged for in accordance with the Registrar's normal tariff as published from time to time.

The Registrar Agreement may be terminated by either the Company or the Administrator giving to the other not less than three months' written notice at any time but not to expire earlier than the first anniversary of the date of the agreement.

The Registrar Agreement contains certain standard indemnities from the Company in favour of the Registrar and from the Registrar in favour of the Company. The Registrar's liability under the Registrar Agreement is subject to a financial limit.

(e) **Acquisition Facility Agreement**

(i) On 11 June 2014 Holdco and the Company entered into a facility agreement (based on London Market Association recommended documentation) between Holdco as borrower, the Company as guarantor and The Royal Bank of Scotland plc (**RBS**) as arranger, facility agent and security trustee (the **Acquisition Facility Agreement**). The Acquisition Facility Agreement relates to loans of up to £50 million (the **Loans**) with a tenor of three years (i.e. to 10 June 2017), with the final date for drawdown being 10 May 2017, and an initial margin of 225 basis points over LIBOR.

(ii) The Loans are secured by a fixed charge over the Company's and Holdco's assets and a floating charge over the Company's and Holdco's bank accounts.

(iii) The Acquisition Facility Agreement provides for maximum leverage of 35 per cent. with an interest coverage ratio of 3.5x.

(iv) On the occurrence of an event of default RBS may impose a dividend lock-up.

(v) The Company is required to provide quarterly financial covenant testing and operating reports, half year and full-year financial statements and notification of default.

(vi) The Company has undertaken to comply with all environmental requirements, maintain insurances, and maintain, replace (where necessary) and comply with project documents (subject to carve-outs and thresholds).

(vii) Mandatory prepayment of the Loans may be required in the case of illegality, change of control and following an event of default, and in respect of equity issuance proceeds, disposal proceeds, recoveries under acquisition documents and compensation, and insurance proceeds (subject to carve-outs and thresholds).

(viii) Events of default include non-payment, breach of a covenant and misrepresentation, cross default and insolvency, material adverse change, failure to maintain LSE listing and change of Investment Manager.

(ix) The Company has made representations in respect of information provided to the lenders, environmental compliance, security and financial indebtedness and Group structure.

(f) **Sponsor and Placing Agreement**

Pursuant to the Sponsor and Placing Agreement dated 3 October 2014 between the Company, the Investment Adviser and Numis, and subject to certain conditions, Numis has agreed to use its reasonable endeavours to procure subscribers for the New Ordinary Shares and/or C Shares at the applicable Issue Price pursuant to the Placing Programme. In addition, under the Sponsor and Placing Agreement, Numis has been appointed as sponsor and financial adviser in connection with the proposed applications for Admission and the Placing Programme. The Placing Programme is not being underwritten.

The obligations of the Company to issue the New Ordinary Shares and/or C Shares and the obligations of Numis to use its reasonable endeavours to procure subscribers for New Ordinary Shares and/or C Shares is conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, among others: (i) Admission in respect of

the relevant Placing occurring and becoming effective by 8.00 a.m. on such date, not being later than 2 October 2015, as the Company, Numis and the Investment Adviser may agree; and (ii) the Sponsor and Placing Agreement not having been terminated in accordance with its terms.

The Company and the Investment Adviser have given warranties to Numis concerning, *inter alia*, the accuracy of the information contained in this document. The Company and the Investment Adviser have also given indemnities to Numis. The warranties and indemnities given by the Company and the Investment Adviser are standard for an agreement of this nature.

The Sponsor and Placing Agreement may be terminated by Numis in certain customary circumstances prior to Admission.

The Sponsor and Placing Agreement is governed by the laws of England and Wales.

(g) **Receiving Agent's IPO Agreement**

The Company and the Registrar entered into a receiving agent agreement dated 25 June 2013, pursuant to which the Company appointed Capita Registrars to act as receiving agent to the offer for subscription in connection with the Company's IPO. The Receiving Agent was entitled to receive various fees for services provided, including a minimum aggregate advisory fee of £2,500 and a minimum aggregate processing fee in relation to the IPO offer for subscription of £5,000, as well as reasonable out-of-pocket expenses. The agreement contained certain standard indemnities from the Company in favour of the Receiving Agent and from the Receiving Agent in favour of the Company. The Receiving Agent's liability under the Receiving Agent's Agreement was subject to a financial limit.

(h) **IPO Sponsor and Placing Agreement**

Pursuant to the IPO Sponsor and Placing Agreement dated 25 June 2013 between the Company, the Investment Adviser, the Directors and Numis, Numis agreed to use its reasonable endeavours to procure subscribers for the Ordinary Shares at the Issue Price pursuant to the IPO Placing. In addition, under the IPO Sponsor and Placing Agreement, Numis was appointed as sponsor and financial adviser to the Company in connection with the applications for admission and the issue of Ordinary Shares at the time of the Company's IPO.

The Company and the Investment Adviser gave warranties to Numis concerning, *inter alia*, the accuracy of the information contained in the IPO Prospectus. The Directors also gave certain warranties to Numis as to the accuracy of certain information in the IPO Prospectus and as to themselves. The Company and the Investment Adviser also gave indemnities to Numis. The warranties and indemnities given by the Company, the Investment Adviser and the Directors were standard for an agreement of this nature.

6. LITIGATION

There are no governmental, legal or arbitration proceedings nor, so far as the Company is aware, are there any governmental, legal or arbitration proceedings pending or threatened which may have, or have since incorporation had, a significant effect on the Group's financial position or profitability.

7. NO SIGNIFICANT CHANGE

Other than the acquisition of a further two solar plants with a combined capacity of 14.5 MWp for a total consideration of £15 million in July 2014, there has been no significant change in the financial or trading position of the Group since 30 June 2014.

8. RELATED PARTY TRANSACTIONS

Except with respect to the appointment letters entered into between the Company and each director, as set out in paragraphs 3(j) and 5(b) of this Part X and the Acquisition Agreement entered into between the Company, HoldCo and the Bluefield Related Parties, among others, pursuant to which

the Target Portfolio will be acquired by Holdco, further details of which are set out on pages 58 and 59 of this document, the Company has not entered into any related party transaction since incorporation.

9. GENERAL

(a) The Placing Programme is being carried out on behalf of the Company by Numis which is authorised and regulated in the UK by the Financial Conduct Authority.

(b) The Investment Adviser may be a promoter of the Company. Save as disclosed in paragraph 5 above no amount or benefit has been paid, or given, to the promoter or any of its subsidiaries since the incorporation of the Company and none is intended to be paid, or given.

(c) The address of the Investment Adviser is 45 Queen Anne Street, London W1G 9EL and its telephone number is +44 (0)20 7078 0020.

(d) At 30 June 2014, the net assets of the Company are approximately £147.68 million. Under the Placing Programme, assuming that 250 million New Ordinary Shares are issued at an Issue Price of 103 pence under a single Placing under the Placing Programme, the net assets of the Company would increase by approximately £253.8 million immediately after Admission of such New Ordinary Shares. The Company derives earnings from its gross assets in the form of dividends and interest.

(e) None of the New Ordinary Shares or the C Shares available under the Placing Programme are being underwritten.

(f) CREST is a paperless settlement procedure enabling securities to be evidenced other than by certificates and transferred other than by written instrument. The Articles of the Company permit the holding of the New Ordinary Shares and the C Shares under the CREST system. The Directors intend to apply for the New Ordinary Shares and the C Shares to be admitted to CREST with effect from their respective Admission. Accordingly it is intended that settlement of transactions in the New Ordinary Shares and C Shares following Admission may take place within the CREST system if the relevant Shareholders so wish. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so upon request from the Registrar.

(g) The Company does not own any premises and does not lease any premises.

10. THIRD PARTY SOURCES

(a) Where information contained in this document has been sourced from a third party, the Company confirms that such information 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.

(b) The Investment Adviser has given and not withdrawn its written consent to the issue of this document with references to its name in the form and context in which such references appear. The Investment Adviser accepts responsibility for information attributed to it in this document and declares that, having taken all reasonable care to ensure that such is the case, the information attributed to it in this document is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

11. MANDATORY BIDS, SQUEEZE OUT AND SELL OUT RIGHTS RELATING TO THE SHARES

(a) The Takeover Code applies to the Company. Under the Takeover Code, if an acquisition of Ordinary Shares were to increase the aggregate holding of the acquirer and its concert parties to Ordinary Shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer (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 Ordinary Shares in the Company at a price not less than the highest price paid for any interests in the Ordinary Shares

by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by an acquisition of Ordinary Shares by a person holding (together with its concert parties) Ordinary Shares carrying between 30 per cent. and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the voting rights.

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

(c) In order for a takeover offer to satisfy the requirements of Part XVIII of the Companies Law, the prospective purchaser must prepare a scheme or contract (in this paragraph, the **Offer**) relating to the acquisition of the Ordinary Shares and make the Offer to some or all of the Shareholders. If, at the end of a four month period following the making of the Offer, the Offer has been accepted by Shareholders holding 90 per cent. in value of the Ordinary Shares affected by the Offer, the purchaser has a further two months during which it can give a notice (in this paragraph, a **Notice to Acquire**) to any Shareholder to whom the Offer was made but who has not accepted the Offer (in this paragraph, the **Dissenting Shareholders**) explaining the purchaser's intention to acquire their Ordinary Shares on the same terms. The Dissenting Shareholders have a period of one month from the Notice to Acquire in which to apply to the Court for the cancellation of the Notice to Acquire. Unless, prior to the end of that one month period the Court has cancelled the Notice to Acquire or granted an order preventing the purchaser from enforcing the Notice to Acquire, the purchaser may acquire the Ordinary Shares belonging to the Dissenting Shareholders by paying the consideration payable under the Offer to the Company, which it will hold on trust for the Dissenting Shareholders.

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

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

12. AIFM DIRECTIVE

The AIFM Directive seeks to regulate alternative investment fund managers and imposes obligations on managers who manage alternative investment funds in the EU or who market shares in such funds to EU investors. In order to obtain authorisation under the AIFM Directive, an AIFM would need to comply with various organisational, operational and transparency obligations, which may create significant additional compliance costs, some of which may be passed to investors in the AIF and may affect dividend returns.

The Company is categorised as an internally managed non-EU AIFM for the purposes of the AIFM Directive and as such neither it nor the Investment Adviser is required to seek authorisation under the AIFM Directive. However, following national transposition of the AIFM Directive in a given EU member state, the marketing of shares in AIFs that are established outside the EU (such as the Company) to investors in that EU member state will be prohibited unless certain conditions are met. Certain of these conditions are outside the Company's control as they are dependent on the regulators of the relevant third country (in this case Guernsey) and the relevant EU member state entering into regulatory co-operation agreements with one another.

The Company cannot guarantee that such conditions will be satisfied. In cases where the conditions are not satisfied, the ability of the Company to market its shares or raise further equity capital in the EU may be limited or removed. Any regulatory changes arising from implementation of the AIFM

Directive (or otherwise) that limit the Company's ability to market future issues of its shares may materially adversely affect the Company's ability to carry out its investment policy successfully and to achieve its investment objective, which in turn may adversely affect the Company's business, financial condition, results of operations, NAV and/or the market price of the Ordinary Shares.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company and at the offices of Norton Rose Fulbright LLP, 3 More London Riverside, London SE1 2AQ during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) until the date of Admission.

(a) the memorandum of association of the Company;

(b) the Articles and the Revised Articles;

(c) the audited financial statements for the year ended 30 June 2014;

(d) the Circular; and

(e) this document.

This document is dated 3 October 2014.

PART XI

NOTICES TO OVERSEAS INVESTORS

No application to market the New Ordinary Shares or C Shares has been made by the Company under the relevant private placement regime in any member state of the EEA other than in the United Kingdom, Ireland and Luxembourg (further details of which are set out below). No marketing of New Ordinary Shares and C Shares in any member state of the EEA other than the United Kingdom, Ireland and Luxembourg will be undertaken by the Company save to the extent that such marketing is permitted by the AIFM Directive as implemented in the relevant member state.

If you receive a copy of this document in any territory other than the United Kingdom, Ireland, Luxembourg, Jersey or Guernsey (together, the **Eligible Jurisdictions**) you may not treat it as constituting an invitation or offer to you. It is your responsibility, if you are outside the Eligible Jurisdictions and wishing to make an application for New Ordinary Shares or C Shares under the Placing Programme, to satisfy yourself that you have fully observed the laws of any relevant territory or jurisdiction in connection with your application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory. The Company reserves the right, in its absolute discretion, to reject any application received from outside the Eligible Jurisdictions. Applications by investors in Eligible Jurisdictions are subject to certain further representations.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this document and the offering of New Ordinary Shares and/or C Shares in certain jurisdictions may be restricted and accordingly persons into whose possession this document is received are required to inform themselves about and to observe such restrictions.

None of the New Ordinary Shares or C Shares have been or will be registered under the laws of Australia, Canada, Japan or the Republic of South Africa or under the Securities Act or with any securities regulatory authority of any State or other political subdivision of the United States, Australia, Canada, Japan or the Republic of South Africa. Accordingly, unless an exemption under such Act or laws is applicable, the New Ordinary Shares and C Shares may not be offered, sold or delivered, directly or indirectly, within Australia, Canada, Japan, the Republic of South Africa or the United States or to any US Person (as the case may be). If you subscribe for New Ordinary Shares or C Shares you will, unless the Company agrees otherwise in writing, be deemed to represent and warrant to the Company that you are not a US Person or a resident of Australia, Canada, Japan or the Republic of South Africa or a corporation, partnership or other entity organised under the laws of the United States, Australia or Canada (or any political subdivision of any of them), Japan or the Republic of South Africa and that you are not subscribing for such New Ordinary Shares or C Shares for the account of any US Person or resident of Australia, Canada, Japan, Australia or the Republic of South Africa and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the New Ordinary Shares or C Shares in or into the United States, Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa or to any US Person or resident in Australia, Canada, Japan or the Republic of South Africa. No application will be accepted if it shows the applicant, payor or a prospective holder having an address in the United States, Australia, Canada, Japan or the Republic of South Africa.

This document may not be published, distributed or transmitted by any means or media, directly or indirectly, in whole or in part, in or into the United States, Australia, Canada, Japan or the Republic of South Africa.

Any persons (including, without limitation, custodians, nominees and trustees) who would or otherwise intend to, or may have a contractual or other legal obligation to forward this document or any accompanying documents in or into the United States, Australia, Canada, Japan, the Republic of

South Africa or any other jurisdiction outside the Eligible Jurisdictions should seek appropriate advice before taking any action.

FOR THE ATTENTION OF UNITED STATES RESIDENTS

The New Ordinary Shares and C Shares have not been and they will not be registered under the Securities Act, or with any securities regulatory authority of any State or any other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S). In addition, the Company has not been and will not be registered under the Investment Company Act, and investors will not be entitled to the benefits of the Investment Company Act. The New Ordinary Shares and C Shares have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of New Ordinary Shares or C Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States and any re-offer or resale of any of the New Ordinary Shares or C Shares in the United States or to US Persons may constitute a violation of US law or regulation. Applicants for New Ordinary Shares or C Shares will be required to certify that they are not US Persons and are not subscribing for New Ordinary Shares or C Shares on behalf of US Persons. Any person in the United States who obtains a copy of this document is requested to disregard it.

FOR THE ATTENTION OF GUERNSEY RESIDENTS

The Company is a registered closed-ended collective investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and the Registered Collective Investment Scheme Rules 2008 issued by the Guernsey Financial Services Commission (GFSC). The GFSC, in granting registration, has not reviewed this document but has relied upon specific warranties provided by Heritage International Fund Managers Limited.

A registered closed-ended collective investment scheme is not permitted to be directly offered to the public in Guernsey but may be offered to regulated entities in Guernsey or offered to the public by entities appropriately licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended.

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

EUROPEAN ECONOMIC AREA – PROSPECTUS REQUIREMENTS

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), an offer to the public of any New Ordinary Shares or C Shares may not be made in that Relevant Member State other than pursuant to the Placing Programme contemplated in this document in the UK once this document has been approved by the UKLA and published in accordance with the Prospectus Directive, except that, subject to separate restrictions imposed by the Alternative Investment Fund Managers Directive (in relation to which see below), the New Ordinary Shares and/or C Shares may be offered to professional investors in that Relevant Member State at any time under the following exemptions under the Prospectus Directive, if it has been implemented in that Relevant Member State:

(a) to legal entities which are qualified investors as defined in the Prospectus Directive;

(b) by the Managers to fewer than 100, or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) as permitted under the Prospectus Directive and subject to obtaining the consent of the Managers for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of New Ordinary Shares and/or C Shares shall result in a requirement for, the publication by the Company or Numis of a prospectus pursuant to Article 3 of the Prospectus

Directive, or supplementing a prospectus pursuant to Article 16 of the Prospectus Directive, and each person who initially acquires New Ordinary Shares and/or C Shares or to whom any offer is made will be deemed to have represented, warranted to and agreed with Numis and the Company that it is a "qualified investor" within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any New Ordinary Shares and/or C Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Ordinary Shares and/or C Shares to be offered so as to enable an investor to decide to purchase any New Ordinary Shares and/or C Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

In the case of any New Ordinary Shares and/or C Shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will be deemed to have represented, warranted, acknowledged and agreed that the New Ordinary Shares and/or C Shares subscribed by it pursuant to the Placing Programme have not been subscribed on a non-discretionary basis on behalf of, nor have they been subscribed with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any New Ordinary Shares and/or C Shares to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of Numis has been obtained to each such proposed offer or resale.

The Company, Numis and their affiliates and others will rely upon the truth and accuracy of the foregoing representation, warranty, acknowledgement and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified Numis of such fact in writing may, with the consent of Numis, be permitted to subscribe for New Ordinary Shares and/or C Shares pursuant to the Placing Programme.

FOR THE ATTENTION OF IRISH RESIDENTS

Neither the Company nor any investment in the Company has been authorised by the Central Bank of Ireland. This Prospectus does not, and shall not be deemed to, constitute an invitation to the public in Ireland to purchase interests in the Company.

The Shares have not been and will not be registered in Ireland or passported for inward marketing to professional investors (as defined in Annex II of Directive 2004/39/EC) under the European Communities (Alternative Investment Fund Manager) Regulations 2013 ("AIFM Regulations") or any applicable regulations or guidance issued thereunder by the Central Bank of Ireland. The Shares may only be offered to professional investors on a private placement basis in accordance with the AIFM Directive. In respect of such private placement, the Company has provided (or will shortly provide) notification to the Central Bank of Ireland and is expecting to receive confirmation of its eligibility to market the Shares under Article 42 of the AIFM Directive (as implemented into Irish Law) shortly after publication of this Prospectus.

The offer of Shares in the Company shall not be made by any person in Ireland otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (as amended) and in accordance with any codes, guidance or requirements imposed by the Central Bank of Ireland thereunder.

FOR THE ATTENTION OF LUXEMBOURG RESIDENTS

This document is strictly private and confidential, is being issued solely to the addressee and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient. This document should not be considered as a public offering in the Grand Duchy of

Luxembourg. The Company has notified (or will shortly notify) its intention to market shares of the Company in Luxembourg to the Commission de Surveillance du Secteur Financier in accordance with article 45 of the Luxembourg Law of 12 July 2013 to professional investors only, and is expecting to receive confirmation of its eligibility to market the Shares under Article 42 of the AIFM Directive (as implemented into Luxembourg Law) shortly after publication of this Prospectus. Each person in Luxembourg to whom any offer is made will be deemed to have represented, acknowledged and agreed that it is a professional investor (which, for this purpose shall have the same meaning as a "professional client" as such term is defined in the Markets in Financial Instruments Directive 2004/39/EC).

Acquisition	the proposed acquisition of the Target Portfolio through the acquisition of the Target Holdco by Bluefield SIF Investments Limited pursuant to the Acquisition Agreement
Acquisition Agreement	the conditional acquisition agreement dated 9 September 2014 between the L&P Sellers, Bluefield SIF Investments Limited and the Company
Acquisition Facility	the £50 million revolving credit facility made available to the Group pursuant to the Acquisition Facility Agreement
Acquisition Facility Agreement	the revolving credit acquisition facility agreement dated 11 June 2014 between the Company, Holdco and The Royal Bank of Scotland plc, details of which are set out in paragraph 5(e) of Part X of this document
Administration Agreement	the administration agreement between the Company and the Administrator, a summary of which is set out in paragraph 5(b) of Part X of this document
Administrator	Heritage International Fund Managers Limited
Admission	admission of: (i) the Consideration Shares; and/or (ii) New Ordinary Shares issued pursuant to the Placing Programme to the premium segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange and/ or admission of C Shares issued pursuant to the Placing Programme to the standard segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange, as the context requires
Aggregate Group Debt	the debt incurred by the Group and the Group's proportionate share of the outstanding third party borrowings of non-subsidiary companies in which the Group holds an interest
AIC	the Association of Investment Companies
AIC Code	the AIC Code of Corporate Governance
AIF	an Alternative Investment Fund, as defined in the AIFM Directive
AIFM	an Alternative Investment Fund Manager, as defined in the AIFM Directive
AIFM Directive	the EU Directive on Alternative Investment Fund Managers
Articles	the articles of incorporation of the Company, as amended from time to time
Auditors	KPMG Channel Islands Limited
Bluefield	Bluefield Partners LLP
Bluefield Development Fund	Bluefield Energy Solar Development Fund
BER	BE Renewables Limited, a company under common control with the Investment Adviser
Bluefield Related Parties	James Armstrong, Michael Rand and Giovanni Terranova, being directors of one or more direct or indirect wholly owned subsidiaries of the Company and sellers of B shares in the capital of Target Holdco pursuant to the Acquisition Agreement

Board	the board of directors of the Company
Business Day	a day on which the London Stock Exchange and banks in Guernsey are normally open for business
CCLA	CCLA Investment Management Limited
C Shares	redeemable ordinary shares of no par value in the capital of the Company issued as "C Shares" and having the rights and being subject to the restrictions described in Part IX of this document, which will convert into Ordinary Shares as set out in the Articles
C Share Issue Price	£1.00 per C Share
Capita Registrars	a trading name of Capita Registrars Limited
certificated or **certificated form**	not in uncertificated form
CFD FITs	Contract for Differences for FITS
Circular	the circular to Shareholders dated 9 September August 2014, containing details, inter alia, of the Acquisition
Climate Change Levy or **CCL**	the tax imposed by the UK Government to encourage reduction in gas emissions and greater efficiency of energy used for business or non domestic purposes
Commission or **GFSC**	the Guernsey Financial Services Commission
Companies Law	the Companies (Guernsey) Law, 2008, as amended
Company	Bluefield Solar Income Fund Limited
Consideration Shares	the new Ordinary Shares to be issued to the L&P Sellers as part consideration for the Acquisition in accordance with the terms of the Acquisition Agreement
CPI	the consumer prices index published by the Office for National Statistics
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 No. 2001/3755) and the Guernsey USRs
CREST	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755) of the United Kingdom
Current Portfolio	the portfolio of Solar PV assets held by the Group as at the date of this document, as further described in Part IV of this document
DECC	the Department of Energy and Climate Change
DevCo	a development SPV owned by the Bluefield Development Fund
Directors or **Board**	the directors of the Company
Disclosure and Transparency	the disclosure rules and transparency rules made by the FCA Rules or DTRs under Part VI of the FSMA

Discontinuation Resolution	has the meaning given in the section headed "Duration" in Part II of this document as to the discontinuation of the Company as currently constituted
EDF	EDF Energy plc
EEA	the European Economic Area
EMR	Electricity Market Reform
ERISA	the US Employee Retirement Income Security Act of 1974, as amended from time to time, and the applicable regulations thereunder
EU	the European Union
EU ETS	the EU Emissions Trading Scheme
Euroclear	Euroclear UK & Ireland Limited
Exchange Act	the US Securities Exchange Act of 1934, as amended
Excluded Territory	the United States of America, Canada, Australia, Japan and the Republic of South Africa and any other jurisdiction where the extension or availability of the Issues would breach any applicable law
FATCA	the U.S. Foreign Account Tax Compliance Act of 2010
Financial Conduct Authority or **FCA**	the Financial Conduct Authority of the United Kingdom and, where applicable, acting as the competent authority for listing in the United Kingdom
First Admission	Admission of the Consideration Shares
FIT	Feed-in tariff
FSMA	the Financial Services and Markets Act 2000, as amended
GWh	gigawatt hour, a measure of energy
Gross Asset Value	the aggregate of: (i) the fair value of the Group's underlying investments (whether or not subsidiaries) valued on an unlevered, discounted cashflow basis as described in the International Private Equity and Venture Capital Valuation Guidelines (latest edition December 2012); (ii) the Group's proportionate share of the cash balances and cash equivalents of Group Companies and non-subsidiary companies in which the Group holds an interest; and (iii) the other relevant assets or liabilities of the Group valued at fair value (other than third party borrowings) to the extent not included in (i) and (ii) above
Gross Proceeds	the aggregate value of the New Ordinary Shares and C Shares to be issued or sold pursuant to the Placing Programme at the applicable Issue Price
Group	the Company, Holdco and any other direct or indirect subsidiaries of either of them
Guernsey AML Requirements	The Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999 (as amended), ordinances, rules and regulations made thereunder, and the GFSC's Handbook for Financial Services Businesses on Countering Financial Crime and Terrorist Financing (as amended, supplemented and/or replaced from time to time)

Guernsey USRs	the Uncertificated (Guernsey) Regulations, 2009, as amended from time to time
Holdco	Bluefield SIF Investments Limited, a wholly-owned subsidiary of the Company incorporated and registered under the UK Companies Act 2006
Holdco Investment Committee	the investment committee of Holdco described in Part V of this document
IFRS	International Financial Reporting Standards
Internal Revenue Code	the U.S. Internal Revenue Code of 1986, as amended
Investment Adviser	Bluefield Partners LLP
Investment Advisory Agreement	the Investment Advisory agreement between the Company and the Investment Adviser, a summary of which is set out in paragraph 5(a) of Part X of this document
Investment Committee	the investment committee of the Investment Adviser, details of which are set out in Part V of this document
Investment Company Act	the US Investment Company Act of 1940, as amended
IPO	the initial public offering of the Company's Ordinary Shares as described in the IPO Prospectus
IPO Admission	the admission of the Ordinary Shares issued to investors in relation to the Company's IPO, which took place on 12 July 2013
IPO Prospectus	the prospectus issued by the Company in connection with its IPO and dated 25 June 2013
ISA	an individual savings account
ISIN	International Securities Identification Number
Issue Price	the New Ordinary Share Issue Price or the C Share Issue Price, as applicable
KW	kilowatt, equal to one thousand watts, a measure of power
KWh	kilowatt hour, a measure of energy
LEC	levy exemption certificate
L&P Sellers	L&P Ethical Investment Initiative Limited and L&P Alternative Investments Limited, the owners, in aggregate, of 94 per cent. of the issued ordinary shares in the capital of Bluefield L&P Solar Limited, the ultimate holding company of the Target Portfolio
Listing Rules	the listing rules made by the Financial Conduct Authority pursuant to Part VI of the FSMA
London Stock Exchange or **LSE**	London Stock Exchange plc
LSE Admission Standards	the rules issued by the London Stock Exchange in relation to the admission to trading of, and continuing requirements for, securities admitted to the main market for listed securities
Managing Partners	the managing partners of the Investment Adviser, being James Armstrong, Mike Rand and Giovanni Terranova
Memorandum	the memorandum of incorporation of the Company
MW	megawatt, equal to one million watts, a measure of power
MWh	megawatt hour, a measure of energy

MWp	megawatt peak, being the power produced when a solar project is at peak operating performance with the sun shining strongly at midday
Net Asset Value or **NAV**	the Gross Asset Value less the Aggregate Group Debt
Net Asset Value per Ordinary Share	the Net Asset Value of the Company divided by the number of Ordinary Shares in issue at the relevant time
Net Proceeds	the Gross Proceeds less the fees and expenses of the Placing Programme
New Ordinary Shares	the Ordinary Shares to be issued pursuant to the Placing Programme as described in this document and having the rights set out in the Articles and "New Ordinary Share" shall be construed accordingly
New Ordinary Share Issue Price	a price per New Ordinary Share as determined in accordance with Part I of this document
NGET	National Grid Electricity Transmission plc
Non-Qualified Holder	any person whose ownership of Shares may: (i) cause the Company's assets to be deemed "plan assets" for the purposes of the Internal Revenue Code; (ii) cause the Company to be required to register as an "investment company" under the Investment Company Act (including because the holder of the shares is not a "qualified purchaser" as defined in the Investment Company Act); (iii) cause the Company to register under the Exchange Act, the Securities Act or any similar legislation; (iv) cause the Company not being considered a "Foreign Private Issuer" as such term is defined in rule 3b-4(c) under the Exchange Act; (v) result in a person holding Ordinary Shares in violation of the transfer restrictions set forth in any prospectus published by the Company, from time to time; or (vi) cause the Company to be a "controlled foreign corporation" for the purposes of the Internal Revenue Code, or may cause the Company to suffer any pecuniary disadvantage (which will include any excise tax, penalties or liabilities under ERISA or the Internal Revenue Code, including as a result of the Company's failure to comply with FATCA as a result of the Non-Qualified Holder failing to provide information concerning itself as requested by the Company in accordance with its Articles)
Numis	Numis Securities Limited
Ofgem	The Office of Gas and Electricity Markets
Ordinary Shares	redeemable ordinary shares of no par value in the capital of the Company (including the New Ordinary Shares and the Consideration Shares, where the context requires)
Pipeline Agreement	the agreement between the Investment Adviser, BER and the Bluefield Development Fund, details of which are set out in Parts I and IV of this document
Placee	a person subscribing for New Ordinary Shares or C Shares under a Placing
Placing	a placing of New Ordinary Shares or C Shares under the Placing Programme

Placing Programme	the proposed programme of placings of up to 250 million New Ordinary Shares and/or C Shares (in aggregate) as described in Part I of this document
Plan Asset Regulations	the regulations promulgated by the U.S. Department of Labor at 29 CFR 2510.3-101, as modified by section 3(42) of ERISA
Plan Investor	(i) an "employee benefit plan" as defined in section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the Code; or (iii) an entity whose underlying assets are considered to include "plan assets" by reason of investment by an "employee benefit plan" or "plan" described in the preceding clause (i) or (ii) in such entity pursuant to the Plan Asset Regulations
Plan Threshold	ownership by benefit plan investors, as defined under section 3(42) of ERISA, in the aggregate of 25 per cent. or more of the value of any class of equity in the Company (calculated by excluding the value of any equity interest held by any person (other than a benefit plan investor, as defined under section 3(42) of ERISA) that has discretionary authority or control with respect to the assets of the Company or that provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliate of such a person); the term shall be amended to reflect such new ownership threshold that may be established by a change in the Plan Asset Regulations or other applicable law
PPA	Power Purchase Agreement
Prospectus Directive	Directive 2003/71/EC of the European Parliament and Council on the prospectus to be offered when transferable securities are offered to the public or admitted to trading
PV	photovoltaic – a photovoltaic panel, usually made from silicon, turns solar radiation into electricity
Prospectus Rules	the prospectus rules made by the Financial Conduct Authority under section 73(A) of the FSMA
Registrar	Capita Registrars (Guernsey) Limited or such other person or persons from time to time appointed by the Company to act as its registrar
Registrar Agreement	the registrar agreement between the Company and the Registrar, a summary of which is set out in paragraph 5(d) of Part X of this document
Regulation S	Regulation S promulgated under the Securities Act
Renewable Energy Action Plan	the plan required by each Member State of the EU pursuant to Article 4 of the European Renewable Energy Directive (2009/28/EC) setting out measures to enable the UK to reach its target for 15 per cent. of energy consumption in 2020 to be from renewable sources
Renewable Energy Directive	Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC

Renewables Obligation	the financial mechanism by which the UK Government incentivises the deployment of large-scale renewable electricity generation by placing a mandatory requirement on licensed UK electricity suppliers to source a specified and annually increasing proportion of electricity they supply to customers from eligible renewable sources or pay a penalty
ROCs	Renewable Obligation certificates
Regulatory Information Service or **RIS**	a regulatory information service or RIS
RPI	the Retail Prices Index as published by the Office for National Statistics or any comparable index which may replace it for all items
Rules	the Registered Collective Investment Scheme Rules 2008 issued by the Commission under The Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended
SEC	the US Securities and Exchange Commission
Securities Act	the US Securities Act of 1933, as amended
SEDOL	Stock Exchange Daily Official List
Shareholder	a holder of Ordinary Shares or C Shares as the context may require
Share	a share in the capital of the Company (of whatever class and including a C Share of any class and an Ordinary Share converted from a C Shares)
Special Purpose Company or **SPV**	a special purpose vehicle, being a company or other entity whose sole purpose is the holding of a particular asset
Sponsor and Placing Agreement	the conditional agreement between the Company, the Investment Adviser, and Numis relating to the Placing Programme, a summary of which is set out in paragraph 5(f) of Part X of this document
Sterling	the lawful currency of the United Kingdom
Tap Issue	the issue of 13,028,999 Ordinary Shares on 3 March 2014 at a price per Ordinary Share of 101 pence
Target Portfolio	the portfolio of 12 operating solar assets, further details of which are set out in Part IV of this document
US Persons	has the meaning given to it in Regulation S under the Securities Act
UK Corporate Governance Code	the UK Corporate Governance Code as published by the Financial Reporting Council
UK or **United Kingdom**	the United Kingdom of Great Britain and Northern Ireland
uncertificated or **in uncertificated form**	recorded on the register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
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

APPENDIX 1

TERMS AND CONDITIONS OF THE PLACING PROGRAMME

1. INTRODUCTION

Each Placee which confirms its agreement to Numis to subscribe for New Ordinary Shares and/or C Shares under a Placing pursuant to the Placing Programme will be bound by these terms and conditions and will be deemed to have accepted them.

The Company and/or Numis may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it/they (in its/their absolute discretion) sees fit and/or may require any such Placee to execute a separate placing letter (a **Placing Letter**).

2. AGREEMENT TO SUBSCRIBE FOR NEW ORDINARY SHARES AND/OR C SHARES

Conditional on: (i) any Admission of the New Ordinary Shares and/or C Shares under the Placing Programme occurring not later than 8.00 a.m. on such dates as may be agreed between the Company and Numis prior to the closing of each placing under the Placing Programme, not being later than 2 October 2015; (ii) the Sponsor and Placing Agreement becoming otherwise unconditional in all respects and not having been terminated on or before the relevant Admission; and (iii) Numis confirming to the Placees their allocation of New Ordinary Shares and/or C Shares, a Placee agrees to become a member of the Company and agrees to subscribe for those New Ordinary Shares and/or C Shares allocated to it by Numis at the applicable Issue 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.

Applications under a Placing must be for a minimum subscription amount of £50,000.

3. PAYMENT FOR NEW ORDINARY SHARES AND/OR C SHARES

Each Placee undertakes to pay the applicable Issue Price for the New Ordinary Shares or C Shares issued to the Placee in the manner and by the time directed by Numis. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee shall be deemed hereby to have appointed Numis or any nominee of Numis as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the New Ordinary Shares or C Shares (as applicable) in respect of which payment shall not have been made as directed, and to indemnify Numis 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.

A sale of all or any of such New Ordinary Shares or C Shares shall not release the relevant Placee from the obligation to make such payment for relevant New Ordinary Shares or C Shares to the extent that Numis or its nominee has failed to sell such New Ordinary Shares or C 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, exceeds the applicable Issue Price per New Ordinary Share or C Share.

4. REPRESENTATIONS AND WARRANTIES

By agreeing to subscribe for New Ordinary Shares or C Shares, each Placee which enters into a commitment to subscribe for such New Ordinary Shares or C Shares will (for itself and for any person(s) procured by it to subscribe for New Ordinary Shares or C Shares and any nominee(s) for any such person(s)) be deemed to undertake, represent and warrant to each of the Company, the Investment Adviser, the Registrar and Numis that:

(a) in agreeing to subscribe for New Ordinary Shares or C Shares under the Placing Programme, it is relying solely on this document and any supplementary prospectus issued by the Company and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the New Ordinary Shares or the C Shares or the

Placing Programme. It agrees that none of the Company, the Investment Adviser, Numis or the Registrar, 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 in respect of any other information or representation;

(b) if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for New Ordinary Shares or C Shares under the Placing Programme, 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 it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the New Ordinary Shares or the C Shares and that it has not taken any action or omitted to take any action which may result in the Company, the Investment Adviser, Numis or the Registrar or any of their respective officers, agents, employees or affiliates being in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing Programme or its acceptance of participation in the Placing Programme;

(c) it has carefully read and understands this document in its entirety and acknowledges that it is acquiring New Ordinary Shares or C Shares on the terms and subject to the conditions set out in this Appendix 1 and the Articles as in force at the relevant date of Admission of the relevant New Ordinary Shares or C Shares;

(d) it has not relied on Numis or any person affiliated with Numis in connection with any investigation of the accuracy of any information contained in this document;

(e) the content of this document is exclusively the responsibility of the Company and its Directors and neither Numis nor any person acting on its behalf nor any of its affiliates are responsible for or shall have any liability for any information, representation or statement contained in this document or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in any Placing under the Placing Programme based on any information, representation or statement contained in this document or otherwise;

(f) it acknowledges that no person is authorised in connection with the Placing Programme to give any information or make any representation other than as contained in this document and, if given or made, any information or representation must not be relied upon as having been authorised by Numis, the Company or the Investment Adviser;

(g) 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 section 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;

(h) it accepts that none of the New Ordinary Shares or C Shares have been or will be registered in any jurisdiction other than the United Kingdom and that the New Ordinary Shares nor the C Shares may be offered, sold, issued or delivered, directly or indirectly, within any Excluded Territory;

(i) if it is applying for the New Ordinary Shares or C Shares 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 New Ordinary Shares or the C Shares may be lawfully offered under that other jurisdiction's laws or regulations;

(j) if it is within the United Kingdom, it is a person who falls within Articles 49 or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or is a person to whom the New Ordinary Shares and C Shares may otherwise lawfully be offered under such Order, 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 New Ordinary Shares and C Shares may be lawfully offered under that other jurisdiction's laws and regulations;

(k) if it is a resident in the EEA (other than the United Kingdom), (a) 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 (b) if that relevant Member State has implemented the AIFM Directive, that it is a person to whom the New Ordinary Shares or the C Shares may lawfully be marketed under the AIFM Directive or under the applicable implementing legislation (if any) of that relevant Member State;

(l) in the case of any New Ordinary Shares or C Shares acquired by an investor 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 New Ordinary Shares or C Shares acquired by it in the Placing Programme 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 Numis has been given to the offer or resale; or (ii) where New Ordinary Shares or C Shares have been acquired by it on behalf of persons in any relevant Member State other than qualified investors, the offer of those New Ordinary Shares or C Shares to it is not treated under the Prospectus Directive as having been made to such persons;

(m) if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Placing Programme constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for New Ordinary Shares or C Shares pursuant to the Placing Programme unless, in the relevant territory, such offer, invitation 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 New Ordinary Shares or C 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;

(n) it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the New Ordinary Shares or C Shares and it is not acting on a non-discretionary basis for any such person;

(o) 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 Placee's agreement to subscribe for New Ordinary Shares or C Shares under the Placing Programme and will not be any such person on the date any such agreement to subscribe under the Placing Programme is accepted;

(p) it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other offering materials concerning the Placing Programme, the New Ordinary Shares or the C Shares to any persons within the United States or to any US Persons, nor will it do any of the foregoing;

(q) it acknowledges that neither Numis nor any of its affiliates nor any person acting on its or 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 Programme or providing any advice in relation to the Placing Programme and participation in the Placing Programme is on the basis that it is not and will not be a client of Numis and that Numis does not have any duties or responsibilities to it for providing protection afforded to its clients or for providing advice in relation to the Placing Programme nor in respect of any representations, warranties, undertaking or indemnities otherwise required to be given by it in connection with its application under the Placing Programme;

(r) that, save in the event of fraud on the part of Numis, none of Numis, its ultimate holding companies nor any direct or indirect subsidiary undertakings of such holding companies, nor any of their 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 Numis' role as sponsor, broker and financial adviser or otherwise in connection with the Placing Programme and that where any such responsibility or liability nevertheless arises as a matter of law the

Placee and, if relevant, its clients, will immediately waive any claim against any of such persons which the Placee or any of its clients may have in respect thereof;

(s) it acknowledges that where it is subscribing for New Ordinary Shares or C Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the New Ordinary Shares or C Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this document; and (iii) to receive on behalf of each such account any documentation relating to the Placing Programme in the form provided by the Company and/or Numis. It agrees that the provision of this paragraph shall survive any resale of the New Ordinary Shares or the C Shares by or on behalf of any such account;

(t) it irrevocably appoints any Director of the Company and any director of Numis 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 New Ordinary Shares or C Shares for which it has given a commitment under the Placing Programme, in the event of its own failure to do so;

(u) it accepts that if the Placing Programme does not proceed or the conditions to the Sponsor and Placing Agreement are not satisfied or the New Ordinary Shares or C Shares for which valid applications are received and accepted are not admitted to listing on the Official List and to trading on the London Stock Exchange's main market for listed securities for any reason whatsoever then none of Numis or the Company, 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;

(v) in connection with its participation in any Placing under the Placing Programme it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering (**Money Laundering Legislation**) and that its application 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. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations 2007 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) subject to the Guernsey AML Requirements; or (iv) 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 Directive;

(w) it acknowledges that due to anti-money laundering requirements, Numis and the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Numis and the Company may refuse to accept the application and the subscription monies relating thereto. It holds harmless and will indemnify Numis and the Company 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;

(x) it acknowledges that any person in Guernsey involved in the business of the Company who has a suspicion or belief that any other person (including the Company or any person subscribing for New Ordinary Shares or C Shares) is involved in money laundering activities, is under an obligation to report such suspicion to the Financial Intelligence Service pursuant to the Terrorism and Crime (Bailiwick of Guernsey) Law, 2002 (as amended);

(y) that they are aware of, have complied with and will at all times comply with their obligations in connection with money laundering under the Proceeds of Crime Act 2002;

(z) it acknowledges and agrees that information provided by it to the Company, Registrar or Administrator will be stored on the Registrar's and the Administrator's computer system and manually. It acknowledges and agrees that for the purposes of the Data Protection (Bailiwick of Guernsey) Law 2001 (the **Data Protection Law**) and other relevant data protection legislation which may be applicable, the Registrar and the Administrator are required to specify the purposes for which they will hold personal data. The Registrar and the Administrator will only use such information for the purposes set out below (collectively, the **Purposes**), being to:

(i) process its personal data (including sensitive personal data) as required by or in connection with its holding of New Ordinary Shares and/or C Shares, including processing personal data in connection with credit and money laundering checks on it;

(ii) communicate with it as necessary in connection with its affairs and generally in connection with its holding of New Ordinary Shares and/or C Shares;

(iii) provide personal data to such third parties as the Administrator or Registrar may consider necessary in connection with its affairs and generally in connection with its holding of New Ordinary Shares and/or C Shares or as the Data Protection Law may require, including to third parties outside the Bailiwick of Guernsey or the European Economic Area;

(iv) without limitation, provide such personal data to the Company, Numis or the Investment Adviser and their respective Associates for processing, notwithstanding that any such party may be outside the Bailiwick of Guernsey or the European Economic Area; and

(v) process its personal data for the Administrator's internal administration.

(aa) in providing the Registrar and the Administrator with information, it hereby represents and warrants to the Registrar and the Administrator that it has obtained the consent of any data subjects to the Registrar and the Administrator and their respective associates holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the purpose set out in paragraph (z) above). For the purposes of this document, "data subject", "personal data" and "sensitive personal data" shall have the meanings attributed to them in the Data Protection Law;

(bb) Numis and the Company are entitled to exercise any of their rights under the Sponsor and Placing Agreement or any other right in their absolute discretion without any liability whatsoever to it;

(cc) the representations, undertakings and warranties contained in this document are irrevocable. It acknowledges that Numis and the Company and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of the New Ordinary Shares or C Shares are no longer accurate, it shall promptly notify Numis and the Company;

(dd) where it or any person acting on behalf of it is dealing with Numis, any money held in an account with Numis 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 Financial Conduct Authority which therefore will not require Numis to segregate such money, as that money will be held by Numis under a banking relationship and not as trustee;

(ee) any of its clients, whether or not identified to Numis, will remain its sole responsibility and will not become clients of Numis for the purposes of the rules of the Financial Conduct Authority or for the purposes of any other statutory or regulatory provision;

(ff) it accepts that the allocation of New Ordinary Shares or C Shares under any Placing shall be determined by Numis and the Company in their absolute discretion and that such persons may scale down any Placing commitments for this purpose on such basis as they may determine;

(gg) time shall be of the essence as regards its obligations to settle payment for the New Ordinary Shares or C Shares and to comply with its other obligations under the Placing Programme; and

(hh) authorises Numis to deduct from the total amount subscribed under the Placing Programme the aggregate commission (if any) (calculated at the rate agreed with the Company) payable on the number of New Ordinary Shares or C Shares allocated under the Placing Programme.

5. UNITED STATES PURCHASE AND TRANSFER RESTRICTIONS

By participating in the Placing Programme, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for New Ordinary Shares or C Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, the Investment Adviser and Numis that:

(a) it is not a US Person, is not located within the United States, is acquiring the New Ordinary Shares or C Shares in an offshore transaction meeting the requirements of Regulation S and is not acquiring the New Ordinary Shares or C Shares for the account or benefit of a US Person;

(b) it acknowledges that the New Ordinary Shares and C Shares have not been and will not 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 or sold in the United States or to, or for the account or benefit of, US Persons absent registration or an exemption from registration under the Securities Act;

(c) it acknowledges that the Company has not registered under the Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the Investment Company Act;

(d) unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the New Ordinary Shares or C Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the Internal Revenue Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the Internal Revenue Code; or (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the Internal Revenue Code. In addition, if an investor is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the Internal Revenue Code, its purchase, holding, and disposition of the New Ordinary Shares or C Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

(e) that if any New Ordinary Shares or C Shares offered and sold pursuant to Regulation S are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect unless otherwise determined by the Company in accordance with applicable law:

"BLUEFIELD SOLAR INCOME FUND LIMITED (THE "COMPANY") HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US 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. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED, EXERCISED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS EXCEPT IN ACCORDANCE WITH THE SECURITIES ACT OR AN EXEMPTION THEREFROM AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE INVESTMENT COMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS."

(f) if in the future the investor decides to offer, sell, transfer, assign or otherwise dispose of the New Ordinary Shares or C Shares, it will do so only in compliance with an exemption from the registration requirements of the Securities Act and under circumstances which will not require the Company to register under the Investment Company Act. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such laws and the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;

(g) it is purchasing the New Ordinary Shares or C Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the New Ordinary Shares or C Shares in any manner that would violate the Securities Act, the Investment Company Act or any other applicable securities laws;

(h) it acknowledges that the Company reserves the right to make inquiries of any holder of the New Ordinary Shares or C Shares or interests therein at any time as to such person's status under the US federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under the US securities laws to transfer such New Ordinary Shares or C Shares or interests in accordance with the Articles;

(i) it acknowledges and understand the Company is required to comply with FATCA and that the Company will follow FATCA's extensive reporting and withholding requirements. The Placee agrees to furnish any information and documents which the Company may from time to time request, including but not limited to information required under FATCA;

(j) it is entitled to acquire the New Ordinary Shares or C Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the New Ordinary Shares or C Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the Investment Adviser, Numis or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Placing Programme or its acceptance of participation in the Placing Programme;

(k) it has received, carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the New Ordinary Shares and/or C Shares to or within the United States or to any US Persons, nor will it do any of the foregoing; and

(l) if it is acquiring any New Ordinary Shares or C Shares as a fiduciary or agent for one or more accounts, the Placee has 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.

6. SUPPLY AND DISCLOSURE OF INFORMATION

If Numis, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for New Ordinary Shares or C Shares under the Placing Programme, such Placee must promptly disclose it to them.

7. MISCELLANEOUS

The rights and remedies of Numis, the Registrar, the Investment Adviser and the Company 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.

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 Programme will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

Each Placee agrees to be bound by the Articles once the New Ordinary Shares or C Shares, which the Placee has agreed to subscribe for pursuant to a Placing under the Placing Programme, have been acquired by the Placee. The contract to subscribe for New Ordinary Shares or C Shares under the Placing Programme and the appointments and authorities mentioned in this document will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Numis, the Company, the Investment Adviser 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 Placee in any other jurisdiction.

In the case of a joint agreement to subscribe for New Ordinary Shares or C Shares under a 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.

Numis and the Company expressly reserve the right to modify any Placing under the Placing Programme (including, without limitation, its timetable and settlement) at any time before allocations are determined. Each Placing under the Placing Programme is subject to the satisfaction of the conditions contained in the Sponsor and Placing Agreement and the Sponsor and Placing Agreement not having been terminated. Further details of the terms of the Sponsor and Placing Agreement are contained in paragraph 5(f) of Part X of this document.

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