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70 Colombo Street  
South Bank  
SE1 8DP  
London, UK



Beaumont City Tower  
40 Basinghall Street  
EC2V 5DE  
London, UK

6 December 2022

Dear fellow shareholders,

**Re: Requisition of a General Meeting of VPC Specialty Lending Investments PLC (“Company”) to put forward proposals to amend its investment policy and introduce a periodic realisation opportunity**

Funds managed by the investment teams at Metage Capital Limited<sup>1</sup> and Staude Capital Limited<sup>2</sup> hold more than 5% of the outstanding shares of the Company and have been long-term shareholders, since 2016 and 2017 respectively. Following months of discussions with both the Board of the Company (“Board”) and other shareholders, we believe that it is necessary to call a General Meeting in order to address the longstanding, persistent discount which exists between the Company’s share price and its net asset value per share. The Company does not currently have a detailed plan in place to address the structural issues that we have identified. We believe that our plan is the only long-term and credible plan that will enable the Company to deliver for its shareholders.

***Why Metage and Staude Capital believe that a General Meeting is necessary***

We started discussions with the Board over the issues facing the Company and our proposal for a periodic realisation share class over six months ago. Following our initial meetings with the Board, they met with other shareholders over the summer. Given the lack of comment following this ‘shareholder consultation process’, on 12 September 2022, we wrote an open letter to other shareholders recommending the introduction of a realisation share class. Despite our letter, the Board has failed to make any public comment on the issues raised by us, the proposals that we believe would address them, or on its own intentions.

At the Annual General Meeting in 2020, the Board committed to take a number of actions if shareholders approved the continuation of the Company. One of these was to provide an opportunity for shareholders to exit up to 25% of the shares in issue in 2023 if the discount was wider than 5% (“2023 Exit Opportunity”).

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<sup>1</sup> Metage Capital Limited is a company registered in England and Wales with registration number 03525123. Its registered office address is 20 Farringdon Street, 8th Floor, London, EC4A 4AB.

<sup>2</sup> Staude Capital Limited is an Appointed Representative of Mirabella Advisers LLP. Investment personnel at Staude Capital Limited are seconded to Mirabella Financial Services LLP which acts as Investment Manager to funds that are shareholders of the Company. Staude Capital Limited is a company incorporated in England with registration number 10236669. Its registered office address is City Tower, Basinghall Street, London, England, EC2V 5DE.

Despite this commitment, the Board has failed to put this plan in place. If the Investment Association's Share Capital Management Guidelines are to be complied with, bringing this commitment into force will require a meeting of shareholders and its approval through a special resolution, with 75% of the votes in attendance cast in favour, in person or by proxy. This vote was not held at the Annual General Meeting in 2020, nor has it been held since; **the Company therefore has no significant discount control measures in effect.**

We understand that the requirement for a special resolution to be held, to enable the Board to meet its own commitments, was not addressed with shareholders in the 'shareholder consultation process' over the summer. We believe that the Board has been fundamentally disingenuous both in not identifying this as a critical issue in their discussions and in not making clear to shareholders what their detailed plans are for the approval, funding and mechanism for the 2023 Exit Opportunity.

Further there remain no proposals, that we are aware of, to address the persistent discount following the putative 2023 Exit Opportunity. Therefore, we believe that it is appropriate to bring forward a set of binding proposals that actually serve to address the structural issues facing the Company for the long term and give shareholders the opportunity to vote upon them.

### ***Issues that we have identified as facing the Company***

In our consultations with other large shareholders, who are independent of the Company's investment manager, Victory Park Capital Advisors, LLC and its affiliates ("Manager"), two widely held issues arose:

1. The discount between the Company's net asset value per share and its share price represents a material loss in value and significant action is required to address it; and
2. That any actions taken to address this discount should not entrench the conflicts of interest between the Company and its Manager. This conflict of interest arises due to the Manager's effective control of approximately 20% of the Company's total ordinary share capital through it also acting as the general partner of SVS Opportunity GP LP ("SVS").

### ***What the Board committed to in order to secure the continuation vote in 2020***

On 10 June 2020, in the update to the Notice of Annual General Meeting, the Board stated the following:

*...If shareholders approve the continuation of the Company, the Board has resolved to apply the following conditions...*

*(iii) Discount to NAV: If the average discount to NAV at which the shares trade over the 3 month period ending on 31 March 2023 is greater than 5%...the Board will now offer shareholders an exit opportunity for up to 25% of the shares in issue immediately following the Company's AGM in 2023...*

There are a number of issues with this proposal. Firstly, if SVS does not participate in the exit opportunity, it will own approximately 27% of the Company's shares and there is a risk it has de facto control of the Company. We have seen several funds where creeping related-party control has led to persistent increased discounts and, in practice, an inability for shareholders to challenge any deterioration in corporate governance. Secondly, if provided as a cash exit, it will likely lead to lower dividend coverage, as the Company's investments in balance sheet lending facilities are more liquid than the equity held in fintech companies. Thirdly, it fails to provide any ongoing discount control measures after the 2023 Exit Opportunity.

Our fear is that it is the Board's intention to present the 2023 Exit Opportunity, with SVS's support, as a great win for shareholders. Given the lack of progress, we believe that this will likely be announced as close as possible to the 2023 Annual General Meeting, to prevent shareholders countering with more appropriate proposals.

### ***Our resolutions proposed for the General Meeting***

The resolutions are set out in the appended Requisition Notice and we would encourage all shareholders to review them in detail. The Notice calls for a General Meeting to consider four resolutions, which have the effect of creating a realisation share class enabling shareholders to opt into a 100% realisation opportunity every three years, starting in 2023.

The aim of the realisation share classes is not the premature sale of assets, but to provide the opportunity to receive returns of capital in the normal life cycle of the underlying investments. This will enable the Company's shareholders to benefit from the same returns received by the Manager's private funds.

These resolutions can be summarized as follows:

1. A proposed amendment to the investment policy to enable each investor to elect for up to 100% of their pro-rata share of the assets and liabilities of the Company to be realised in the normal course of business;
2. The creation of a realisation class of shares using the explicit powers in article 26 of the Company's existing articles of association ("Articles") by the consolidation and sub-division of ordinary shares;
3. An advisory resolution requesting the Board to prepare a prospectus to list the realisation shares and to enable them to be held through CREST; if the Board did not do this and issued unlisted realisation shares that would breach the investment trust rules; and
4. A special resolution to amend the Articles of the Company to ensure that the opportunity for shareholders to elect for a realisation share class is provided every three years and require the Board to provide it in 2023.

Once resolution 4 is passed, the creation of realisation share classes every three years (if shareholders elected to receive them) would be embedded into the Company's constitution and could only be removed by a further special resolution.

Travers Smith LLP have advised Metage and Staude Capital on these resolutions and have formally confirmed that none of them are frivolous, vexatious or ineffective (the legal standard required for resolutions being put forward by shareholders), albeit resolution 3 is only advisory as, by passing an ordinary resolution on such matters, shareholders can only request the Board to take action.

As it is not possible for the realisation share class to be redeemable, it is expected that returns on each share class would be made by periodic tender offers to buy back those shares at the prevailing net asset value per share.

### ***Benefits of our proposals***

These resolutions have been drafted such that a realisation class can be created with a pro-rata share of the assets and liabilities of the Company utilizing only ordinary resolutions. This is important as the SVS shareholding, which is controlled by the Manager, has a significant chance of blocking a special resolution. Clearly, we would encourage that the SVS shares be voted independently of the Manager to ensure that this mechanism can be offered to all shareholders on a regular basis. This would provide comfort to shareholders who do not elect to move to the realisation share class to remain invested despite SVS's possibly larger ownership, as they will know that there is a subsequent ability to exit, without suffering a discount between the prevailing underlying value of the ordinary shares and the share price. It may also encourage new investors to purchase the Company's shares, without fear of suffering illiquidity or a widening discount.

These resolutions directly address the discount faced by investors without requiring the Company to create any short-term liquidity, which risks disrupting the portfolio, undermining dividend coverage and leaving remaining investors with exposure to less liquid assets. They should additionally enable the Manager to continue to manage the Company in a manner consistent with its other private funds.

We would recommend that shareholders vote in favour of all four resolutions as the only credible, long-term solution to the issues facing the Company. We remain available to discuss any of these resolutions with investors.

Yours faithfully,

Tom Sharp

Director

Metage Capital

Email: tom.sharp@metage.com

Miles Staude

Director

Staude Capital

Email: miles.staude@staudecapital.com

**Disclaimer:** The views stated in this letter are those of Metage Capital Limited and Staude Capital Limited only. All data, estimates and Company statements referred to have been sourced by Metage Capital Limited and Staude Capital Limited, and are accurate to the best of our knowledge.

## REQUISITION NOTICE

**From:**

Metage Funds Limited  
One Nexus Way, Camana Bay  
Grand Cayman  
KY1-9005  
Cayman Islands

Global Value Fund Limited  
C/o Mertons Corporate Services Pty Ltd  
Level 7, 330 Collins Street  
Melbourne, Victoria  
3000

Staude Capital Value Fund LP  
C/o Citco Fund Administration (Cayman Islands) Limited  
89 Nexus Way, 2<sup>nd</sup> Floor  
Camana Bay  
PO Box 31106  
Grand Cayman, KY1-1205  
Cayman Islands

**To:**

VPC Specialty Lending Investments PLC  
65 Gresham Street  
6th Floor  
London  
EC2V 7NQ

FAO: The Directors

BY HAND

6 December 2022

Dear Directors,

**Notice pursuant to section 303 of the Companies Act 2006 ("the Act")**

In accordance with section 303 of the Act, we the undersigned Global Value Fund Limited, Staude Capital Value Fund LP (together, the "**Staude Funds**") and Metage Funds Limited ("**Metage**"), together representing at least five per cent. of the paid up capital of VPC Specialty Lending Investments PLC (the "**Company**") as carries the right of voting at general meetings of the Company, request that the Company calls a general meeting of the Company ("**GM**") to consider, and if sought fit, pass the following resolutions, resolutions 1, 2 and 3 to be proposed as ordinary resolutions, and resolution 4 to be proposed as a special resolution. It is acknowledged that the vote on resolution 3 will be advisory and not require the Company or its directors to take any action.

Please note that as resolution 1 is seeking a material change to the Company's investment policy, the Company should immediately circulate the proposed new investment policy to the FCA for its approval pursuant to Listing Rule LR15.4.8R(1) such that the FCA's prior approval may be received prior to obtaining the approval of shareholders.

Please also note that if resolution 4 were to pass, then the Board would not need to exercise its rights under resolution 2 to offer realisation shares, but would offer them pursuant to the new right under the articles of association.

We will be taking up our right under section 314 of the Act to circulate a members' statement alongside the resolutions. We would be happy for our statement to be included in the GM notice itself if you circulate to us an advanced draft of the GM notice with the Directors' proposed statements included. If you do not do so, we will, instead, send a statement to be circulated separately and note in that statement that your actions required the Company to take the less efficient path.

Yours faithfully,

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**Jeremy Caplan**  
Director  
**Metage Funds Limited**

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**Miles Staude**

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**Jonathan Trollip**

Directors, for and on behalf of the board of directors of  
**Global Value Fund Limited**



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**Miles Staude**

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**Emma Davidson**

Directors, for and on behalf of the board of directors of  
**Staude Capital GP Ltd**  
In its capacity as general partner of  
**Staude Capital Value Fund LP**

## ORDINARY RESOLUTIONS

THAT,

1. The investment policy of the Company shall be amended by inserting the following additional wording immediately after the paragraph stating, "The Company invests across several portfolio companies, asset classes, geographies (primarily US, UK, Europe, Asia and Latin America) and credit bands in order to create a diversified portfolio and thereby mitigates concentration risks.":

*"If during an Election Period, a registered holder or holders of Ordinary Shares deliver an Election Notice to the Company, then the Company shall with effect from the end of the Election Period establish and manage the Realisation Proportion of its assets and liabilities as a separate portfolio and as soon as practicable thereafter maintain an internal account corresponding to such proportion.*

*The assets and liabilities of the Company allocated to such separate portfolio and internal account, as required following the Election Period, shall be managed with a view to realising investments in the normal course of business alongside the funds managed by Victory Park Capital Advisors, LLC (and associated entities) in a manner that achieves a balance between maximising the value received from investments and making timely returns of cash to members of the Company. Where such investments are loan investments, howsoever structured, then such loan investments should expire in the normal course of business and not be extended, unless necessary in the reasonable view of the Directors in order to preserve the value of such loan investment. Where such investments are listed or unlisted securities (including equity, preference shares, convertible securities or any warrants) issued by one or more portfolio companies or financial services entities, the Company may sell such securities, in all cases with the objective of achieving the best available price in a reasonable time scale. Where such investments are warrants, the Company may also exercise such warrants with the objective of selling the resulting equity instruments with the objective of achieving the best available price in a reasonable time scale. Where such investments are convertible loan instruments, the Company may also convert such instruments with the same objective. Any costs incurred by the Company in connection with such disposals or realisations shall be deducted from such separate portfolio and internal account pro-rata to the Realisation Proportion.*

*No cash or cash equivalents allocated to such portfolio or account, nor the proceeds of any such realised investments shall be available to the Company for new investments, and such cash, cash equivalents and proceeds shall be available for follow-on investments only in the following circumstances:*

- i) where the follow-on investment is made in connection with an existing investment, for example in conjunction with a portfolio company, financial services entity, or credit facility, in order to comply with the Company's pre-existing obligations;*
- ii) where failure to make the follow-on investment may result in a breach of contract or applicable law or regulation by the Company; or*
- iii) where the investment is considered necessary in the reasonable view of the Directors to protect the value of any existing investments or to facilitate orderly disposals. Any cash received by the Company as part of the realisation process, prior to its distribution to members of the Company, will be held by the Company as cash on deposit and/or as cash equivalents.*

*Regardless of the separate portfolio and internal account maintained by the Company, any distribution made to the members of the Company shall be made in accordance with the rights associated with each member's shareholding.*

*The following terms where capitalised in the Company's investment policy have the following meanings:*

|                               |  |
|-------------------------------|--|
| <i>Business Day</i>           | <i>means any day on which the London Stock Exchange is open for business and banks are open for business in London (excluding Saturdays and Sundays).</i>  |
| <i>Company</i>                | <i>means VPC Specialty Lending Investments PLC.</i>  |
| <i>Designated Share</i>       | <i>means an Ordinary Share held by a registered holder of Ordinary Shares who, before the end of the Election Period, has validly notified the Company of his, her, their or its election to request that such Ordinary Share be deemed to be a Designated Share.</i>                |
| <i>Directors</i>              | <i>means the directors of the Company from time to time.</i>   |
| <i>Election Notice</i>        | <i>means a written notice signed by a registered holder of Ordinary Shares and delivered to the Company at its registered office before the end of the Election Period which specifies a number of the Ordinary Shares held by such holder to be deemed to be Designated Shares.</i> |
| <i>Election Period</i>        | <i>means the period of 20 Business Days beginning on the Notice Date.</i>  |
| <i>Notice Date</i>            | <i>means 31 March 2023.</i>  |
| <i>Ordinary Shares</i>        | <i>means ordinary shares of £0.01 each in the capital of the Company.</i>  |
| <i>Realisation Proportion</i> | <i>means the ratio of the aggregate number of Designated Shares at the end of the Election Period divided by the total number of issued Ordinary Shares on the Record Date (excluding any Ordinary Shares held in treasury by the Company).</i>                                      |
| <i>Record Date</i>            | <i>means 6:00 p.m. on the Business Day prior to the Notice Date."</i>  |

2. This Resolution 2 is conditional upon the passing of resolution 1 set out above.

The capitalised terms used in this Resolution 2 shall have the meanings set out under the heading "Definitions" at the end of this Resolution 2.

The Directors be and are hereby authorised in accordance with section 551 of the Act and the Articles to create a new class of shares entitled Realisation Shares, each having the nominal values and rights described in this Resolution.

In order to permit and facilitate the redesignation of Ordinary Shares into Realisation Shares, an Election Period shall commence during which any registered holder of Ordinary Shares as at the Record Date may elect to request to re-designate all or part of their holding of Ordinary Shares as Realisation Shares by providing an Election Notice to the Company, to be received at the Company's registered office before the end of the Election Period.

In accordance with section 618 of the Act, and article 26 of the Articles, the Directors are hereby authorised for a period of five Business Days following the end of the Election Period to give effect to any valid elections for Realisation Shares by (i) consolidating all Designated Shares held by a holder of Ordinary Shares into one ordinary share having the rights set out under the heading "The Intermediate Ordinary Share" below; and (ii) immediately thereafter sub-dividing such ordinary share into a number of Realisation Shares equal to the number of Designated Shares elected by such holder, each such Realisation Share to have the rights set out under the heading "The Realisation Shares" below.

## **Definitions**

|                  |  |
|------------------|--|
| Act              | means the Companies Act 2006.  |
| Articles         | means the articles of association of the Company.  |
| Business Day     | means any day on which the London Stock Exchange is open for business and banks are open for business in London (excluding Saturdays and Sundays).   |
| Company          | means VPC Specialty Lending Investments PLC.   |
| Designated Share | means an Ordinary Share held by a registered holder of Ordinary Shares who, before the end of the Election Period, has validly notified the Company in accordance with this Resolution of his, her, their or its election to request that such Ordinary Share be deemed to be a Designate Share. |
| Directors        | means the directors of the Company from time to time.  |

|                        |  |
|------------------------|--|
| Election Notice        | means a written notice signed by a registered holder of Ordinary Shares and delivered to the Company at its registered office before the end of the Election Period which specifies a number of the Ordinary Shares held by such holder to be deemed to be Designated Shares.  |
| Election Period        | means the period of 20 Business Days beginning on the Notice Date.   |
| GM                     | means the general meeting of the Company convened by the notice of meeting of which this Resolution forms part.  |
| Notice Date            | means 31 March 2023.   |
| Ordinary Shares        | means ordinary shares of £0.01 each in the capital of the Company.   |
| Realisation Portfolio  | means the separate portfolio and internal account of the assets and liabilities of the Company, which the Company shall (i) establish with effect from the creation of the Realisation Shares (ii) record thereafter as soon as reasonably practicable, and (iii) maintain attributable exclusively to the Realisation Shares. |
| Realisation Proportion | means the ratio of the aggregate number of Designated Shares at the end of the Election Period divided by the total number of issued Ordinary Shares on the Record Date (excluding any Ordinary Shares held in treasury by the Company).   |
| Realisation Shares     | means realisation shares of £0.01 each in the capital of the Company.  |
| Record Date            | means 6:00 p.m. on the Business Day prior to the Notice Date.  |
| Resolution             | means this ordinary resolution of the members of the Company.  |

### **Share Rights**

The share classes referred to in this Resolution have the following rights:

#### **The Intermediate Ordinary Share**

The rights of each ordinary share created by the consolidation of Ordinary Shares identified as Designated Shares pursuant to the powers granted to the Company by this Resolution are as follows:

- A holder of the share shall be entitled to receive, and to participate in, any dividends declared in relation to the Ordinary Shares, pro-rata to holders of Ordinary Shares in proportion with the nominal value of this ordinary share, for example if the ordinary share had a nominal value of £100 it would receive 10,000 times the dividend payable on an Ordinary Share with a nominal value of £0.01.
- A holder of the share shall be entitled on a winding up or on a return of capital to receive a share of the surplus capital and assets of the Company *pro rata* to the nominal capital paid up on the share as a proportion of the nominal capital paid up on all of the Ordinary Shares then in issue and not held in treasury.
- A holder of the share shall carry the right to receive notice of, attend and vote at general meetings of the Company and the share shall carry one vote for each £0.01 of nominal value it has.
- The consent of each holder of a share will be required for the variation of any rights attached to the share.

### Realisation Shares

The rights of each Realisation Share are as follows:

- With effect from the creation of the Realisation Shares, the Company shall segregate each of the assets and liabilities of the Company attributable to the Ordinary Shares as of that date in its books and records so that the Realisation Portfolio is created. The proportion of each of the assets and liabilities of the Company to be allocated to the Realisation Portfolio shall be equal to the Realisation Proportion and calculated using the latest available valuation for each asset and liability.
- With effect from any disposal or other realisation of assets held in the Realisation Portfolio the proceeds from such disposal or other realisation will not be available to the Company for new investment, or follow-on investment (other than in the limited circumstances set out in the Company's investment policy, as amended from time to time), and such proceeds less any amounts the Directors determine should be retained to cover the costs attributable to the Realisation Portfolio or the Realisation Shares shall instead be returned to the holders of the Realisation Shares in such a manner and at such time as the Directors shall determine.
- The Realisation Shares shall confer the same rights as Ordinary Shares as detailed in the Articles in relation to voting rights as if the Realisation Shares were Ordinary Shares. Upon a winding up or a return of capital (otherwise than on a purchase by the Company of any of its shares), the Realisation Shares shall receive amounts from the surplus capital and assets of the Company *pro rata* to the nominal capital paid up on their holdings of Realisation Shares prior to the holders of Ordinary Shares which shall be capped at the amount the Directors determine to be the proceeds received by the Company after the Notice Date from the Realisation Portfolio less the amount of any distributions or other returns on the Realisation Shares from such date. The Realisation Shares shall also entitle the holders to such dividends as may be declared on the Realisation Shares from time to time by the Company.
- The rights attached to the Realisation Shares may be varied or abrogated, either while the Company is a going concern or during or in contemplation of a winding-up, with the consent in writing of the holders of three-fourths of the issued shares of the class,

or with the sanction of a special resolution passed at a separate meeting of holders of the Realisation Shares.

3. The directors of the Company be and are authorised to (i) apply for any Realisation Shares, issued pursuant to the authority granted under Resolution 2 set out in this notice if passed, to be admitted to the Official List of the Financial Conduct Authority, and to trading on the main market of the London Stock Exchange Group plc, (ii) arrange for the Realisation Shares to be capable of being held in uncertificated form and for title to such Realisation Shares to be transferred by means of a relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), i.e. CREST, being such a relevant system, and (iii) allocate the costs of these applications by the Company to the Realisation Shares.

### **SPECIAL RESOLUTION**

THAT,

4. the articles of association of VPC Specialty Lending Investments PLC shall be amended so that the definition of "C Share" given in article 2(1) shall be deleted in its entirety, and that article 12 shall be deleted in its entirety and replaced with the following wording.

"12. The following definitions apply for the purposes of this Article 12 only:

|              |   |
|--------------|---|
| Act          | means the Companies Act 2006.   |
| Admission    | means the date on which admission of the Realisation Shares to trading on the main market of the London Stock Exchange Group plc first becomes effective.   |
| Articles     | means the articles of association of the Company.   |
| Board        | means the Directors.  |
| Business Day | means any day on which the London Stock Exchange is open for business and banks are open for business in London (excluding Saturdays and Sundays).  |
| Company      | means VPC Specialty Lending Investments PLC.  |
| CREST        | means the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & International Limited, a company incorporated in England and Wales with registered number 02878738. |

|                  |   |
|------------------|---|
| Designated Share | means in relation to an Election Period an Ordinary Share held by a registered holder of Ordinary Shares who, before the end of that Election Period, has validly notified the Company in accordance with the Articles of its election to request to re-designate such an Ordinary Share as a Realisation Share.  |
| Directors        | means the directors of the Company from time to time.   |
| Election Notice  | means (i) a written notice signed by the registered holder of Ordinary Shares and delivered to the Company at its registered office before the end of the Election Period which specifies a number of the Ordinary Shares held by such holder to be deemed to be Designated Shares or (ii) an authenticated instruction processed in CREST prior to the end of the Election Period to transfer to escrow Ordinary Shares for which an election is being made to receive Realisation Shares. |
| Election Period  | means the period of 20 Business Days beginning on a Notice Date (or, if a Notice Date is not a Business Day, the first Business Day thereafter) and ending at the time specified by the Directors on the last such Business Day, wherein holders of Ordinary Shares may elect to re-designate all or part of their holding of Ordinary Shares as Realisation Shares by providing notice to the Company in accordance with the Articles.   |
| Notice Date      | means 31 March 2023 and each third anniversary of such date.  |
| Official List    | means the Official List maintained by the Financial Conduct Authority pursuant to Part VI of the Financial Services and Markets Act 2000, as amended.   |
| Ordinary Shares  | means ordinary shares of £0.01 each in the capital of the Company and such ordinary shares in the capital of the Company as are created by consolidation, sub-division or a combination of consolidation and sub-division of all of the Ordinary Shares then in issue from time to time.  |



|                        |  |
|------------------------|--|
| Realisation Portfolio  | means the separate portfolio and internal account of the assets and liabilities of the Company attributable to the Ordinary Shares as of the date of the creation of that series of Realisation Shares, which the Company shall (i) establish with effect from the creation of each series of the Realisation Shares (ii) record thereafter as soon as reasonably practicable, and (iii) maintain attributable exclusively to such series of the Realisation Shares. |
| Realisation Proportion | means the ratio of the aggregate number of Designated Shares plus the aggregate number of Ordinary Shares held in CREST and transferred to escrow for which an election is being made to receive Realisation Shares at the end of an Election Period divided by the total number of issued Ordinary Shares on the Record Date for that series of Realisation Shares (excluding any Ordinary Shares held in treasury by the Company).                                 |
| Realisation Shares     | means realisation shares with a nominal value in the capital of the Company equal to the nominal value of the Ordinary Shares which were Designated Shares during the Election Period immediately prior to their creation.   |
| Record Date            | means 6:00 p.m. on the Business Day prior to the Notice Date.  |

A. Election

- a) The Board shall maintain shareholder authority to allot, and shall, if holders of Ordinary Shares elect to receive Realisation Shares, allot, conditional upon Admission, a new series of a class of shares entitled Realisation Shares, each having the nominal values and rights described in these Articles.
- b) In order to permit and facilitate the redesignation of Ordinary Shares into Realisation Shares of a series, the Board shall notify holders of Ordinary Shares of the commencement of the relevant Election Period during which any holder of Ordinary Shares as at the Record Date may elect to request to re-designate all or part of their holding of Ordinary Shares as Realisation Shares by providing an Election Notice to the Company.
- c) The Directors shall within a period of five Business Days following the end of each Election Period give effect to any valid elections for Realisation Shares in that Election Period by (i) consolidating all Designated Shares held by a holder of Ordinary Shares into one ordinary share; and (ii) immediately thereafter sub-dividing such ordinary share into a number of Realisation Shares equal to the number of Designated Shares held by such holder, each such Realisation Share to be held by such holder of Ordinary Shares who elected to receive Realisation Shares and to have the rights set out under article 12(C) below.

- d) If during an Election Period, a holder or holders of Ordinary Shares deliver an Election Notice to the Company, then the Company shall with effect from the end of the Election Period manage the Realisation Proportion of its assets and liabilities as a separate portfolio and shall as soon as reasonably practical thereafter establish and maintain an internal account corresponding to such proportion.

#### B. Ancillary Matters

- a) The Board shall be required to carry out the following actions in connection with each series of Realisation Shares:
  - i) to make all such arrangements as are required for the Company to give effect to the elections for Realisation Shares made during each Election Period;
  - ii) if required, designate the series of Realisation Shares with a name to differentiate the new Realisation Shares from previous series of issued Realisation Shares;
  - iii) if required, to cause the Company to publish on or prior to each Notice Date any prospectus or other offering document required by the relevant applicable law and regulation of the United Kingdom in connection with the issuance of Realisation Shares following each occurrence of an Election Period; and
  - iv) to cause the Company to make applications for all Realisation Shares issued following each occurrence of an Election Period to be admitted to the Official List of the Financial Conduct Authority, and to trading on the main market of the London Stock Exchange Group plc, and for such Realisation Shares to be admitted to CREST to be held in uncertificated form.

#### C. Share rights

##### Realisation Shares

The rights of each Realisation Share are as follows:

- a) With effect from the creation of each series of Realisation Shares, the Company shall segregate each of the assets and liabilities of the Company attributable to the Ordinary Shares as of that date so that a Realisation Portfolio is created. The proportion of each of the assets and liabilities of the Company to be allocated to the Realisation Portfolio shall be equal to the Realisation Proportion and calculated using the latest available valuation for each asset and liability.
- b) With effect from any disposal or other realisation of assets held in the Realisation Portfolio the proceeds from such disposal or other realisation will not be available to the Company for new investment, or follow-on investment (other than in the limited circumstances set out in the Company's investment policy, as amended from time to time), and such proceeds less any amounts the Directors determine should be retained to cover the costs attributable to the Realisation Portfolio or the Realisation Shares shall instead be returned to holders of Realisation Shares in such manner and at such time as the Directors shall determine.
- c) The Realisation Shares shall confer the same rights as Ordinary Shares as detailed in the Articles in relation to voting rights as if the Realisation Shares were Ordinary Shares. Upon a winding up or return of capital (otherwise than on a purchase by the Company of any of its shares), the Realisation Shares shall receive amounts from the surplus capital and assets of the Company *pro rata* to the nominal capital paid up on their holdings of Realisation Shares prior to holders of Ordinary Shares, which shall be capped at the amount the Directors determine to be the proceeds received by the Company after the Notice Date from the Realisation Portfolio less the

amount of any distributions or other returns on the Realisation Shares from such date. The Realisation Shares shall also entitle the holders to such dividends as may be declared on the Realisation Shares from time to time by the Company.

- d) The rights attached to the Realisation Shares may be varied or abrogated, either while the Company is a going concern or during or in contemplation of a winding-up, with the consent in writing of the holders of three-fourths of the issued shares of the class, or with the sanction of a special resolution passed at a separate meeting of holders of the Realisation Shares."