THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document you should consult your accountant, legal or professional adviser, financial adviser or a person authorised for the purposes of the Financial Services and Markets Act 2000, as amended (FSMA) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser who specialises in advising on the acquisition of shares and other securities.

A copy of this document, which comprises a prospectus relating to Bluefield European Solar Fund Limited (the **Company**) in connection with the issue of Ordinary 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 Ordinary Shares are only suitable for investors: (i) who understand and are willing to assume the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in the Ordinary Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment programme. If you are in any doubt about the contents of this document, you should consult your accountant, legal or professional adviser or financial adviser.

Applications will be made for the Ordinary Shares 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 Ordinary Shares will commence on 5 August 2015. The Ordinary Shares are not dealt on any other recognised investment exchanges and no applications for the Ordinary Shares to be traded on such other exchanges have been made or are currently expected.

The Company and its Directors, whose names appear on page 44 of this document, accept responsibility for the information contained in this document. To the best of the knowledge 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 European Solar Fund Limited

(A company incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended, with registered number 60446)

Issue of a maximum of 400 million Ordinary Shares pursuant to a Placing and an Offer for Subscription at an Issue Price of €1.00 per Ordinary Share

and

Admission to the premium segment of the Official List and trading on the London Stock Exchange's main market for listed securities

Global Coordinator, Bookrunner and Sponsor
Goldman Sachs International

Joint Bookrunner	*Investment Adviser*	*Joint Bookrunner*
Numis Securities Limited	**Bluefield Partners LLP**	**UBS Investment Bank**

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 2015 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, the Company's designated administrator.

The GFSC takes no 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.

Goldman Sachs International is authorised in the United Kingdom by the Prudential Regulatory Authority and regulated in the United Kingdom by the Prudential Regulatory Authority and the Financial Conduct Authority, is acting exclusively for the Company and no one else in connection with the Issue or the matters referred to in this document, will not regard any other person (whether or not a recipient of this document) as its client in relation to the Issue and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Issue or any transaction or arrangement referred to in this document.

Numis Securities Limited is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company and no one else in connection with the Issue or the matters referred to in this document, will not regard any other person (whether or not a recipient of this document) as its client in relation to the Issue and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Issue or any transaction or arrangement referred to in this document.

UBS Limited is authorised in the United Kingdom by the Prudential Regulatory Authority and regulated in the United Kingdom by the Prudential Regulatory Authority and the Financial Conduct Authority, is acting exclusively for the Company and no one else in connection with the Issue or the matters referred to in this document, will not regard any other person (whether or not a recipient of this document) as its client in relation to the Issue and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Issue or any transaction or arrangement referred to in this document.

The attention of potential investors is drawn to the Risk Factors set out on pages 18 to 38 of this document. The Offer will remain open until 11.00 a.m. on 28 July 2015. The application procedure for persons wishing to participate in the Offer is set out in the Application Form set out at the end of this document. To be valid, Application Forms must be completed and returned with the appropriate remittance so as to reach Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 11.00 a.m. on 28 July 2015. The latest time and date for placing commitments under the Placing is 3.00 p.m. on 30 July 2015. Further details of the Issue are set out in Part VI of this document.

This document is dated 14 July 2015.

Notice to Overseas Investors

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 Australia, Canada, Japan or the Republic of South Africa. This document also 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 or to US Persons, save for the distribution to persons described below.

This document does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, Ordinary 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, the Joint Bookrunners or the Investment Adviser. The offer and sale of Ordinary Shares have not been and will not be registered under the applicable securities laws of Australia, Canada, Japan or the Republic of South Africa. Subject to certain exceptions, the Ordinary Shares may not be offered or sold within Australia, Canada, Japan or the Republic of South Africa or to any national, resident or citizen of Australia, Canada, Japan or the Republic of South Africa.

The Ordinary Shares offered by this document have not been and will not be registered under the United States Securities Act of 1933, as amended (the **US Securities Act**), or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, in or into the United States or to or for the account or benefit of any US person (within the meaning of Regulation S under the US Securities Act) except pursuant to the following paragraph. In addition, the Company has not been, and will not be, registered under the United States Investment Company Act of 1940, as amended (the **US Investment Company Act**), nor will the Investment Adviser be registered as an investment adviser under the United States Investment Advisers Act of 1940, as amended (the **US Investment Advisers Act**), and investors will not be entitled to the benefits of the US Investment Company Act or the US Investment Advisers Act.

The Joint Bookrunners and any of their respective affiliates may arrange for the offer and sale of Ordinary Shares: (i) in the United States only to persons reasonably believed to be qualified institutional buyers, as defined in Rule 144A under the US Securities Act, that are also qualified purchasers as defined in section 2(a)(51) of the US Investment Company Act and the related rules thereunder in reliance on Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act; (ii) outside of the United States to persons who are not US persons (as defined in Regulation S) in offshore transactions in reliance on Regulation S; and (iii) outside of the United States to US Persons reasonably believed to be qualified institutional buyers, as defined in Rule 144A under the US Securities Act, that are also qualified purchasers as defined in section 2(a)(51) of the US Investment Company Act and the related rules thereunder in reliance on Rule 144A. Prospective purchasers are hereby notified that sellers of the Ordinary Shares may be relying on the exemption from the provisions of section 5 of the US Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of the Ordinary Shares and the distribution of this document, see Part VI of this document.

None of the SEC, any other US federal or state securities commission or any US regulatory authority has approved or disapproved of the Ordinary Shares offered by this document nor have such authorities reviewed or passed upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Until the expiry of 40 days after the commencement of the Placing, an offer or sale of Ordinary Shares within the United States by a dealer (whether or not it is participating in the Placing) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than in accordance with an applicable exemption from registration under the US Securities Act. The Ordinary Shares are subject to selling and transfer restrictions in certain jurisdictions. Prospective purchasers should read the restrictions described in Part VI of this document. Each purchaser of the Ordinary Shares will be deemed to have made the relevant representations described therein and in Appendix 1 (*Terms and Conditions of the Placing*) of this document.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED, 1955, AS AMENDED ("RSA"), WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF THE STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE OF THE STATE OF NEW HAMPSHIRE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

CONTENTS

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 this document as a whole by the investor. Where a claim relating to the information contained in a prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating such prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus or it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Subsequent resale of securities or final placement of securities through financial intermediaries	Not applicable. The Company is not engaging any financial intermediaries for any resale of securities or final placement of securities requiring a prospectus after publication of this document.
Section B – Issuer		
Element	*Disclosure requirement*	*Disclosure*
B.1	Legal and commercial name	The issuer's legal and commercial name is Bluefield European Solar Fund Limited.
B.2	Domicile and legal form	The Company was incorporated with limited liability in Guernsey under the Companies (Guernsey) Law, 2008, as amended, on 11 June 2015 with registered number 60446, to be a closed-ended investment company.
B.5	Group description	The Company will make its investments via a group structure which initially will comprise the Company, its wholly-owned UK subsidiary, Bluefield ES Limited (**BES UK**) two companies to be incorporated as wholly-owned subsidiaries of BES UK, one in Italy (**BESF Italy**) and the other in Spain (**BESF Spain**) (the **GroupCos**). Both the Company and BES UK are party to the Investment Advisory Agreement. At launch the GroupCos will invest primarily either directly or indirectly in project companies which own the Group's assets.

B.6	Notifiable interests	As at the date of this document, so far as is known to the Company and save as disclosed below, no person is or will, immediately following the Issue, be directly or indirectly interested in 5 per cent. or more of the Company's capital or voting rights (being the lowest threshold for notification of interests that will apply to the Company and certain persons (including Shareholders) as at Admission pursuant to Chapter 5 of the Disclosure and Transparency Rules). Certain funds and accounts under management by direct and indirect investment management subsidiaries of BlackRock, Inc. have committed to subscribe for such number of Ordinary Shares as shall represent, in aggregate, 10 per cent. of the Company's issued share capital on Admission pursuant to the BlackRock Subscription Agreement. Newton Investment Management Limited has committed to subscribe for at least 20 million Ordinary Shares pursuant to the Newton Subscription Deed. As at the date of this document, the Company is not aware of any person who, directly or indirectly, jointly or severally, exercises or, immediately following the Issue, could exercise control over the Company.
B.7	Key financial information	Not applicable. The Company has not commenced operations and no financial statements have been made up as at the date of this document.
B.8	Key pro forma financial information	Not applicable. There is no pro forma financial information included in this document.
B.9	Profit forecast	Not applicable. The Company has not made any profit forecasts.
B.10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. The Company has not commenced operations and no financial statements have been made up as at the date of this document.
B.11	Working capital insufficiency	Not applicable. The Company is of the opinion that, provided that at least the Minimum Net Proceeds are raised, 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.
B.34	Investment policy	*Investment Objective* The Company will seek to provide Shareholders with an attractive return, principally in the form of regular income distributions, by investing in a portfolio of solar PV assets located in Eurozone countries (excluding Greece). *Investment Policy* The Group will invest in a diversified portfolio of solar PV assets located in Eurozone countries (excluding Greece), with a primary focus on assets in Italy and Spain. The Company has a primary focus on operational assets and portfolios located on agricultural, industrial and/or commercial sites and can invest in

		ground based and/or rooftop sites. The Group will target long life solar PV assets, expected to generate stable renewable energy output over a typical initial 25 year asset life. Individual solar PV assets or portfolios of solar PV assets will be held within Special Purpose Vehicles into which the Group will invest through equity and/or debt instruments. The Group will typically seek legal and operational control through direct or indirect stakes of up to 100 per cent. in such Special Purpose Vehicles, but may participate in joint ventures or take minority interests provided it is able to implement its investment strategy, as well as execute other active asset management strategies with a view to enhancing investment returns. The Group will not be subject to any single country limits within the Eurozone, but at least 60 per cent. of Net Asset Value, excluding uninvested cash, will be invested in operational Italian and/or Spanish solar PV assets. The Group's portfolio will provide diversified exposure through the inclusion of not less than five individual solar PV assets and no investment will be made in any single solar PV asset that, on its acquisition, will represent more than 25 per cent. of the Gross Asset Value. Diversification will be achieved across various factors such as grid connection points, individual landowners and leases, providers of key components (such as solar PV panels and inverters) and assets being located across various geographical locations. Investments in solar PV assets under development or construction will not represent more than 10 per cent. of the Net Asset Value, calculated at the time of investment. The investment limits set out above shall only apply at the time of the acquisition of the relevant investment and the Company will not be required to rebalance the portfolio or dispose of any asset or investment as a result of a change in the relevant valuation of assets. Post-acquisition, where appropriate, the Group will seek to de-lever assets, whether partially or completely. The Group may make use of non-recourse finance at the SPV level to provide leverage for specific solar PV assets or portfolios provided that, at the time of entering into any new financing, total non-recourse financing within the Group's investment portfolio, excluding any pre-existing financing at the SPV level, will not exceed 50 per cent. of the prevailing Gross Asset Value at the time of the relevant drawdown. Due to the possibility of pre-existing leverage at the SPV level at the time of acquisition, for up to 12 months after the deployment of the Net Issue Proceeds, total leverage may be up to 75 per cent. of the prevailing Gross Asset Value. From 12 months following the full deployment of the Net Issue Proceeds, total leverage will not exceed 50 per cent. of the prevailing Gross Asset Value at the time of the relevant drawdown. The Group's target total leverage is 25 per cent. of the prevailing Gross Asset Value. Leverage within the Group and its holdings may include both non-recourse finance at SPV or SPV holding level and leverage at GroupCo level, including short term GroupCo level finance to facilitate the acquisition of investments. The Group will manage its revenue streams to moderate its exposure to spot power prices with use of power purchase

		agreements with appropriate energy off-takers, feed-in-tariffs and other renewable subsidy schemes, capacity markets and grants or tax exemptions in domestic energy markets. The Company will comply 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 object 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. In accordance with the Listing Rules, no material change will be made to the investment policy of the Company without the prior approval of the Financial Conduct Authority and the Shareholders, by the passing of an ordinary resolution.
B.35	Borrowing limits	Due to the possibility of pre-existing leverage at the SPV level at the time of acquisition, for up to 12 months after the deployment of the Net Issue Proceeds, total leverage may be up to 75 per cent. of the prevailing Gross Asset Value. From 12 months following the full deployment of the Net Issue Proceeds, total leverage will not exceed 50 per cent. of the prevailing Gross Asset Value at the time of the relevant drawdown. The Group's target total leverage is 25 per cent. of the prevailing Gross Asset Value. Leverage within the Group and its holdings may include both non-recourse finance at SPV or SPV holding level and leverage at GroupCo level, including short term GroupCo level finance to facilitate the acquisition of investments.
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 2015. Registered schemes are supervised by the Commission insofar as they are required to comply with the requirements of the Rules, including requirements to notify the GFSC of certain events and the disclosure requirements of the GFSC's Prospectus Rules 2008. The Company is not regulated or authorised by the Financial Conduct Authority but will be, following Admission, 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	The Placing will primarily be marketed to institutional and sophisticated investors. Typical investors in the Offer are expected to be UK based asset and wealth managers regulated or authorised by the FCA and some private individuals (some of whom may invest through brokers).

B.38	Investment of 20 per cent. or more in single underlying asset or investment company	Not applicable. No single asset will represent more than 20 per cent. of Gross Asset Value at Admission.
B.39	Investment of 40 per cent. or more in single underlying asset or investment company	Not applicable. No single asset will represent more than 40 per cent. of Gross Asset Value at Admission.
B.40	Applicant's service providers	*Investment Adviser* Bluefield Partners LLP acts as the investment adviser to the Company under the Investment Advisory Agreement dated on or around the date of this document. The Investment Adviser will be entitled to the following fees: • a base fee of 0.75 per cent. of NAV per annum up to the first €1 billion of NAV and 0.65 per cent. of NAV thereafter, payable quarterly in advance in cash; and • if in any year (excluding the Company's first financial year ending 30 September 2016), the Company: (i) exceeds the Net Cash Hurdle of €0.095 per Ordinary Share; and (ii) achieves its annual distribution target (initially €0.06 per Ordinary Share per year and increasing annually after the Company's second financial year ending 30 September 2017 by 2 per cent.), the Investment Adviser will be entitled to a variable fee equal to 25 per cent. of the amount of Net Cash in excess of the Net Cash Hurdle up to a maximum of 0.5 per cent. of Net Asset Value as at the relevant year end. Subject to the Directors' discretion as referred to below, the variable fee shall be satisfied by the issue of Ordinary Shares to the Investment Adviser at an issue price equal to the latest published 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 Share to the Investment Adviser by way of an issue of new Ordinary Shares, a sale of existing Ordinary Shares out of treasury or through purchases of existing Ordinary Shares in the market or any combination of these. In the event that the variable fee is satisfied in whole or in part through the purchase of existing Ordinary Shares in the market, such Ordinary Shares will be transferred to the Investment Adviser at an issue price equal to the latest published NAV per Ordinary Share, notwithstanding the fact that they may have been purchased by the Company at a lower price. In the event that there is a change of control of the Company (whether by means of an offer for the Ordinary Shares becoming unconditional, a scheme of arrangement or a sale of all or substantially all of the Group's assets) in circumstances where the offer price per Ordinary Share is in excess of the

		floor price per Ordinary Shares (the floor price per Ordinary Share being, depending on the timing of the change of control, the current Net Asset Value per Ordinary Share or the higher of the current Net Asset Value per Ordinary Share and the issue price per Ordinary Share on Admission (adjusted, as appropriate, for any changes in the Company's issued capital)), the Investment Adviser will receive a fee of an amount equal to 2 per cent. of the offer value. For these purposes the offer value is the aggregate of the offer price or consideration per Ordinary Share or, if the change of control is by means of a sale of all or substantially all of the Group's assets, the Net Asset Value of the Company at the date of completion of such sale. *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 on or around the date of this document. Such services include maintaining the Company's books and records, ensuring the Company's compliance with certain regulatory requirements, calculating the NAV 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, accounting, corporate secretarial, corporate governance, regulatory compliance and continuing Listing Rule obligations calculated on a sliding scale based on Net Asset Value. In addition, the Administrator will receive an annual fee of €8,000 and €4,000 for the provision of a compliance officer and a money-laundering reporting officer respectively. The Administrator will, in addition, be entitled to recover third party expenses and disbursements. *Registrar* 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. 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 £6,500 per annum. Other registrar activity will be charged for in accordance with the Registrar's normal tariff as published from time to time. *Receiving Agent and UK Transfer Agent* Capita Asset Services has been appointed as the Company's receiving agent and UK transfer agent under the Receiving Agent Agreement dated 14 July 2015. The Receiving Agent is entitled to receive various fees for services provided, including a minimum aggregate advisory fee and a minimum aggregate processing fee in relation to the Offer for Subscription, as well as reasonable out-of-pocket expenses.
B.41	Regulatory status of investment manager	The Investment Adviser, Bluefield Partners LLP, is a limited liability partnership incorporated in England under registered number OC348071 and is regulated and authorised by the UK Financial Conduct Authority under registration number 507508.

B.42	Calculation of Net Asset Value	The Investment Adviser will produce fair market valuations of the Group's investments on a semi-annual basis as at 31 March and 30 September each year (with the first such calculation being as at 30 September 2015), which will form the basis of the Net Asset Value calculation prepared by the Administrator. 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 (the first such calculation being as at 30 September 2015). The Board will approve each quarterly Net Asset Value calculation. These calculations will be reported quarterly to Shareholders. 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.bluefieldeuropean.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	Not applicable. The Company has not commenced operations and no financial statements have been made up as at the date of this document.
B.45	Portfolio	Following initial legal and technical due diligence, the Company has agreed preliminary terms with the sellers of the solar PV assets comprising the Target Portfolio to acquire such assets, subject to Admission and certain other conditions. A summary of the composition of the Target Portfolio is set out below:

Portfolio	SPV	Pant name	Installed capacity (MWp)	FIT	Commissioned
Italian Portfolio					
Sunflower	Green Power Delta S.r.l	Nardo' 1	0.959	0.346	2010
Sunflower	Green Power Delta S.r.l	Copertino	0.959	0.346	2010
Sunflower	Inseguitori Solari Impianto Due S.r.l	Stefanachi	0.924	0.346	2010
Sunflower	SBY Abruzzo S.r.l	San Nicola	1.982	0.289	2011
Sunflower	Elias S.r.l	Elias 1, 2, 3, 4 and 5 (5 plants)	4.947	0.346	2011
Sunflower	Sunflower Italy PV Plant 1 S.r.l	Mandrogne 1	2.058	0.346	2011
Sunflower	Sunflower Italy PV Plant 2 S.r.l	Mandrogne 2	2.078	0.346	2011
Sunflower	Noto Energia S.r.l	Fuci	0.997	0.304	2011
Sunflower	Flex Energia S.r.l	FT02	0.997	0.303	2011
Sunflower	Paladina S.r.l	PV Plant	0.997	0.289	2011
Sunflower	Sciangula Energia S.r.l	FT01	0.997	0.303	2011
Sunflower	QCII Ruvo 1 S.r.l	Ruvo A	0.999	0.346	2011
Sunflower	QCII Ruvo 3 S.r.l	Ruvo B	0.996	0.346	2011
Sunflower	Gargano Solar Park S.r.l	Posta Piana	0.999	0.346	2011
Sunflower	Gargano Solar Park S.r.l	Posta Conca	0.999	0.346	2011
Sunflower	Promosolar S.r.l	Mater Pater	0.972	0.208	2011
Sunflower	Eurosolar S.r.l	Piccolo Carlo	0.993	0.208	2011
Sunflower	Gemini S.r.l	San Giorgio 6	0.957	0.189	2011
Sunflower	Andromeda S.r.l	San Giorgio 2	0.984	0.346	2011
Sunflower	Terra & Sole S.r.l	Albanese	4.811	0.275	2011

		Portfolio	**SPV**	**Pant name**	**Installed capacity (MWp)**	**FIT**	**Commissioned**
		Spanish Portfolio					
		OPDE Participaciones Industriales, S.L.	Cantillana Fotovoltaica, S.L	Cantillana	4.177	Ri: 280.143 €/MWn; Ro: 11.39 €/MWh	2012
		OPDE Participaciones Industriales, S.L.	Grupo Solar Basico Delta 2, S.L	Ecija	1.791	Ri: 394.618 €/MWn; Ro: 14.35 €/MWh	2011
		OPDE Participaciones Industriales, S.L.	Elogia Trans Uno, S.L.	Tarrasa	1.1	Ri: 233.346 €/MWn; Ro: 10.01 €/MWh	2013
		OPDE Participaciones Industriales, S.L.	Promociones Fotovoltaicas Juglans, S.L.	Ablitas	2.153	Ri: 287.256 €/MWn; Ro: 11.72 €/MWh	2012
		OPDE Participaciones Industriales, S.L.	Promociones Fotovoltaicas Juniperus, S.L.	Ablitas	2.153	Ri: 287.256 €/MWn; Ro: 11.72 €/MWh	2012
		OPDE Participaciones Industriales, S.L.	Promociones Fotovoltaicas Laurus, S.L.	Ablitas	2.153	Ri: 287.256 €/MWn; Ro: 11.72 €/MWh	2012
		OPDE Participaciones Industriales, S.L.	Promociones Fotovoltaicas Pinus, S.L.	Ablitas	2.153	Ri: 287.256 €/MWn; Ro: 11.72 €/MWh	2012
		OPDE Participaciones Industriales, S.L.	Eolica La Lora, S.L. and its subsidiaries	Cigunuela	2.76	Ri: 342.659 €/MWn; Ro: 14.28 €/MWh	2010
B.46	Net Asset Value	Not applicable. The Company has not commenced operations.					
Section C – Securities							
Element	*Disclosure requirement*	*Disclosure*					
C.1	Type and class of security	The Company intends to issue Ordinary Shares of no par value each in the capital of the Company. The ISIN of the Ordinary Shares is GG00BYM15141 and the SEDOL is BYM1514.					
C.2	Currency	The currency of denomination of the Issue is Euro.					
C.3	Number of securities to be issued	The Company intends to issue a maximum of 400 million Ordinary Shares at the Issue Price of €1.00 per Ordinary Share.					
C.4	Description of the rights attaching to the securities	Shareholders are entitled to all dividends paid by the Company and, on a winding up, provided the Company has satisfied all of its liabilities, Shareholders are entitled to all of the surplus assets of the Company. Shareholders will be 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.5	Restrictions on the free transferability of the securities	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 which is not fully paid up or on which the Company has a lien, provided, in the case of a listed or publicly traded share that this would not prevent dealings in the share from taking place on an open and proper basis. 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 Regulations and the 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 is defined in the Articles as any person whose ownership of shares may: (i) cause the Company's assets to be deemed "plan assets" for the purposes of the Plan Asset Regulations or the Internal Revenue Code; (ii) cause the Company to be required to register as an "investment company" under the US Investment Company Act (including because the holder of the shares is not a "qualified purchaser" as defined in the US Investment Company Act) or to lose an exemption or status thereunder to which it might otherwise be entitled; (iii) cause the Company to register under the US Exchange Act, the US Securities Act or any similar legislation; (iv) cause the Company to not be considered a "foreign private issuer" as such term is defined in rule 36-4(c) under the US 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, (vii) cause the Company to suffer any pecuniary disadvantage (including any excise tax, penalties or liabilities under ERISA or the Internal Revenue Code); or (viii) result in any Ordinary Shares being owned, directly or indirectly, by any person who is deemed to be a Non-Qualified Holder as a result of failing to provide information to the Board upon request with respect to the above in accordance with the Articles. In addition, if it comes to the notice of the Company that any shares in the capital of the Company are owned directly, indirectly or beneficially by any Non-Qualified Holder, the Board may, under the Articles, serve a notice upon such Non-Qualified Holder requiring such Non-Qualified Holder to transfer the shares to an eligible transferee within 30 days of such notice; and, if the obligation to transfer is not met, the Company may exercise other discretions set forth in the Articles.
C.6	Admission	Applications will be made to the Financial Conduct Authority for the Ordinary Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for the Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that dealings in the Ordinary Shares, will commence at 8.00 a.m. on 5 August 2015.
C.7	Dividend policy	The Company will target delivery to Shareholders of distributions of €0.06 per Ordinary Share in each of the Company's first two financial years ending on 30 September 2016 and 30 September 2017 respectively. The objective of the Company is to grow the dividend annually thereafter by 2 per cent. The first interim dividend is expected to be declared in April 2016, and semi-annually thereafter. The target return should not be taken as an indication of the Company's expected future performance or results over any period.

		The Board currently expects that all of the distributions paid to Shareholders will be covered by the income generated by the Group's investments but, to the extent that such income is not sufficient to finance these distributions, the Company has the ability under the Companies Law to pay all or part of such distributions out of capital. 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.
Section D – Risks		
Element	*Disclosure requirement*	*Disclosure*
D.1	Key information on the key risks that are specific to the issuer or its industry	• If there is a departure from the current renewable energy targets and/or renewable energy policies of the European Commission or in any Target Jurisdiction in which the Group invests or is proposing to invest, the investment opportunities, incentives and potential returns for the Company would be diminished and this could have a material adverse effect on the Company's business, financial position, results of operations, business prospects and returns to investors. Given the uncertainty of future legislative changes, there may also be risks of which the Company is not currently aware which would have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors; • Unfavourable renewable energy policies, if applied retrospectively to current operating projects including those in the Target Portfolio, could adversely impact the market price for renewable energy or the green benefits earned from generating renewable energy. If a relevant Target Jurisdiction were to apply adverse retrospective changes to the levels of support for operating projects in which the Group has a financial interest, this could have a material adverse effect on the Company's business, financial position, results of operations, business prospects and returns to investors; • A decline or slower growth in the market price of electricity or a decline in the costs of other sources of electricity generation, such as fossil fuels, would reduce the wholesale price of electricity and thus the Group's revenues from selling electricity generated by solar PV assets; • Operation of solar PV assets is likely to result in reliance upon equipment, material and services supplied by one or more contractors. Whilst the quality of equipment and material and the performance of services will usually be warranted, any such warranties are typically limited in their duration, scope and quantum and may not cover the losses incurred by a project should a relevant asset underperform or become impaired in value. In addition, insolvency or bankruptcy of a contractor, or a change in a contractor's financial circumstances, may among other things result in such underperformance or impairment not being fully or partially compensated by the contractor in question;

		• Increases in charges relating to the connection to and use of the electricity transmission and distribution networks and relating to balancing of electricity supply and demand, and/or restrictions on the capacity in such networks available for use by electricity generators, may result in higher operating costs, lower revenues and fewer opportunities for growth; • Solar modules, solar inverters and other equipment may have shorter lifespans than the typically expected duration (approximately 25 years in the case of solar modules and five to ten years in the case of solar inverters), and this could result in shorter project lives or increased capital expenditure costs than those assumed by the Company; • Whilst the Investment Adviser will seek to procure that appropriate legal and technical due diligence is undertaken in connection with any proposed acquisition by the Group, this may not reveal all facts that may be relevant in connection with an investment. Further, to the extent that the due diligence uncovers facts that would result in costs to the Company to remedy, the Company may not be able to remedy such facts immediately. In particular operating projects which have not been properly authorised or permitted or do not hold the necessary property and contractual rights may be subject to closure, seizure, enforced dismantling or other legal action. Likewise, failure in the construction of a project, for example due to 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 warranties; • There may be errors in the assumptions or methodology used in the financial models underpinning solar PV or other projects acquired by the Group, whether as part of the Target Portfolio or subsequently, which may result in the returns generated by such projects being materially lower than forecast; and • Any change in the tax status or tax residence of the Company, tax rates of the Company, tax rates or tax legislation or tax or accounting practice (in Guernsey, the UK, Italy, Spain or other relevant jurisdictions) may have an adverse effect on the returns available on an investment in the Company. Similarly any changes under UK or Guernsey company law (or in the law in any other relevant jurisdiction) may have an adverse impact on the Company's ability to pay dividends.
D.3	Key information on the key risks that are specific to the securities	• There can be no guarantee that a liquid market in the Ordinary Shares will exist. Accordingly, Shareholders may be unable to realise their Ordinary Shares at the quoted market price (or at the prevailing Net Asset Value per Ordinary Share), or at all; • The Ordinary Shares may trade at a discount to Net Asset Value and Shareholders may be unable to realise their investments through the secondary market at Net Asset Value;

		• The investment objective of the Company is a target only and should not be treated as an assurance or guarantee of performance; and • The Company's target dividend and future distribution growth will depend on the Company's 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 Group (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 assets within the Group's portfolio and the tax treatment of distributions within the Group or to Shareholders) may reduce the level of distributions received by Shareholders.
Section E – Offer		
Element	*Disclosure requirement*	*Disclosure*
E.1	Net proceeds and costs of the issue	Assuming that the Issue is fully subscribed as to 400 million Ordinary Shares, and that the costs of the Issue do not exceed 2 per cent. of the Gross Issue Proceeds, it is expected that the Company will receive approximately €392 million from the Issue, net of fees and expenses associated with the Issue and payable by the Company of approximately €8 million.
E.2a	Reason for offer and use of proceeds	The Issue is being made in order to raise funds for the purpose of investing in accordance with the investment policy of the Company. All of the net proceeds of the Issue will be invested in accordance with the Company's investment policy save to the extent some of the net proceeds will be retained for working capital purposes and subject to the availability of sufficient investment opportunities.
E.3	Terms and conditions of the offer	Ordinary Shares are available to the public under the Offer for Subscription. The Offer is only being made in the UK. The terms of the Offer and conditions of application under the Offer are set out in Appendix 2 to this document. The Offer for Subscription will open on 14 July 2015 and will close at 11.00 a.m. on 28 July 2015. The Directors reserve the right, with the agreement of the Joint Bookrunners, to close the Offer for Subscription at any time or to extend the closing date of the Offer for Subscription to no later than 11.00 a.m. on 30 July 2015. Notification of any closure or extension of the Offer for Subscription will be via an RIS announcement. The Offer for Subscription is conditional, among other things, on: • the Placing Agreement remaining in full force and effect and not having been terminated in accordance with its terms; and • Admission of the Ordinary Shares issued pursuant to the Placing and the Offer. In circumstances in which these conditions are not fully met, the Issue will not take place and no Ordinary Shares will be issued.
E.4	Material interests	Not applicable. No interest is material to the Issue.

E.5	Name of person selling Securities/lock up agreements	Not applicable.
E.6	Dilution	Not applicable.
E.7	Expenses charged to the investor	Investors will not be charged a fee in addition to the Issue Price in order to subscribe for Ordinary Shares under the Issue, as the expenses of the Issue will be met out of the proceeds of the Issue. Assuming that the Issue is fully subscribed, and that the expenses of the Issue are €8 million, the net proceeds of the Issue will be €392 million. The expenses of the Issue are therefore an indirect charge to investors.

RISK FACTORS

Investment in the Company carries a high degree of risk, including but not limited to the risks in relation to the Company and the Ordinary Shares referred to below. If any of the risks referred to in this document were to occur this could have a material adverse effect on the Company's business, financial position, results of operations, business prospects and returns to investors. If that were to occur, the trading price of the Ordinary Shares and/or their Net Asset Value and/or the level of dividends or distributions (if any) received from the Ordinary Shares could decline significantly and investors could lose all or part of their investment.

Prospective investors should note that the risks relating to the Company, its industry and the Ordinary Shares summarised in the section of this document headed "Summary" are the risks that the Board believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary 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 risks referred to below are the risks which are considered to be material but are not the only risks relating to the Company and the Ordinary Shares. There may be additional material risks that the Company and the Board do not currently consider to be material or of which the Company and the Board are not currently aware. Potential investors should review this document carefully and in its entirety and consult with their professional advisers before acquiring any Ordinary Shares. Investors should note that the price of the Ordinary Shares and the distributions paid in respect of them can go down as well as up.

1. RISKS RELATING TO CHANGES TO SOLAR ENERGY POLICY, SUPPORT SCHEMES AND POWER PRICES IN COUNTRIES IN WHICH THE GROUP MAY INVEST

1.1 Uncertainties related to future legislative changes and renewable energy policies of the European Commission

On 22 January 2014, the European Commission published a Communication on a policy framework for climate and energy in the period from 2020 to 2030. The framework sets out a potential future EU renewable energy target of at least 27 per cent. of energy consumption above 1990 levels, with flexibility for Member States to set their own national objectives, together with a greenhouse gas emissions reduction target of 40 per cent. below 1990 levels. On 5 February 2014, the European Parliament adopted a non-binding resolution calling on the European Commission and EU Member States to adopt 3 binding targets for 2030, including a target for at least a 30 per cent. share in renewable energy consumption by 2030. The European Council published its conclusions on the 2030 Climate and Energy Policy Framework for the EU in respect of a meeting held on 23 and 24 October 2014. Key elements of the conclusions are a binding EU target of an at least 40 per cent. domestic reduction in greenhouse emissions by 2030 compared to 1990 levels and an EU-wide binding target for consumption of renewable energy of at least 27 per cent. in 2030. Draft legislation in respect of these proposals has not yet been published.

The outcome of these documents and conclusions will shape EU and Member State policy in relation to renewable energy up to 2030. If the outcome of these documents and conclusions are not as favourable for solar energy providers as the Investment Adviser expects, the Group's portfolio may be limited in its growth opportunities and may not perform as well as expected.

The European Commission has adopted new rules on public support for projects in the field of environmental protection and energy. The guidelines will support Member States in reaching their 2020 climate targets (as well as future targets), while addressing the market distortions that may result from subsidies granted to renewable energy sources. A key feature of the guidelines is that the new guidelines foresee the gradual introduction of competitive bidding processes for allocating public support, while offering Member States flexibility to take account

of national circumstances. The guidelines also foresee the gradual replacement of feed-in tariffs by feed-in premiums, which expose renewable energy sources to market prices for electricity. The rules do not affect schemes already in place that were approved under existing rules.

To the extent that certain renewable technologies become increasingly mature technologies, support for such technologies by way of Feed-in Tariffs and other renewable subsidy schemes, capacity markets and grants or tax exemptions in domestic energy markets is likely to reduce.

Given the uncertainty of future legislative changes, there may also be risks of which the Company is not currently aware which could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

1.2 **Potential for retroactive change in renewable energy policies in Target Jurisdictions**

There is 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, many of the Target Jurisdictions have to date ensured that the benefits already granted to operating renewable energy generation projects are exempted from future regulatory change; this practice is referred to as "grandfathering". However, not all of the Target Jurisdictions have always fully respected the principle of grandfathering and, in particular, both of the Key Markets have experienced retroactive regulatory change, Italy in 2014 and Spain since 2010 (in particular, the main change was in 2013). Unfavourable renewable energy policies, if applied retrospectively to current operating projects including those in the Target Portfolio, could adversely impact the market price for renewable energy or the green benefits earned from generating renewable energy.

There can be no guarantee that the practice of grandfathering will continue to be implemented in those Target Jurisdictions which have previously respected the principle and there can be no guarantee that retroactive regulatory change will not be introduced in those Target Jurisdictions in which the Group owns assets, including the Key Markets. If a relevant Target Jurisdiction did not implement 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, this could have a material adverse effect on the Company's business, financial position, results of operations, business prospects and returns to investors.

1.3 **Potential for unfavourable changes in national support schemes in Target Jurisdictions**

The EU solar PV industry is currently dependent on political and governmental support by each of the EU's Member States. It is not unusual for EU Member States to reform their national support schemes in order to reflect the decreasing cost of renewables and to encourage greater competitiveness on the part of renewable energy developers. However, this can cause uncertainty and can therefore discourage investment for fear of diminishing returns on initial investments and may restrict the Company's future investment opportunities in the sector. A future change of a relevant Target Jurisdiction's government or a change in the relevant Target Jurisdiction's government policy regarding renewable energy, could lead to unfavourable renewable energy policies. Such unfavourable renewable energy policies could include a change or abandonment of the current support scheme in place. For example, in 2013 the Italian government introduced new regulations starting from 1 January 2014 that effectively removed the guaranteed market price system that was previously in place for certain solar PV plants.

It is likely that any such reform or change to national support schemes would have a material adverse effect on the Company's business, financial position, results of operations, business prospects and returns to investors.

1.4 **Dependence on market price of electricity in Target Jurisdictions**

The Company cannot guarantee that electricity market prices will remain at levels which will allow the Company to maintain projected revenue levels or rates of return on the solar PV assets within the Group's portfolio. A significant drop in market prices for electricity could have

a material adverse effect on the Company's business, financial position, results of operations, business prospects and returns to investors.

Generally, the price at which a solar PV plant sells its electricity is determined by market prices in the relevant jurisdiction. A number of broader regulatory changes to the electricity market (such as changes to 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 or the costs of other sources of electricity generation, such as fossil fuels, could reduce the wholesale price of electricity and thus that of electricity generated by solar PV assets and would have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

2. RISKS RELATING TO THE GROUP'S BUSINESS

2.1 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 would have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors. 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.

Solar PV assets and plants rely upon adequate solar radiation as "feedstock" for the purposes of producing power. Adverse weather conditions, including hotter ambient temperatures and extreme weather (such as flooding, storms and/or high winds), whether as a result of global climate change 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, business prospects and returns to investors.

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

The Company expects to rely on third-party professionals, independent contractors and other companies to provide the required operational and maintenance support services throughout the operating phase 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 position, results of operations, business prospects and returns to investors.

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 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 downtime for the relevant asset. This could have a material adverse effect on the Group's business, financial position, results of operation, business prospects and returns to investors.

2.3 **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. Further, to the extent that the legal and technical due diligence uncovers facts that would result in costs to the Company to remedy, the Company may not be able to remedy such facts immediately. In particular, operating projects that have not been properly authorised or permitted, or that are not in full compliance with local and/or national regulations, may be subject to closure, seizure, enforced dismantling or other legal action, any of which could result in loss of profit or increased costs to challenge such actions. Failure in or problems with the construction of a plant, for example, faulty components or insufficient structural quality, may result in loss of value, increased operating costs or remedial costs without full or any recourse to insurance or construction warranties. This could result whether the failures or problems are caused by the Company's manufacturers, the construction of the project or otherwise. The attention of investors is also drawn to the risk factor under the heading "Risks relating to counterparty credit 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. The availability of recourse is often subject to the type of investment involved; for example, construction warranties are typically limited to two years. 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 position, results of operations, business prospects and returns to investors. Furthermore, should recourse against the vendor of such an asset or supplier of such modules be sought by the Company, any resulting litigation expense, additional administrative burdens or business interruptions could also have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors.

2.4 **Risks relating to the degradation of solar panels and balance-of-plant components**

Although solar PV installations, with the exception of tracking systems, 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. Additionally, solar PV plants contain a multitude of technical, electronic, mounting structures and other components, commonly referred to as "balance-of-plant". Balance-of-plant components are subject to degradation, technical deterioration and other loss of efficiency and effectiveness over a solar PV plant's lifespan. Although these assets are not expected to have any value at the end of their lifespan, there is a risk of equipment failure or decline in performance due to wear and tear, design error or operator error with respect to each solar panel and solar PV plant being

higher than modelled by the Company and this failure, amongst other things, could have a material adverse effect on the Company's business, financial position, results of operations, business prospects and returns to investors.

2.5 **Environmental and other regulations may expose the Group to costs and liabilities**

The solar PV energy sector in the Target Jurisdictions 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. Solar PV plants may not be in compliance with such laws, regulations or regulatory standards at the time of acquisition.

In particular, 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 as a result of such laws or regulations. 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 business, financial position, results of operations, business prospects and returns to investors.

To the extent there are environmental liabilities arising in the future in relation to any of the Group's sites including, but not limited to, clean-up and remediation liabilities, the Group may, notwithstanding any contractual arrangements it has in place, 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.

2.6 **Risks relating to harm to the natural environment**

Solar PV 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.

Similarly, 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 which could lead to costly and time-consuming litigation, increased costs of compliance and/or abatement of the generation activities for affected solar PV assets, any of which could have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors.

2.7 **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 lead to costly and time-consuming litigation and which could otherwise have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors.

2.8 **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 position, results of operations, business prospects and returns to investors. 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. However, business interruption insurance is likely to have a minimum claim amount and not all losses sustained by the Group may be recovered.

2.9 **Risks relating to concentration of the Company's investment portfolio solely in solar PV assets in the Target Jurisdictions**

The Company will invest solely in solar PV assets and will be bound by the investment and diversification restrictions in its investment policy. As a result, the Company may own a limited number of solar PV assets. Furthermore, the Company's investment policy is limited to investments in solar PV assets within the Eurozone (excluding Greece) and the Company may invest all its assets in Italy and/ or Spain in accordance with its investment policy. Consequently, although the Company is subject to the investment and diversification restrictions in its investment policy, within those limits the Company has a significant concentration risk relating to both the solar PV sector and the Eurozone (excluding Greece). Significant concentration of investments in any one sector or region may result in greater volatility in the value of the Group's investments and consequently its Net Asset Value and may have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors.

2.10 **Risks relating to solar PV assets in construction**

The Company's investment policy permits the Company to invest up to 10 per cent. of Net Asset Value in solar PV assets under development or construction. In the event an investment is made in an asset under construction there is a risk that the project will fail to be grid-connected, will fail to qualify for applicable regulatory incentives or will be connected after an incentive deadline resulting in reduced incentive levels. 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 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 the Group's business, financial position, results of operations, business prospects and returns to investors.

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 on 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 Group's business, financial position, results of operations, business prospects and returns to investors.

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

2.11 **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. An increase in security and regulatory risk caused by a change in public attitude could have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors. There can be no guarantee that changes in public attitude will not result in a loss of actual or perceived value of investments.

2.12 **Risks relating to counterparty credit 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 counterparty 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 have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors.

2.13 **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 a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors.

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 in effect at the relevant time or may only be able to do so at a significantly higher cost. An increase in insurance premium cost could have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors.

Prospective investors should note that the Company will not obtain political risk insurance. As such, government action could have a significant impact on the target investments of the Company particularly in the light of the energy sector being highly regulated by the governments of the Target Jurisdictions. Changes to the existing legislation or policy or additional legislation or policies may be burdensome for the Company to implement and may as a result have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors.

2.14 **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 PV assets may also constitute a high risk target for vandalism, political actions or terrorist acts, in light of their nature and strategic profile. If the assets do become targeted by such vandalism, political actions or terrorist acts, 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 vandalism, political actions and terrorist acts, such insurance, if obtained, may not prove adequate and any theft, vandalism, political actions or terrorist acts could have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors.

2.15 **Changes in economic conditions may adversely affect the Group's prospects**

The Group's performance is generally closely connected with the economic development of the regions in which it carries out activities. The Group's business operations as well as the Group's financial condition and results of operations may be adversely affected if the regional, European or global economic environment deteriorates.

Economic growth and recovery, globally and in the EU remains fragile and at risk from delays in the transmission of lower sovereign spreads and improved bank liquidity to private sector borrowing, and continuing uncertainty about the ultimate resolution of the eurozone crisis. In particular, risks of prolonged stagnation in the eurozone as a whole could rise if the momentum for reforms is not maintained. Although progress in national adjustment and a strengthened EU-wide policy response to the eurozone crisis have reduced risks to a certain extent and improved financial conditions for EU sovereigns, the near-term outlook for the eurozone remains uncertain, in particular in light of recent negative economic and bank liquidity conditions experienced in Greece and the recent popular rejection of proposed economic reforms, both of which have increased the risk that Greece may exit from the eurozone.

Generalised or localised downturns or inflationary or deflationary pressures in the Group's key geographical areas could also have a material adverse effect on the performance of the Group's business. A significant portion of the Group's business activity will be concentrated

initially in Italy and Spain and when opportunities arise, in further EU member states. Consequently, the Company is significantly affected by the general economic conditions in these countries, in particular Italy and Spain. Spain, for instance, has recently experienced negative economic conditions, including high unemployment and significant government debt which could adversely affect operations in the future. The effects on the European and global economy of any exit of one or more EU member states from the eurozone, the dissolution of the euro and the possible redenomination of the Group's financial instruments or other contractual obligations from euro into a different currency, or the perception that any of these events are imminent, are inherently difficult to predict and could give rise to operational disruptions or other risks of contagion to the Group and have a material, adverse effect on the Group, financial condition and results of operation. In addition, to the extent uncertainty regarding the European economic recovery continues to negatively affect government or regional budgets, the Group's business, results of operations and cash flows could be materially adversely affected.

3. RISKS RELATING TO THE ACQUISITION OF SOLAR PV ASSETS

3.1 Competition for further acquisitions

The Group faces significant competition for assets in solar power sectors. Large European and international utility companies, as well as financial institutions, 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 ability to deploy capital. Increased competition could therefore have a material adverse effect on the business, financial position, results of operation and business 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 solar power markets of the Target Jurisdictions. There can be no assurance that the Group will be able to identify and secure investments that satisfy its investment criteria. Failure to identify and secure such investments could have a material adverse effect on the Group's business, financial position, results of operation, business prospects and returns to investors.

3.2 Risks relating to the acquisition of the Target Portfolio

The Group may fail to acquire all or any of the assets which comprise the Target Portfolio referred to in Part III of this document. The Group has agreed preliminary terms with the relevant sellers in respect of each of the assets that comprise the Target Portfolio. However, there can be no guarantee that the Group will acquire the assets that comprise the Target Portfolio or invest in any other solar PV assets on satisfactory terms, or at all.

The making of any investment (including those assets that comprise the Target Portfolio) will be conditional on, *inter alia*, receipt of all necessary consents, approvals, authorisations and permits, the Company deciding to proceed with the acquisition, satisfactory completion of due diligence and the entering into of final, legally binding agreements in a form satisfactory to all the parties thereto, including the Company. Failure to acquire the assets which comprise the Target Portfolio could have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors.

3.3 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, it 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 or are harder to remedy than anticipated and/or such risks are not adequately protected against, this may have a material adverse effect on the Group's business, financial position, results of operation, business prospects and returns to investors.

Technical analysis of the quality of physical assets, 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.

3.4 **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, as described under the heading "Asset Optimisation Strategies" in Part I of this document, and the sale of energy 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 and, accordingly, the cost savings from them, 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 will acquire 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 Group's business, financial position, results of operations, business prospects and returns to investors.

3.5 **Risks relating to sale and purchase agreements**

Under the sale and purchase agreements to be entered into with the sellers of assets (including those comprising the Target Portfolio), it is expected that the respective sellers will provide various warranties for the benefit of the relevant purchasing entity within the Group in relation to the relevant assets. Such warranties will typically be limited in extent and subject to disclosure, time limitations, materiality thresholds and liability caps. To the extent that any

material issue is not covered by the warranties or is excluded by such limitations or exceeds such liability cap, the relevant purchasing entity within the Group (and therefore the Group) will have no recourse against the relevant seller. Even if the relevant purchasing entity within the Group does have a right of action in respect of a breach of warranty, there is no guarantee that the outcome to any claim will be successful, or that the relevant purchasing entity within the Group will be able to recover anything from the seller.

It is expected that the relevant members of the Group will enter into sale and purchase agreements with the respective sellers of the assets that comprise the Target Portfolio shortly after Admission, with the completion of such sale and purchase agreements to occur when all of the conditions to such agreements are satisfied. Although the respective sellers of the assets that comprise the Target Portfolio will be contractually obliged to complete the transfer of their interests in such assets (subject to the satisfaction of the relevant conditions), as with any contractual arrangement there is a risk that a seller may default on its contractual obligations to complete the acquisition in accordance with the relevant sale and purchase agreement. If such default occurs, the relevant purchasing entity within the Group may have to initiate legal proceedings against one or more of the sellers to enforce its rights under the sale and purchase agreements or to seek damages, and any resulting litigation expense, additional administrative burdens or business interruptions could also have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors.

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

Once the Net Issue Proceeds are fully invested, to the extent that it does not have cash reserves available for investment, the Group would need to finance further investments either by borrowing (whether by new borrowing or refinancing existing debt) or by the Company issuing further 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 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 of the Group" below for further information. There can be no assurance that the Group may be able to borrow on reasonable terms or at all.

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

Although the Group will typically seek legal and operational control of investments through 100 per cent. ownership, the Company's investment policy does permit the Group to take minority interests in assets provided that it is able to implement its investment strategy as well as execute other active asset management strategies with a view to enhancing investment returns. If the Group acquires a minority interest in an asset and so does not acquire control of that asset, there can be no guarantee that it will be able to implement its investment strategy as well as execute other active asset management strategies with a view to enhancing investment returns. In the event that the Group is not able to implement its investment strategy in respect of any such assets, this may have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors.

4. RISKS RELATING TO THE COMPANY AND ITS SHARES

4.1 **No operating history**

The Company is newly incorporated and has no operating history or revenues. Investors therefore have no basis on which to evaluate the Company's ability to achieve its investment objective and implement its investment policy. The past performance of investments managed

and monitored by the Investment Adviser or its associates is not a reliable indication of the future performance of the investments held by the Group.

4.2 **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 respect of its investments, including its investment in solar PV assets, including distributions, in the form of dividends or otherwise, 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, including returns from certain operating efficiencies as described under the heading "Asset Optimisation Strategies" in Part I of this document. However, there is no assurance that all or any assumptions will be justified or that such modelled cost savings can be achieved, 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 the Group's ability to invest the balance of the Net Issue Proceeds following the acquisition of the Target Portfolio in assets which produce similar or better returns than the assets that comprise the Target Portfolio, 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 within the Group and 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 Shareholders.

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 have a material adverse effect on the Group's business, financial position, results of operations, business prospects and returns to investors.

4.3 **Risks relating to the 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 (among 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 quarterly estimates. Further details in relation to the valuation policy of the Company are set out in Part VI of this document.

4.4 **Market liquidity in the Ordinary Shares could be limited**

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 Ordinary Shares will exist. Accordingly, Shareholders may be unable to realise their Ordinary Shares at the quoted market price (or at the prevailing NAV per Ordinary 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 Ordinary Shares may affect the ability of Shareholders to realise their investment.

4.5 **The Ordinary Shares may trade at a discount**

The Ordinary Shares may trade at a discount to NAV per Ordinary 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. The Ordinary 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 through the discount management mechanisms summarised in Part I of this document, 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 to implement such mechanisms or any failure of any such strategy to effect a reduction in any discount.

4.6 **The Group's strategy relating to the use of leverage exposes it to risks associated with borrowing**

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 SPVs 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 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 SPVs 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. In addition, in the event that revenues from the Company's portfolio fall for whatever reason, the use of borrowings will increase the impact of such a fall on the net revenues of the Company and accordingly will have an adverse effect on the Company's ability to pay dividends to Shareholders.

Similarly, if the Group fails to service any debt financing incurred at the holding company level or breaches any 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, results of operations and business prospects of the Group, including its targeted returns to investors.

4.7 **Risks relating to 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 solar PV markets of the Target Jurisdictions and the level of competition for assets in the solar PV sectors. 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 will depend heavily on the experience and expertise of the Investment Adviser's team, and more generally on the ability of the Investment Adviser to attract and retain suitable staff. Key personnel could become unavailable due, for example, to death or incapacity, as well as due to resignation. There may be regulatory changes in the area of tax and employment that affect pay and bonus structures and may have an impact on the ability of the Investment Adviser to recruit and retain staff. In the event of any departure for any reason, it may take time to transition to alternative personnel, which ultimately might not be successful. The impact of such a departure on the ability of the Company to achieve its investment objective cannot be determined.

The Board will monitor the performance of the Investment Adviser but the performance of the Investment Adviser or that of any replacement cannot be guaranteed.

4.8 **Risks relating to the initial term of the Investment Advisory Agreement**

Save in certain circumstances (for example in the event of the departure of certain key executives of the Investment Advisor or the Investment Advisor commits a material breach of its obligations under the Investment Advisory Agreement), the Company is not able to terminate the Investment Advisory Agreement until after its fifth anniversary unless it pays compensation to the Investment Advisor in relation to such termination. This could make it costly to terminate the Investment Advisory Agreement and could have a material adverse effect on the Company's business, financial position, results of operations and returns to investors.

4.9 **Payments to the Investment Adviser on a change in control of the Company**

The Investment Advisory Agreement provides that in the event of a change of control of the Company in circumstances where the offer price per Ordinary Share is above a floor price (see Part I of this document under the heading "Fees"), the Investment Adviser will receive a fee of an amount equal to 2 per cent. of the offer value. The Investment Adviser will also receive payment in lieu of notice in the event that the Investment Advisory Agreement is terminated on less notice than the 24 months provided for in the agreement. Whilst the Board does not expect

that the terms of such a payment is likely to result in any offer or *bona fide* possible offer being frustrated or in shareholders being denied the opportunity to decide upon such an offer on its merits, it is possible that this payment may discourage, delay, or prevent a third party from acquiring all or a large portion of the Ordinary Shares in the Company through an acquisition, merger, or similar transaction.

Such payments could reduce the amounts receivable by Shareholders in those circumstances and the initial five year initial term of the Investment Advisory Agreement and/or the 24 month notice period for termination by the Company of the Investment Advisory Agreement could make it costly to terminate the Investment Advisory Agreement.

4.10 **There may be circumstances when the Investment Adviser and/or other advisers have 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.

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 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.

4.11 **The ability of shareholders to serve process or enforce judgements against the Company and the Directors may be limited**

The Company's presence outside the United States and the United Kingdom may limit the legal recourse of a holder of Ordinary Shares against the Company and its management and Directors. The Company is incorporated under the laws of Guernsey. All of the Company's solar PV assets will be located outside the United States and the United Kingdom, principally in Italy and Spain and other Target Jurisdictions in which the Group may invest. As a result, investors may not be able to serve process within the United States and the United Kingdom on the Company or to enforce United States and United Kingdom court judgments obtained against the Company in jurisdictions outside the United States and the United Kingdom.

4.12 **The Ordinary Shares are subject to transfer restrictions and forced transfer provisions**

The Ordinary Shares are subject to transfer restrictions and forced transfer provisions that are intended to prevent, among other things: (i) the Company being required to register as an "investment company" under the US Investment Company Act; (ii) the Company being required to register under the US Exchange Act or any similar legislation; (iii) the assets of the Company from being deemed to be "plan assets" under the Plan Asset Regulations; or (iv) the Company becoming a "controlled foreign corporation" for the purposes of the Internal Revenue Code. In

particular, the Board may refuse to register a transfer of Ordinary Shares if the transfer is in favour of any person determined by the board to be a Non-Qualified Holder. In addition, if any Shareholder is determined by the Company to be a Non-Qualified Holder such Shareholder may be required by the Company to transfer its Ordinary Shares to an eligible transferee within 30 days of receiving notice from the Board; and, if the obligation to transfer is not met, 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.

4.13 **Pre-emption rights for US and other Shareholders outside the United Kingdom may be unavailable**

In the case of certain increases in the Company's issued share capital, existing holders of Ordinary Shares are generally entitled to pre-emption rights to subscribe for such shares, unless Shareholders waive such rights by a resolution at a Shareholders' meeting. However, US holders of ordinary shares in foreign companies are customarily excluded from exercising any such pre-emption rights they may have, unless a registration statement under the US Securities Act is effective with respect to those rights, or an exemption from the registration requirements thereunder is available. The Company does not intend to file any such registration statement, and the Company cannot assure prospective US investors that any exemption from the registration requirements of the US Securities Act or applicable non-US securities laws would be available to enable US or other Shareholders outside of the United Kingdom to exercise such pre-emption rights or, if available, that the Company will utilise any such exemption.

4.14 **Shareholders will not benefit from the protections of the US Investment Company Act**

The Company does not intend to register as an investment company under the US Investment Company Act, and, accordingly, Shareholders will not benefit from the protection of the US Investment Company Act. The US Investment Company Act and the rules thereunder contain detailed parameters for the organisation and operation of investment companies. Among other things, the US Investment Company Act and the rules thereunder limit or prohibit transactions with affiliates, impose limitations on the issuance of debt and equity securities, generally prohibit the issuance of options and impose certain governance requirements. Many of the Company's investment policies and techniques may not be permissible for a registered investment company.

5. RISKS RELATING TO STRUCTURE AND TAXATION

5.1 **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 AIF 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 Member State, the marketing of shares in AIFs that are established outside the EU (such as the Company) to investors in that 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 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 position, results of operations, business prospects, NAV and/or the market price of the Ordinary Shares.

5.2 **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.

The Board intends to conduct the Company's affairs such that the Company can satisfy requirements (1), (2) and (4) above. 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. On the assumption that the Company is not a close company, it would qualify for approval as an investment trust if it were resident in the UK. The Company will be outside of the scope of the NMPI Regulations for such time as it satisfies 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 becomes a close company or does not, or 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 document) is exempt from the NMPI Regulations, other communications by "approved persons" could be restricted (subject to any exemptions or waivers).

5.3 **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 in the relevant jurisdictions, including Guernsey, the UK, Italy and Spain.

The investment objective and expected returns included in this document are based on the Company not being treated as resident outside Guernsey for tax purposes. A non-UK incorporated Company will generally be regarded as tax resident in the UK if its central

management and control is exercised in the UK. However, section 363A Taxation (International and Other Provisions) Act 2010 provides an override to the general law so that a company that would otherwise be tax resident in the UK will not be so resident if it is an AIF (within the meaning of the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) that meets certain conditions. The Company will be considered an AIF that falls within this override. However, if the Company were to be tax resident in another territory, the Company may be subject to additional taxes which could adversely impact the returns available for distribution to the investors in the Company.

Additionally, 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 Italy or Spain or any other jurisdiction in which the Group invests.

Any change in the Company's tax status, or in taxation legislation or the taxation or withholding regime, or in the interpretation or application of taxation legislation or accounting standards applicable to the Company or the companies or assets comprised in the Company's investment portfolio, could affect the Group's business, financial position, results of operations, business prospects, returns to investors and/or the taxation of such returns to investors.

5.4 **Risk of being treated as an offshore fund**

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 not expect to realise their investment at a value calculated by reference to NAV per Ordinary Share.

5.5 **Risks relating to withholding taxes**

The funding of the Group has been structured so that interest is paid by BES UK to the Company on bonds. The interest paid should not be subject to UK withholding tax at 20 per cent. due to a specific statutory exemption for bonds that are listed on a recognised stock exchange. It is expected that the bonds issued by BES UK to the Company will be listed on the Channel Islands Securities Exchange, which is a recognised stock exchange. If the legislation were changed to remove the statutory exemption or if HMRC sought to challenge the arrangements as so structured, tax would need to be withheld at the basic rate (currently 20 per cent.) on payments of interest to the Company in respect of the bonds and accounted for to HM Revenue & Customs. At this point, the Company would need to consider restructuring the Group to avoid additional tax leakage within the structure that could adversely impact the returns available for distribution to the investors in the Company.

In addition, BES UK will receive payments of interest from its subsidiaries, which will be incorporated in Italy, Spain and possibly other jurisdictions. The payment of interest to BES UK is expected to be exempt from withholding tax on the basis that the parties are able to rely on a relevant double tax treaty to reduce any local withholding taxes to zero. In the event a relevant double tax treaty is amended, or the parties are unable to rely on it, payments of interest to BES UK may be subject to a withholding tax. Again, this could lead to tax leakage within the structure and could adversely impact the returns available for distribution to the investors in the Company.

No withholding tax is currently imposed in respect of distributions or other payments on the Ordinary Shares. There can be no assurance, however, that the position will not change in the future as a result of a change in any applicable law, treaty or regulation, the official application or interpretation thereof by the relevant tax authorities or other causes. The imposition of any unanticipated withholding tax could materially reduce the value of the Ordinary Shares and returns to investors.

5.6 **Risks relating to interest deductibility**

The Group manages its UK tax liabilities by, *inter alia*, relying on tax deductions for interest. There are a number of provisions that could restrict the availability of those tax deductions. UK transfer pricing legislation limits the tax deductibility of interest should any terms of the loans with related parties be considered not to reflect normal arm's length terms which would have been agreed between two independent enterprises. This includes both the rate of interest charged and the amount of the debt. In particular, an entity may be said to be thinly capitalised if it has excessive debt in relation to its arm's length borrowing capacity leading to the possibility of excessive interest deductions. Any restriction to the tax deductibility of interest could result in increased UK corporation tax liabilities for the Group and this could in turn adversely affect the returns to the investors.

The Group may fall within the World Wide Debt Cap regime in Part 7 of the Taxation (International and Other Provisions) Act 2010 which could result in a restriction on the amount of finance expense for which tax relief is available based on the Group's worldwide external gross finance expense.

5.7 **OECD consultations on changes in tax law**

Prospective investors should be aware that the OECD published its Action Plan on Base Erosion and Profit Shifting (**BEPS**) in 2013 and that a public consultation process is currently underway. The BEPS project is ongoing, with further consultation and recommendations (in addition to those which have already been made) expected during 2015. Depending on how BEPS is introduced, any changes to tax laws based on recommendations made by the OECD in relation to BEPS may result in additional reporting and disclosure obligations for investors and/or additional tax being suffered by the Company or its underlying subsidiaries which may adversely affect the value of the investments held by the Company, the extent of tax levied on Group revenues and thus the Company's ability to pay dividends and market price of the Ordinary Shares.

5.8 **Risks related to diverted profits tax**

The UK government has unilaterally taken action against BEPS by introducing through Part 3 of the Finance Act 2015 a tax on "diverted profits". Where the necessary conditions are met, diverted profits tax is charged at 25 per cent. on the amount of the diverted profits. While the Company has been advised that diverted profits tax should not apply because the erosion of the UK tax base as a result of the Group structure would result from the shareholder loan to BES UK, which is excluded debt, the imposition of any charge to diverted profits tax if the Group structure changed could materially reduce the value of the Ordinary Shares, the extent of tax levied on Group revenues and thus the Company's ability to pay dividends and returns to Shareholders.

5.9 **Potential Withholding and Forced Transfers under FATCA**

Under FATCA provisions, where the Company invests directly or indirectly in US assets, payments to the Company of US-source income, gross proceeds of sales of US 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. US 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 US 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 99 below for further information. Any amounts of US 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.

Under the US-Guernsey Intergovernmental Agreement (**IGA**), securities that are "regularly traded" on an established securities market are not considered financial accounts and are not subject to reporting. For these purposes, the Ordinary Shares will be considered "regularly traded" if there is a meaningful volume of trading with respect to the Ordinary Shares on an ongoing basis. Notwithstanding the foregoing, from 1 January 2016, an Ordinary Share will not be considered "regularly traded" and will be considered a financial account if the holder of the Ordinary Shares (other than a financial institution registered with the IRS for the purposes of FATCA acting as an intermediary) is registered as the holder of the Ordinary Share on the Company's share register. Such Shareholders will be required to provide information to the Company to allow the Company to satisfy its obligations under FATCA. Additionally, even if the Ordinary Shares are considered regularly traded on an established securities market, Shareholders that own the Ordinary Shares through financial intermediaries may be required to provide information to such financial intermediaries periodically in order to allow the financial intermediaries to satisfy their obligations under FATCA. Notwithstanding the foregoing, the relevant rules under FATCA may change and, even if the Ordinary Shares are considered regularly traded on an established securities market, Shareholders may, in the future, be required to provide information to the Company in order to allow the Company to satisfy its obligations under FATCA.

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. Neither the Company nor any financial intermediary will make any additional payments to compensate a holder or beneficial owner of any Ordinary Shares for any amounts required to be deducted and withheld (whether pursuant to FATCA, the IGA or otherwise).

The Company's FATCA diligence and reporting obligations will be governed by the US-Guernsey IGA and any applicable Guernsey implementing legislation.

5.10 **If the Company is treated as a "passive foreign investment company," it could have adverse US federal income tax consequences to US Holders.**

If the Company is determined to be a passive foreign investment company, known as a "PFIC," US Holders could be subject to adverse US federal income tax consequences. Specifically, if the Company is determined to be a PFIC for any taxable year, each US Holder may be subject to increased tax liabilities under US tax laws and regulations and will be subject to additional reporting requirements. See "US Federal Income Taxation – Passive Foreign Investment Company Considerations" below.

5.11 **ERISA requirements could restrict investments**

Under the current Plan Asset Regulations, if the Plan Threshold is exceeded, then the assets of the Company may be deemed to be "plan assets" within the meaning of the Plan Asset Regulations. After the Issue, the Company will be unable to monitor whether Benefit Plan Investors (as defined on page 128 of this document) acquire Ordinary Shares and therefore, there can be no assurance that Benefit Plan Investors will never acquire Ordinary Shares other than during the Issue or that, if they do, the ownership of all Benefit Plan Investors will be below the Plan Threshold. If the Company's assets were deemed to constitute "plan assets" within the meaning of the Plan Asset Regulations, certain transactions that the Company might enter into in the ordinary course of business and operation might constitute non-exempt prohibited transactions under ERISA or the Internal Revenue Code, resulting in the imposition of excise taxes and penalties. In addition, any fiduciary of a Benefit Plan Investor or a

governmental, church, non-US or other plan which is subject to Similar Law that is responsible for such plans investment in the Ordinary Shares could be liable for any ERISA fiduciary violations or violations of such Similar Law relating to the Company.

If prospective investors are in any doubt as to the consequences of their acquiring, holding or disposing of 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, the Joint Bookrunners 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 Ordinary 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 the Joint Bookrunners by FSMA or the regulatory regime established thereunder, the Joint Bookrunners do 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 Ordinary Shares, Admission or the Issue. The Joint Bookrunners accordingly disclaim all and any liability whether arising in tort, contract or otherwise (save as referred to above), which they might otherwise have in respect of this document or any such other document or statement.

The contents of this document are not to be construed as legal, financial, business, investment or tax advice. Prospective investors should consult their own legal, financial or tax adviser for legal, financial or tax advice. Prospective investors must inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares. Prospective investors must rely on their own representatives, including their own legal advisers and accountants, as to legal, tax, investment, or any other related matters concerning the Company and an investment therein.

In connection with the Placing, the Joint Bookrunners and any of their respective affiliates acting as an investor for its or their own account(s), may subscribe for the Ordinary 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 or otherwise. Accordingly, references in this document to the Ordinary Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, the Joint Bookrunners and any of their respective affiliates acting as an investor for its or their own account(s). The Joint Bookrunners do 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 Ordinary Shares;
- any foreign exchange restrictions applicable to the subscription for, purchase, holding, transfer or other disposal of Ordinary 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 Ordinary Shares.

Prospective investors must rely upon 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 will primarily be marketed to institutional and sophisticated investors. Typical investors pursuant to the Offer are expected to be UK based asset and wealth managers regulated or authorised by the FCA and some private individuals (some of whom may invest through brokers).

An investment in the Company should be regarded as a long term investment. There can be no assurance that the Company's investment objective will be achieved.

This document should be read in its entirety before making any investment in the Ordinary 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.

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, regulatory, political, business or other renewable energy 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.

The attention of potential investors is drawn to the Risk Factors set out on pages 18 to 38 of this document and, in particular, the risks set out in that section under the headings "Risks relating to modelling future returns" and "Risks relating to the Company's share price performance and target returns and dividends.

Nothing in the preceding paragraphs should be taken as limiting the working capital statement in paragraph 11 of Part VIII 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 confirms that such data has been accurately reproduced and, so far as it is aware and is 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; and all references to "euros" and "€" are to the lawful currency of the participating Member States.

Definitions

A list of defined terms used in this document is set out at pages 136 to 142.

TRACK RECORD INFORMATION

This document includes track record information and performance data regarding the Bluefield Solar Income Fund, to which Bluefield Partners LLP is the Investment Adviser. Such information is not necessarily comprehensive and potential investors should not consider such information to be indicative of the possible future performance of the Company or any investment opportunity to which this document relates. Past performance of BSIF is not a reliable indicator and cannot be relied upon as a guide to future performance of the Company or the Investment Advisor. The Company has no investment or trading history and the track record information and performance data included herein relates to business activities that are not directly comparable with the Company's investment objective and therefore are not indicative of the returns the Company will, or is likely to, generate going forward. The Company will not make the same investments reflected in the track record information included herein. Potential investors should be aware that any investment in the Company is speculative, involves a high degree of risk, and could result in the loss of all or substantially all of their investment.

Potential investors should consider the following factors which, among others, may cause the Company's performance to differ materially from the track record information and performance data described in this document:

- The track record information and performance data included in this document was generated by a number of different persons in a variety of circumstances and who may differ from those who will manage the Company's investments. It may or may not reflect the deduction of fees or the reinvestment of dividends and other earnings.
- Results can be positively or negatively affected by market conditions beyond the control of the Company and the Investment Adviser.
- Differences between the Company and the circumstances in which the track record information and performance data was generated include (but are not limited to) all or certain of: actual acquisitions and investments made, investment objectives, fee arrangements, structure (including for tax purposes), term, leverage, performance targets and investment horizons. All of these factors can affect returns and impact the usefulness of performance comparisons and as a result, none of the historical information contained in this document is directly comparable to the Offer or the returns which the Company may generate.
- Market conditions at the times covered by the track record information may be different in many respects from those that prevail at present or in the future, with the result that the performance of investment portfolios originated now may be significantly different from those originated in the past. In this regard, it should be noted that there is no guarantee that these returns can be achieved or can be continued if achieved.
- The Company and its intermediate holding entities may be subject to taxes on some or all of their earnings in the various jurisdictions in which they invest. Any taxes paid or incurred by the Company and intermediate holding entities will reduce the proceeds available from the sale of an investment to make future investments or distributions and/or pay the expenses and other operating costs of the Company.

GOVERNING LAW

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

US tax considerations applicable to all investors, including non-US investors

All prospective investors, including non-US investors, should review the risk factor headed "Potential Withholding and Forced Transfers under FATCA" in the section headed "Risk Factors" in this document and the section headed "US Federal Income Taxation" in Part VII of this document.

EXPECTED TIMETABLE

Latest time and date for receipt of Application Forms under the Offer for Subscription	11.00 a.m. on 28 July 2015
Latest time and date for placing commitments under the Placing	3.00 p.m. on 30 July 2015
Result of Issue announced	8.00 a.m. on 31 July 2015
Crediting of interim stock line to CREST accounts of applicants under the Offer electing to settle via CREST	on 31 July 2015
Admission and commencement of unconditional dealings in the Ordinary Shares	8.00 a.m. on 5 August 2015
Crediting of CREST accounts in respect of the Ordinary Shares	8.00 a.m. on 5 August 2015
Share certificates despatched	Week commencing 10 August 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.

ISSUE STATISTICS

Issue Price	€1.00
Maximum number of Ordinary Shares to be issued	400 million
Estimated maximum Net Issue Proceeds[(1)]	€392 million
Estimated Net Asset Value per Ordinary Share on Admission[(1)]	€0.98

Notes:
(1) Assuming Issue expenses of 2 per cent. of the Gross Issue Proceeds and Gross Issue Proceeds of €400 million.

DIRECTORS, AGENTS AND ADVISERS

Directors *(all non-executive)*	Sir Neville Simms *(Chairman)* Anthony Brooke Ian Burns Paul Meader
Administrator, Designated Administrator, 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 53 Chandos Place London WC2N 4HS
Global Coordinator, Bookrunner and Sponsor	Goldman Sachs International Peterborough Court 133 Fleet Street London EC4A 2BB
Joint Bookrunners	Numis Securities Limited The London Stock Exchange Building 10 Paternoster Square London EC4M 7LT UBS Limited 1 Finsbury Avenue London EC2M 2PP
Legal Advisers to the Company *(as to English and US law)*	Norton Rose Fulbright LLP 3 More London Riverside London SE1 2AQ
Legal Advisers to the Company *(as to Guernsey law)*	Carey Olsen Carey House Les Banques St Peter Port Guernsey GY1 4BZ
Tax Advisers to the Group	Ernst & Young 1 More London Place London SE1 2AF
Legal Advisers to the Sponsor and Joint Bookrunners	Freshfields Bruckhaus Deringer LLP 65 Fleet Street London EC4Y 1HS
Reporting Accountants	PricewaterhouseCoopers CI LLP Royal Bank Place 1 Glategny Esplanade St Peter Port Guernsey GY1 4ND
Auditors	PricewaterhouseCoopers CI LLP Royal Bank Place 1 Glategny Esplanade St Peter Port Guernsey GY1 4ND

Registrar	Capita Registrars (Guernsey) Limited Mont Crevelt House Bulwer Avenue St Sampson Guernsey GY2 4LH
Receiving Agent and UK Transfer Agent	Capita Asset Services Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Principal Bankers	Royal Bank of Scotland International Royal Bank Place 1 Glategny Esplanade St Peter Port Guernsey GY1 4BQ

PART I

INFORMATION ON THE COMPANY

INTRODUCTION

Bluefield European Solar Fund Limited is a closed-ended investment company limited by shares, registered and incorporated in Guernsey under the Companies Law on 11 June 2015, with registration number 60446. The Company has appointed Bluefield Partners LLP as its investment adviser. The Company has been registered by the GFSC as a registered closed-ended collective investment scheme.

Further information in relation to the Investment Adviser is set out in Part IV of this document.

Applications will be made to each of the Financial Conduct Authority and the London Stock Exchange, respectively, for all of the Ordinary Shares to be issued pursuant to the Issue 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 dealings in the Ordinary Shares will commence at 8.00 a.m. on 5 August 2015. Shares will be issued in the euro currency.

INVESTMENT OBJECTIVE

The Company will seek to provide Shareholders with an attractive return, principally in the form of regular income distributions, by investing in a portfolio of solar PV assets located in Eurozone countries (excluding Greece).

TARGET RETURNS

The Company will target delivery to Shareholders of distributions of €0.06 per Ordinary Share in each of the Company's first two financial years ending on 30 September 2016 and 30 September 2017 respectively. The objective of the Company is to grow the dividend annually thereafter by 2 per cent. The first interim dividend is expected to be declared in April 2016, and semi-annually thereafter.

The Company's fund model delivers an internal rate of return (**IRR**), net of all set-up costs and fund expenses, of 7-9 per cent. This assumes that the portfolio acquired by the Company using the Net Issue Proceeds has zero terminal value after 25 years; that after annual distributions are paid out its surplus cashflows are reinvested. The Company will seek to outperform this target IRR by the effective execution of active management strategies. By the successful implementation of asset optimisation, the Company will seek to enhance the IRR by 1 to 2 per cent. Further details of the Group's target return, cash flow and NAV outlook are set out in Part III of this document.

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

Subject to maintaining a prudent level of reserves, the Company expects to reinvest cash flows in order to preserve its capital value.

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 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 Ordinary 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".

INVESTMENT POLICY

The Group will invest in a diversified portfolio of solar PV assets located in Eurozone countries (excluding Greece), with a primary focus on assets in Italy and Spain. The Company has a primary focus on operational commercial assets and portfolios located on agricultural, industrial and/or commercial sites and can invest in ground based and/or rooftop sites. The Group will target long life solar PV assets, expected to generate stable renewable energy output over a typical initial 25 year asset life.

Individual solar PV assets or portfolios of solar PV assets will be held within Special Purpose Vehicles into which the Group will invest through equity and/or debt instruments. The Group will typically seek legal and operational control through direct or indirect stakes of up to 100 per cent. in such Special Purpose Vehicles, but may participate in joint ventures or take minority interests provided it is able to implement its investment strategy, as well as execute other active asset management strategies with a view to enhancing investment returns.

The Group will not be subject to any single country limits within the Eurozone, but at least 60 per cent. of Net Asset Value, excluding uninvested cash, will be invested in operational Italian and/or Spanish solar PV assets.

Investments in solar PV assets under development or construction will not represent more than 10 per cent. of the Net Asset Value, calculated at the time of investment.

The Group's portfolio will provide diversified exposure through the inclusion of not less than five individual solar PV assets. No single investment will be made in a solar PV asset that, on its acquisition, will represent more than 25 per cent. of the Gross Asset Value. Diversification will be achieved across various factors such as grid connection points, individual landowners and leases, providers of key components (such as solar PV panels and inverters) and assets being located across various geographical locations.

The investment limits set out above shall only apply at the time of the acquisition of the relevant investment and the Company will not be required to rebalance the portfolio or dispose of any asset or investment as a result of a change in the relevant valuation of assets.

Due to the possibility of pre-existing leverage at the SPV level at the time of acquisition, for up to 12 months after the deployment of the Net Issue Proceeds, total leverage may be up to 75 per cent. of the prevailing Gross Asset Value. From 12 months following the full deployment of the Net Issue Proceeds, total leverage will not exceed 50 per cent. of the prevailing Gross Asset Value at the time of the relevant drawdown. The Group's target total leverage is 25 per cent. of the prevailing Gross Asset Value. Leverage within the Group and its holdings may include both non-recourse finance at SPV or SPV holding level and leverage at GroupCo level, including short term GroupCo level finance to facilitate the acquisition of investments.

The Group will manage its revenue streams to moderate its exposure to spot power prices with the use of power purchase agreements with appropriate energy off-takers, feed-in-tariffs and other renewable subsidy schemes, capacity markets and grants or tax exemptions in domestic energy markets.

The Company will comply 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 object 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.

In accordance with the Listing Rules, no material change will be made to the investment policy of the Company without the prior approval of the Financial Conduct Authority and the Shareholders, by the passing of an ordinary resolution.

INVESTMENT OPPORTUNITY

Background

Since 2000, Continental Europe has seen significant growth in the installation of solar PV plants. This has been primarily in response to the implementation of regulations on greenhouse gas emissions under international law, including the introduction by the EU of regulatory support as part of the EU's overall commitment to binding targets for electricity generation from renewable energy sources by 2020.

In order to incentivise investment into the sector, solar PV installations in Europe have been granted the opportunity to benefit from long dated, regulated revenues. Solar PV assets in Continental Europe are compensated by regulated payments for the energy produced. Typically, solar PV assets in Europe benefit from FIT legislation where the energy produced by the energy generator is compensated by a long term, fixed price payment. Since the introduction of FIT legislation in Europe over 86.7GWp of solar PV energy capacity has been installed in the EU. 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. Operational costs are typically low as a proportion of revenues (circa 20 to 30 per cent.), and relatively stable in nature, giving rise to the potential for generation of long-term, predictable cashflows.

Further details of renewable energy in the EU context, including details on the development of the renewable energy regulatory framework in Italy, Spain, Germany, France and the UK, which are the major solar markets in Europe, can be found in Part II of this document.

Key Markets

The Investment Adviser has identified the Italian and Spanish solar PV markets (the **Key Markets**) as investment markets of particular interest. It is the Investment Adviser's view that the Key Markets are established, large and mature investment markets with a combined solar PV energy capacity in excess of 23GWp of operational assets with an estimated enterprise value of circa €80 billion. This capacity was largely built out between 2008 and 2012 and benefits from a track record of operational performance, while still retaining long dated regulatory support and, in the view of the Investment Adviser, opportunity for value enhancements through the Investment Adviser's active management strategies.

The Key Markets have both experienced retroactive regulatory change, as described in paragraphs 2.2 and 3.2 of Part II of this document. Accordingly, relative to other Continental European solar markets such as the UK, which is perceived as having lower regulatory risk than the Key Markets, the discount rates applied to the future cash flows of solar PV assets in the Key Markets is higher, reflecting the perception of higher regulatory risk. The target pipeline indicates project returns of 8.5 per cent. to 9 per cent. However, project returns will vary between countries and asset sizes. In Italy, the Investment Adviser believes that target IRRs of 7-9 per cent. on large portfolios (50-100MWp) and target IRRs of 8-10 per cent. on sub scale portfolios or individual solar PV assets (1-4MWp) are achievable. In Spain the Investment Adviser estimates that target IRRs of 8.5-9.5 per cent. on large portfolios (5-20MWp) and target IRRs of in excess of 10 per cent. on sub scale portfolios or individual solar PV assets (c.1MWp) are achievable. Additionally, the sellers' rationale for exiting investments varies by the size of the portfolio, with investors in large scale portfolios having a typical 3-6 year equity investment cycle with investors expecting to divest; and sub scale portfolio investors needing to achieve liquidity for assets that may be in dividend "lock up".

Notwithstanding the potential regulatory risk, both the Italian and Spanish secondary solar PV markets are considered by the Board, having been so advised by the Investment Adviser, to offer the potential for attractive returns and distributions, in line with the target returns for the Company. To date, ownership of the solar PV assets in the Key Markets remains highly fragmented. For example, the Italian market has over 4,800 plants of approximately 1MWp, with individual values estimated by the Investment Adviser of between €2-4 million/MWp. In Spain, the top 10 portfolios only account for 13 per cent. of the country's installed capacity as of 2014 with the largest owner, TSolar Group, only holding 160MWp in a market that has 4.7GWp of operational solar PV assets.

It is also the view of the Investment Adviser that the Italian and Spanish governments have achieved the stated objectives of their respective retroactive regulatory changes: the Italian government has reduced the tariff available to Solar PV and in doing so has reduced energy bills for small and medium enterprises; the Spanish legislation (RD 413/2014) has brought down the cost of renewable energy subsidies and in doing so has reduced the revenue deficit being brought in from consumer energy bills.

Solar PV assets in the Key Markets were initially invested into by a large number of domestic and international investors supported by project and lease financing with high levels of leverage. Investors include industrial companies, utilities, private equity investors, entrepreneurs and private individuals. The primary growth in these markets was between 2008 and 2012. It is the Board's belief, having been so advised by the Investment Adviser, that a large number of these investors are now open to realising their investments through asset sales having already reached or exceeded their initial anticipated investment time horizon.

In addition, the previous retroactive regulatory changes in the Key Markets are impacting upon the original bank financing model, creating greater uncertainty in recent years as to the final returns of the projects. These specific market drivers have, in the Board's opinion, having been so advised by the Investment Adviser, created a strong stimulus for asset owners to look for exit opportunities in the market at valuations that the Board considers attractive relative to other Eurozone markets.

The Board intends to de-lever the solar PV assets in its investment portfolio following the acquisition of such assets to mitigate the risk of any retroactive regulatory change, as described under the heading "Project financing" below.

Further details of the Key Markets are set out in Part II of this document.

Project financing

Traditional acquirers of solar PV assets in the Key Markets have relied upon the availability of debt financing, through project financing, leasing or, in the case of sub scale Spanish assets, private banking and personal guarantees, in order to provide attractive levered equity returns. In the current environment, it is considered by the Board, having been so advised by the Investment Adviser, that achieving attractive risk adjusted levered returns while achieving vendor pricing expectations is difficult. The primary reason for this is that the existing debt position within projects, due to cash controls, has reduced the amount of distributable equity cashflow compared to the period before the retroactive regulatory changes. This is combined with the perceived increased risk attached to the levered equity returns, following the retroactive regulatory changes. These factors have created relatively high return expectations from potential acquirers which would require an impairment of existing asset owners' holding valuations.

The Board, having been so advised by the Investment Adviser, believes that a strategy of acquiring and de-levering any assets acquired using debt, whether completely or partially, can enable investors to optimise the risk reward profile of the investments. By de-levering the existing financing and leases, either completely or partially, the Company is seeking to control the majority of the asset's cash flows whilst minimising the impact of potential future regulatory change compared to projects with higher gearing. For example, the recent 8 per cent. retroactive cut made to the Italian FIT from which the Italian solar PV assets benefit, would result in a project cashflow reduction of only approximately 9.1 per cent. For a project with a typical level of leverage of 75-80 per cent. the reduction would be approximately 45 per cent. It is the opinion of the Board, having been so advised by the Investment Adviser, that by de-levering solar PV assets the Company can gain access to attractive long dated stable cashflows, which retain potential upside from the Investment Adviser's post-acquisition active asset management strategies, and which even in the event of further retroactive regulatory change may still offer relatively attractive returns, in particular when compared to other European infrastructure assets.

The solar PV assets in the Key Markets have experienced an estimated aggregate enterprise value of approximately €80 billion. These assets have typically been financed via long term project finance or leases. The largest lenders were the national banks in each of the Key Markets and between them have tens of billions of euros of exposure to the solar PV sector in the Key Markets. In Spain, there is an

estimated €20 billion of bank financing, 60 per cent. of which is provided by Spanish lenders. It is the Board's belief, having been so advised by the Investment Adviser, that a number of the national banks in the Key Markets would be open to reducing their exposure through an investment strategy of de-levering solar PV assets and the Investment Adviser will seek to pursue this strategy post-Admission.

Asset Optimisation Strategies

It is the view of the Board, having been so advised by the Investment Adviser, that the base returns targeted in the Key Markets may have the potential to be enhanced through the execution of post-acquisition active asset management strategies. By implementing such active asset management strategies it is the Board's belief, having been so advised by the Investment Adviser, that it should be possible to achieve increases in base case project cashflows.

The Investment Adviser expects to achieve these active asset management strategies through the following key routes:

1. ***Cost Reductions***

   - Improving cost efficiency in the contracting of operation and maintenance services. The current annual costs of operation and maintenance of the assets in the Key Markets reviewed by the Investment Adviser are typically around €25,000 per MWp but may be up to €45,000 per MWp, while the Investment Adviser has achieved for BSIF operation and maintenance costs in the UK market of approximately £8,000 per MWp. The Investment Adviser has obtained quotes for equivalent services from contactors in both Key Markets with an average cost of €9,000 per MWp in Spain and €16,000 per MWp in Italy. Flexibility to replace and economise on operation and maintenance costs, even allowing for reasonable breakage costs for such contracts, is significantly enhanced by de-levering the relevant solar PV assets where the banks may otherwise restrict such contract changes;
   - contracts can be optimised through the reduction of contract length and cost, tailoring of the services offered and spare parts management; and
   - improving other operational costs such as insurance, security and administration. Many such contracts were arranged at the time of construction of the assets and due to the falling prices for solar equipment and economies of scale it may be possible to reduce these costs.

   The successful execution of these strategies would typically see an enhancement of between 0.25-1.00 per cent. on the Company's IRR.

2. ***Revenue Enhancement***

   Power purchase agreements may be replaced or renegotiated; in particular, opportunities may exist to sell power between regions in order to create pricing advantages.

   The successful execution of this strategy would be expected to see an enhancement of up to 0.20 per cent. on the Company's IRR.

3. ***Performance Enhancement***

   The Investment Adviser and its affiliated technical resources will work with the third party O&M contractors to seek to enhance the technical performance of the Company's assets, where possible, to incrementally enhance returns by:

   - incentivising the third party O&M contractors through performance based agreements; and
   - using its in-house and affiliated resources to enable early detection via monitoring activities in order to prevent performance issues and to expedite corrective measures.

   The successful execution of these strategies could see an enhancement of up to 0.40 per cent. on the Company's IRR.

INVESTMENT ADVISER AND THE BLUEFIELD GROUP

Under the Investment Advisory Agreement, Bluefield Partners LLP, the Investment Adviser, which is authorised and regulated in the UK by the Financial Conduct Authority, has been appointed by the Company as Investment Adviser and in such capacity acts as Investment Adviser to the Company and other members of the Group within the strategic guidelines set out in the Company's investment policy and subject to the overall supervision of the Board. All decisions in respect of the acquisition of new investments and the disposal of assets in the Company's portfolio will be subject to the approval of the Board.

It is currently intended that the Investment Adviser's specialist team will complete the Target Portfolio acquisitions detailed in Part III of this document. The team will then lead in the identification and selection of the Group's pipeline of potential investments, in order to fully deploy the remaining Net Issue Proceeds. This will include the provision of investment advisory services relating to acquisitions, as well as ongoing management of the operational solar PV assets, including the placing and managing of construction and operational contracts, management of operational risks, advising the Board on the management of power price exposure and preparation of reports for the Board. The Investment Adviser also anticipates, where appropriate, providing directors to SPVs within the Group's investment portfolio.

It is anticipated that companies affiliated to the Investment Adviser may be employed by the Group or its subsidiaries to provide technical and operational asset management services on an arm's length basis. In addition, the Investment Adviser will seek to identify asset and portfolio efficiencies.

Further details in relation to the Investment Adviser and the Investment Adviser's team are set out in Part IV of this document. A summary of the terms of the Investment Advisory Agreement is provided in paragraph 5 of Part VIII of this document.

FEES

The Investment Adviser will be entitled to the following fees:

- a base fee of 0.75 per cent. of NAV per annum up to the first €1 billion of NAV and 0.65 per cent. of NAV thereafter, payable quarterly in advance in cash; and
- if in any year (excluding the Company's first financial year ending 30 September 2016), the Company:
  - (i) exceeds the Net Cash Hurdle of €0.095 per Ordinary Share; and
  - (ii) achieves its annual distribution target (initially €0.06 per Ordinary Share per year and increasing annually after the Company's second financial year ending 30 September 2017 by 2 per cent.),

the Investment Adviser will be entitled to a variable fee equal to 25 per cent. of the amount of Net Cash in excess of the Net Cash Hurdle up to a maximum of 0.5 per cent. of Net Asset Value as at the relevant year end. Subject to the Directors' discretion as referred to below, the variable fee shall be satisfied by the issue of Ordinary Shares to the Investment Adviser at an issue price equal to the latest published 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 Share to the Investment Adviser by way of an issue of new Ordinary Shares, a sale of existing Ordinary Shares out of treasury or through purchases of existing Ordinary Shares in the market or any combination of these. In the event that the variable fee is satisfied in whole or in part through the purchase of existing Ordinary Shares in the market, such Ordinary Shares will be transferred to the Investment Adviser at an issue price equal to the latest published NAV per Ordinary Share, notwithstanding the fact that they may have been purchased by the Company at a lower price.

In the event that there is a change of control of the Company (whether by means of an offer for the Ordinary Shares becoming unconditional, a scheme of arrangement or a sale of all or substantially

all of the Group's assets) in circumstances where the offer price per Ordinary Share is in excess of the floor price per Ordinary Shares (the floor price per Ordinary Share being, depending on the timing of the change of control, the current Net Asset Value per Ordinary Share or the higher of the current Net Asset Value per Ordinary Share and the issue price per Ordinary Share on Admission (adjusted, as appropriate, for any changes in the Company's issued capital)), the Investment Adviser will receive a fee of an amount equal to two per cent. of the offer value. For these purposes the offer value is the aggregate of the offer price or consideration per Ordinary Share or, if the change of control is by means of a sale of all or substantially all of the Group's assets, the Net Asset Value of the Company at the date of completion of such sale.

Further details of the fees payable to the Investment Adviser are set out under "Ongoing Expenses" in Part V of this document.

Track Record

The Investment Adviser has a proven track record of investing in both primary and secondary solar PV assets in Europe. Its team members have experience in solar equity investment, solar construction, solar project finance, solar development, and solar technical advisory principally in Italy and Spain during the period of significant sector growth in those jurisdictions (2008-2012). The Investment Adviser has assembled an experienced, specialised solar PV investment and asset management team with a proven track record of investing and/or managing the construction and operation of over 250MWp of solar PV investments in the last two years alone. The members of the team has been involved in the acquisition of over 90 solar PV assets in Europe (including the UK) with an enterprise value in excess of €1.5 billion and c. 2.75GWp of Operation and Maintenance and Monitoring experience, as detailed below:

	UK	Italy	Spain
Solar Transactions	€418 million in 267MWp	€414 million in 133MWp	€375 million in 60MWp
Asset Management and O&M	283MWp	299MWp	1,000MWp

- Development: 325 MWp (Italy)
- Construction: 70 MWp (Italy)
- Project Financing: €500 million (Italy and Spain)
- Asset Management and Operation: 1,299 MWp (Italy and Spain)

In view of the fragmentation of ownership in the Key Markets, it is notable that the UK portfolio of assets under the responsibility of the Investment Adviser, currently more than 250MWp, would rank as the largest asset portfolio in Spain with the top 10 portfolios in Spain only adding up to 624.07MWp, while in Italy the largest asset owner holds only c. 318MWp. This can be contrasted to the size of the market which across Italy and Spain is in excess of 23GWp compared to the UK market of 5.2GWp. In order to fully invest the €392 million Net Issue Proceeds targeted under the Issue, the Company estimates that it would be expected to acquire c. 120MWp of assets (i.e. less than 1 per cent. of the Italian and Spanish non-residential solar PV market compared to the Investment Adviser's track record in building BSIF to what the Investment Adviser estimates is approximately 8-9 per cent. of the UK utility scale market).

Investors' attention is drawn to the paragraphs headed "Track record information" in the section of this document headed "Important Information".

TARGET PORTFOLIO

The Company's Investment Adviser has identified the assets that comprise the Target Portfolio, details of which are included in Part III of this document. Following initial legal and technical due diligence, the Company has agreed preliminary terms for the acquisition of the assets in the Target Portfolio with each of the Sellers, as described in Part III of this document. The individual assets in the Target Portfolio are each expected to generate returns consistent with the Company's target returns, as set out above under the heading "Target returns". It is intended that the assets comprising the Target Portfolio will be acquired after Admission once the Company has completed its final technical and

legal due diligence although there can be no assurance that all or any of the assets comprising the Target Portfolio will be acquired by the Group. All or substantially all of the balance of the Net Issue Proceeds is expected to be committed within 12 months of Admission.

Deployment Strategy

The Company is seeking to invest a substantial part of the Net Issue Proceeds through the acquisition of the Target Portfolio, subject to the relevant terms and conditions for each asset, as detailed in Part III of this document. After the acquisition of the Target Portfolio, the Company intends to invest all or substantially all of the balance of the Net Issue Proceeds into solar PV assets in accordance with the investment policy with a view to achieving its target returns within twelve months of the date of Admission, with the expectation that the initial primary focus for investment will remain in the Key Markets.

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

Established Networks

The Investment Adviser's team has deep experience in the European solar PV markets with team members having participated in the European solar sector on behalf of equity investors, lenders, contractors, technical advisors and lawyers. Team members have significant experience in different aspects of European solar PV markets, including the development, evaluation, valuation, acquisition, monitoring and supervision of utility scale solar PV assets in Europe. The team has an established and deep network of solar asset owners, lenders, advisers and service providers in the Key Markets. Due to its understanding of these markets, the Investment Adviser has reviewed and filtered over €2 billion of assets in the Key Markets in preparation for the listing of the Company, a process that will continue following Admission.

Bank Relationships

The Key Markets have an operational base of approximately 23GWp with an enterprise value estimated to be €80 billion. A significant percentage of this asset base has been financed with long term structural debt, whether it be project finance or lease agreements. There is approximately €45 billion of long-term structured debt of which Spanish and Italian banks provide approximately €20 billion, excluding project finance in Italy.

GROUP STRUCTURE

The Company will make its investments via a group structure which initially will comprise the Company, its wholly-owned UK subsidiary, Bluefield ES Limited (**BES UK**), and two companies to be incorporated as wholly-owned subsidiaries of BES UK, one in Italy (**BESF Italy**) and the other in Spain (**BESF Spain**). BESF Italy and BESF Spain will invest either directly or indirectly in the SPVs that own the solar PV assets.

MAJOR SHAREHOLDERS

Certain funds and accounts under management by direct and indirect investment management subsidiaries of BlackRock, Inc. have committed to subscribe for such number of Ordinary Shares as shall represent, in aggregate, 10 per cent. of the Company's issued share capital on Admission pursuant to the BlackRock Subscription Agreement. The BlackRock Subscription Agreement is summarised in paragraph 5 of Part VIII of this document.

Newton Investment Management Limited has committed to subscribe for at least 20 million Ordinary Shares pursuant to the Newton Subscription Deed. The Newton Subscription Deed is summarised in paragraph 5 of Part VIII 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.

The Company will target delivery to Shareholders of distributions of €0.06 per Ordinary Share in each of the Company's first two financial years ending on 30 September 2016 and 30 September 2017 respectively. The objective of the Company is to grow the dividend annually thereafter by 2 per cent. The first interim dividend is expected to be declared in April 2016, and semi-annually thereafter.

Investors should note that the above dividend targets are targets and not profit forecasts. There can be no assurance that these targets can or will be met and they 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.

Timing of distributions

Distributions on the Ordinary Shares are expected to be paid twice a year, normally in respect of the six months to 30 September and 31 March, and are expected to be made by way of interim dividends to be declared in November and April. Following Admission the first interim dividend is expected to be declared in April 2016.

CAPITAL STRUCTURE

The Company's issued share capital at Admission will comprise the Ordinary Shares which will be issued pursuant to the Issue. The Ordinary Shares will be admitted to trading on the main market for listed securities of the London Stock Exchange and will be listed on the premium segment of the Official List.

On a winding up, provided the Company has satisfied all of its liabilities, the Shareholders will be entitled to all of the surplus assets of the Company.

Shareholders will be entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Ordinary Share held.

The Company's Articles contain provisions that permit the Directors to issue C Shares from time to time. C Shares are shares which convert into Ordinary Shares at a time determined in the absolute discretion of the Directors 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 date of conversion cannot fall later than a longstop date falling six months after admission of the relevant class of C Shares (prior to which the assets of the Company attributable to the C Shares are segregated from the assets of the Company attributable to the other classes of shares). A C Share issue would therefore permit the Board to raise further capital for the Company whilst avoiding any immediate dilution of investment returns for existing Shareholders which may otherwise result.

The Ordinary Shares carry the right to receive all dividends declared by the Company, subject to the rights of the C Shares (if any have been issued by the Company).

FURTHER ISSUES

The Board will have authority to allot further Ordinary Shares following Admission, representing up to 10 per cent. of the Company's issued share capital immediately following Admission, 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 have been disapplied so that the Board will not be obliged to offer any new Ordinary Shares to Shareholders *pro rata* to their existing holdings. The reason for this is to retain flexibility, following Admission, to issue new Ordinary Shares to investors. 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 new Ordinary Shares in respect of the variable fee payable to it, details of which are set out in Part IV of this document.

As described under "Capital Structure" above, the Articles contain provisions that permit the Directors to issue C Shares from time to time and a C Share issue would permit the Board to raise further capital for the Company whilst avoiding any immediate dilution of investment returns for existing Shareholders which may otherwise result.

DISCOUNT MANAGEMENT

The Directors have the authority to purchase in the market up to 14.99 per cent. of the Ordinary Shares in issue immediately following 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 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) 5 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. 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 of Ordinary Shares will be subject to the ability of the Company to fund the purchase price. 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 II

THE EUROPEAN SOLAR PV MARKET

The Company confirms that the information extracted from third party sources in this Part II 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 II are set out underneath each relevant figure, or in footnotes at the bottom of the page.

1. OVERVIEW OF RENEWABLE ENERGY IN THE EU CONTEXT

1.1 Overview of renewable energy target regulations

The regulation of greenhouse gas (**GHG**) emissions, including carbon dioxide, under international law is subject to the United Nations Framework Convention on Climate Change (**Convention**) and the Kyoto Protocol to that Convention (**Kyoto Protocol**), which came into force in 2005.

The Kyoto Protocol set legally binding GHG emission reduction targets for 37 industrialised countries. The energy sector is one of the largest emitters of GHG worldwide, due to its extensive use of fossil fuels, and has therefore been a focus of governments' efforts to reduce GHG emissions pursuant to their internationally legally binding obligations and domestic policies and legislation.

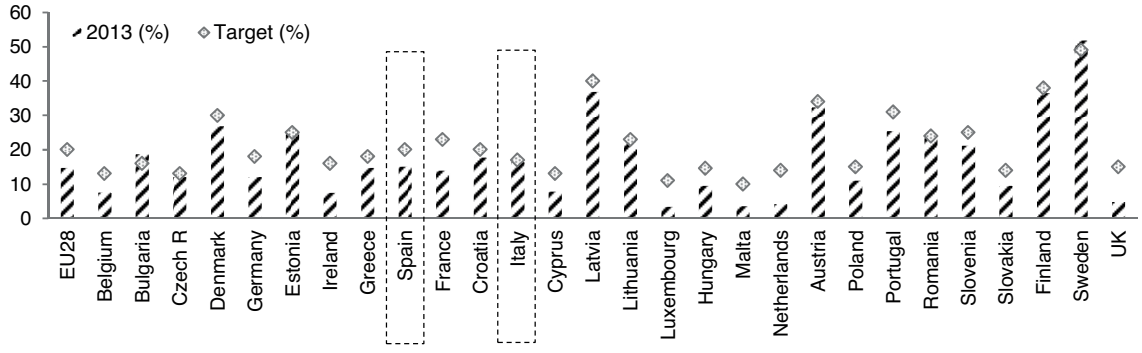
1.2 European renewable energy targets

In order to implement the binding GHG targets set by the Convention and Kyoto Protocol, the EU introduced the Renewable Energy Directive.

Under the Renewable Energy Directive, member states are required to achieve national targets for renewables that are consistent with reaching the European Commission's overall EU target of 20 per cent. of gross final energy consumption from renewable sources by 2020.

Individual country targets for the proportion of renewable energy in the total energy mix are outlined in Figure 1 below.

Figure 1: EU Member States Renewable Energy Targets[(1)]



1.3 European solar PV market

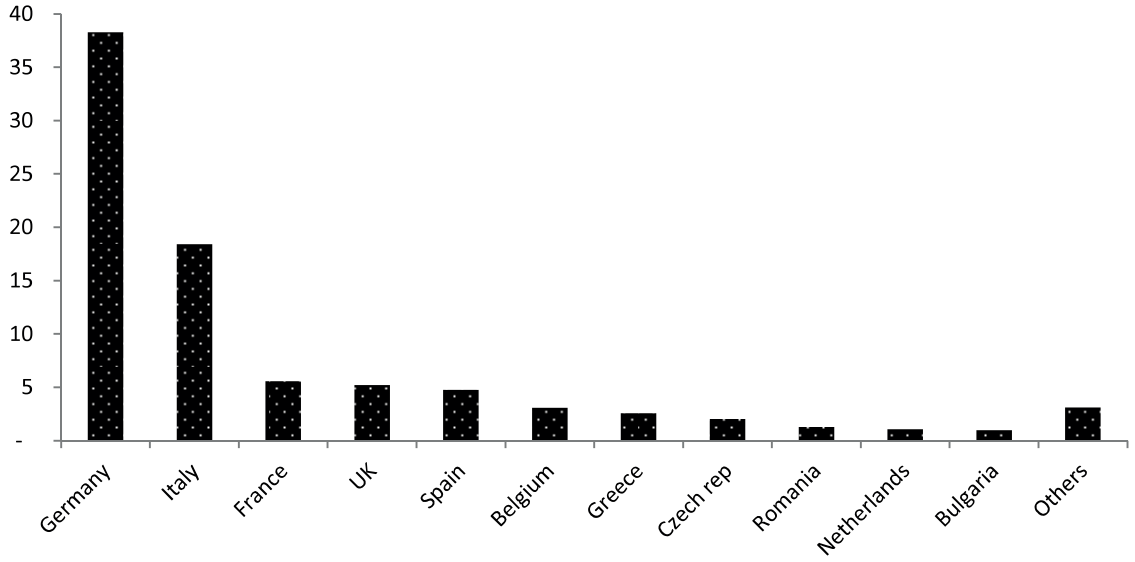
As a result of the national targets, renewable sources of electricity have experienced, and are expected to continue to experience, rapid growth in Europe. Over 2004-2014, solar PV experienced significant growth at 52 per cent. per annum.[(2)]

The growth of solar PV assets has been particularly pronounced in Germany, Italy and Spain. As a result, these countries, together with France and the UK represent the largest solar PV markets in Europe, as shown in Figure 2 below.

(1) Eurostat – Share of renewable energy in gross final energy consumption (Identifier: NRG_IND_335a). accessed April 2015.

(2) BP World Energy Statistics 2015.

Figure 2: EU Member States Solar Installed Capacity (GW, 2015)[3]



Note: EU Member States shown in descending order of installed solar PV capacity.

Italy and Spain benefit from comparatively high average annual levels of solar irradiation.[4] This means that relative to other European countries, Italy and Spain have a more favourable climate for electricity generation from solar PV assets. Irradiation levels across both countries are in the range of 1,400-2,200 KWh/m^2, and increase to above 2,200 KWh/m^2 in the southern regions of both countries.

1.4 Development of renewable energy incentives in Europe

The renewable energy market, particularly wind and solar installations, has grown rapidly across Europe supported by various incentive and subsidy schemes at a national level. In the following pages a detailed review of the regulatory framework in Italy and Spain is provided, as well as a brief overview of the development of the regulatory frameworks in each of Germany, France and the UK. These five countries make up the key solar markets in Europe.

In all cases, renewable energy schemes have evolved over time and original incentives and subsidies have been reduced or withdrawn for new installations, in an effort to curtail higher than anticipated growth in the renewable energy sector, particularly solar PV.

2. ITALY: RENEWABLE ENERGY AND ELECTRICITY MARKETS

2.1 Electricity generation and solar PV market

In 2013, Italy's electricity generation mix was dominated by thermal sources (69 per cent. of generation). Renewable energy generation has grown rapidly in Italy over the last 10 years. In 2013, 31 per cent. of electricity consumed in Italy was produced from renewable energy (vs. 16 per cent. in 2004).[5]

The solar PV market in Italy is the second largest in Europe, with 18GW of installed capacity, with approximately 4.7 GWp (€14 billion) of solar PV assets of approximately 1 MWp. Currently, solar PV accounts for 7 per cent. of total electricity generation. The solar PV market grew significantly from 2009 to 2012. However, in response to changes in renewable tariff regulation, capacity additions slowed in 2013.

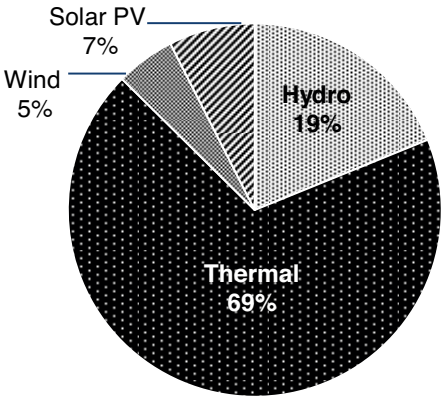
(3) Eurobserver – Photovoltaic Barometer (April 2015).

(4) A measure of the power per unit area on the Earth's surface that is produced by the sun in the form of electromagnetic radiation.

(5) Eurostat [tsdcc330]. Renewable energy includes hydro, wind, solar, geothermal and electricity from biomass/wastes.

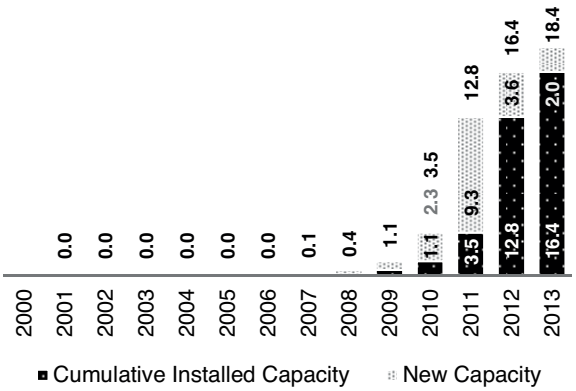
Figure 3: Electricity Generation Sources

Electricity Generation Sources (2013)[6]



Total 2013 : 267TWh

Solar PV Installed Capacity (GW, 2000-2013)[7]

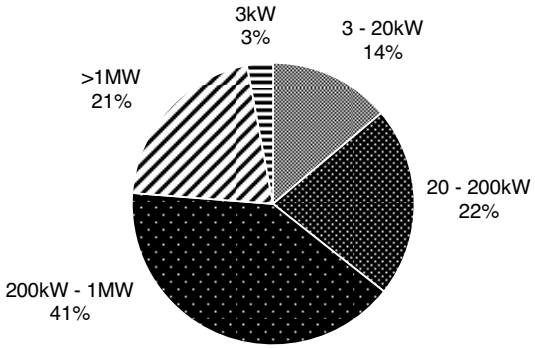


The solar PV market in Italy is characterised by fragmentation, particularly in respect of ownership. The largest portfolio is owned by Rete Rinnovabile (owned by Terra Firma) and at 318MW represents 1.7 per cent. of total installed capacity in the country. The top five owners in Italy make up only 4.2 per cent. of the total installed capacity. In addition, approximately 60 per cent. of the total asset base has capacity of less than 200kW.

The Investment Adviser estimates that large scale solar PV portfolios of 50 and 100 MWp (€150 to €300 million), which are typically owned by large, strategic investors, account for greater than €3 billion of the Italian market. While sub-scale, 'orphaned' assets, which are typically owned by individuals or industrial companies, are typically held in portfolios of 1 to 4 MWp (€3 to €12 million), account for more than €20 billion of the Italian solar PV market.

Figure 4: Overview of Italian Solar Market Fragmentation

Solar Installations by Size[8]



Total 2013 : 18.4GW

Top 5 Solar Generation Owners[9]

	Company	Capacity Installed	% of Total
1	Rete Rinnovabile (Terra Firma)	318MW	1.8%
2	HFV (F2i)	150MW	0.8%
3	Enel Green Power	122MW	0.7%
4	VEI Green (Forvei)	100MW	0.6%
5	KGAL	89MW	0.5%
	Total Top 5	**779MW**	**4.2%**

2.2 Regulatory developments

Under the Renewable Energy Directive, Italy is targeting 17 per cent. of its final energy sourced from renewables by 2020, and has also set a separate target of 26.4 per cent. of electricity demand to be supplied by renewable energy. Italy has focused its efforts on renewable energy sources for heating, cooling and transport uses, as well as more effective electricity network management.[10]

(6) Terna.

(7) Eurostat, Infrastructure – electricity – annual data [nrg_113a].

(8) ES Energy.

(9) European Solar PV Portfolios – SolarPlaza 7-8, October-2014 (http://www.solarplaza.com/article/top-20-pv-portfolios-in-europe-who-owns-what); Company websites; HFV (F2i) adjusted for E.ON Italia acquisition, not adjusted for CogiPower acquisition given deal completion still pending.

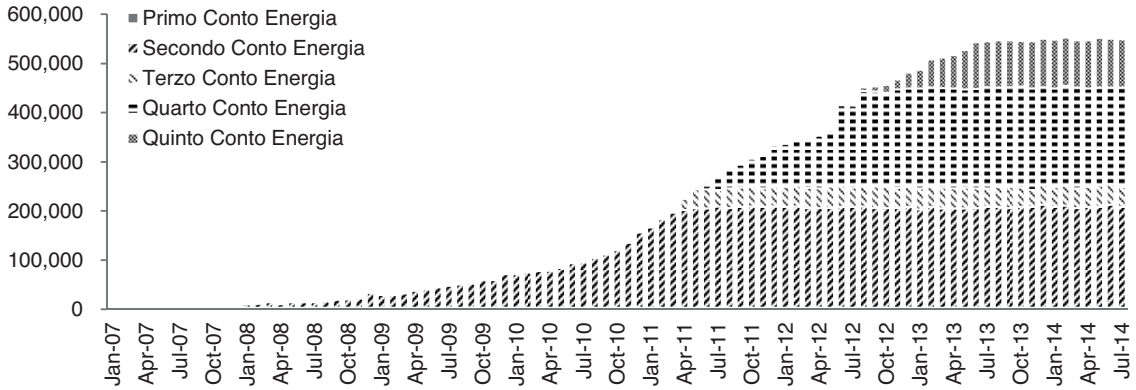
(10) National Renewable Energy Plan, Italy – p5.

To facilitate Italy's achievement of the targets, the Italian government has introduced a number of legislative schemes, decrees and support mechanisms related to renewable energy since 2005. Solar PV installations in particular have been supported through preferential access to the grid as well as a combination of FIT schemes, capital subsidies for equipment, income tax credits for installation[11] and incentives for self-consumption.

The remuneration of solar PV is provided through a FIT scheme which is outlined in the Conto Energia legislation. The Conto Energia legislation was introduced in 2005 (I Conto Energia) and updated in 2007 (II Conto Energia), 2010 (III Conto Energia), 2011 (IV Conto Energia) and 2012 (V Conto Energia). Each version of the Conto Energia outlines a methodology to calculate the FIT based on a solar PV asset's characteristics, including size, type and technology used.

A solar PV asset is granted incentives under the version of Conto Energia that was in force and applicable at the time the solar PV asset was installed and/or had entered into operation and/or registered. As at May 2015, approximately 526,500 plants representing 17GW of capacity, are supported by the various versions of Conto Energia, at an annual cost of €6.6 billion.[12]

Figure 5: Number of Solar PV Assets by Applicable Conto Energia (as at 31 July 2014)[13]



2.3 Italy: Renewable Energy Tariff Scheme

Remuneration of solar PV generation essentially consists of two elements: 'Feed-in-Tariff' and an 'Offtake Price'. The Investment Adviser estimates the revenues that Italian solar PV assets receive are between 80 and 85 per cent. regulated, with a weighted average across the various Conto Energia of 80 per cent. regulated. The precise revenue calculation methodology varies depending on the applicable version of Conto Energia (I Conto Energia to V Conto Energia). Further, the Investment Adviser estimates typical solar PV assets have 14-17 years of regulated resources remaining.

Revenues =

CE I – III: Feed-in-Tariff/kWh + Offtake Price (Market or Contract Price as appropriate)

CE IV: Feed-in-Tariff/kWh + Offtake Price (Market or Contract Price as appropriate)

CE V: All-inclusive-feed-in-tariff (includes feed-in-premium component and value for energy generated)

To be eligible for the revenues described above, solar PV assets must be registered with Gestore Servizi Energetici (**GSE**), the Italian public energy manager. GSE is a state-owned company responsible for promoting, managing and supporting renewable energy sources in Italy. Its sole shareholder is the Ministry of Economy and Finance.

(11) For installations of PV plants up to 20kw.

(12) GSE photovoltaic counter as at 27-May-2015 accessed at http://www.gse.it/en/Pages/default.aspx.

(13) http://www.gse.it/it/Conto%20Energia/GSE_Documenti/Fotovoltaico/05%20Risultati%20incentivazione/Grafici_della_numerosit%C3%A0_e_della_potenza_totale_cumulata.pdf

Feed-in-Tariff – Methodology

In each instance, the FIT (all inclusive or otherwise) is payable to the generator by the GSE, and is measured in €/kWh. The FIT varies based on the applicable Conto Energia and the type and nominal power of the plant.

In 2014, with the so called "*Spalma Incentivi*" decree, changes were introduced to the FITs applicable to solar PV assets with individual nominal capacity >200kW offering solar PV owners three alternatives: (i) a cut in the FIT and extension in tariff period; (ii) reduced FITs over 2015-2019 recovered during the subsequent remaining contracted period; or (iii) outright cut in FIT by 6-8 per cent. for the remaining contract period. The solar PV owners were required to state their preference by 30 November 2014.

In this regard, many operators have challenged the ministerial implementation decrees, as adopted by the Minister of Economic Development, before the administrative court of the Lazio region on the grounds of unconstitutionality of the retrospective effects of the above provisions. Such arguments have been deemed grounded by the Administrative Court, which transferred the judgement to the Constitutional Court. The pending dispute concerning the "*Spalma Incentivi*" decree is suspended until the Italian Constitutional Court's decision, which to date has not started yet.

Offtake Price

Solar PV generators that are registered under CE I - IV receive an offtake price for energy generated. The principal offtaker for Italian solar generators is GSE.

Since 2008, GSE introduced a simplified purchase and resale arrangement (*ritiro dedicato*) to generators. Generators may choose to enter into an agreement to sell the electricity generated and to be injected into the grid directly to GSE, instead of selling it through bilateral contracts or directly on the market. As a result, depending on the choice of the generator, the offtake price is sourced from either: (i) GSE at hourly monthly average zonal price[(14)]; (ii) the market at an hourly zonal price (if the energy is sold directly to market); or (iii) bilateral power purchase agreements with traders or other offtakers at contracted prices.

2.4 Market for Operation & Maintenance

The O&M market in Italy grew up on the back of very rapid growth in solar PV installed capacity, generous tariffs and assets that were typically bank financed. Typical service provisions, often demanded by the banks were operational management and maintenance of systems, monitoring, corrective, predictive and preventive maintenance. Typically O&M costs reached in excess of €40,000 per MWp per annum. The result was a market that, initially, had high O&M costs, relative to comparable services today in newer solar PV markets such as the UK.

However, by 2013, the average price of the O&M services had declined by 48 per cent. compared to 2010 for plants exceeding 1 MWp and by 52 per cent. for plants under 1 MWp.

Service Level		Standard		Advanced	Premium	
Optional service config.		Base	Extended	Base	Base	Extended
AVG Cost (k€/MW/y)	P<1MW	15 **13**	23 **21**	32 **28**	38 **33**	44 **40**
AVG Cost (k€/MW/y)	P>1MW	10 **8**	17 **15**	16 **22**	30 **25**	38 **35**

–2013 value

–2014/2015 expected value

Source: Energy&Strategy Group – MIP.

(14) A recent regulation adopted in Italy set out that, from 1 January 2014, the minimum guaranteed price under the off-take contract is equal to the hourly zone price (and therefore equal to the market prices) if the energy is produced by PV plants, with a capacity greater than 100KW, that benefit from other incentive mechanisms (FiT).

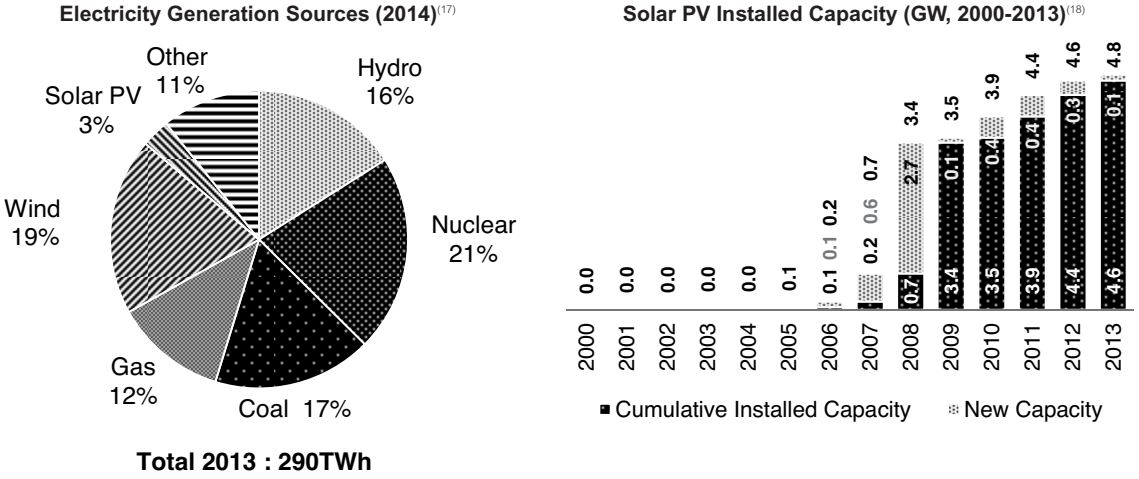
3. SPAIN: RENEWABLE ENERGY AND ELECTRICITY MARKETS

3.1 Electricity generation and solar PV market

In 2013, Spain had a varied electricity generation mix. In 2013, 36 per cent. of electricity consumed in Spain was produced from renewable energy (vs.19 per cent. in 2004)[15]. The steady increase in interconnection capacity with Portugal and France is helping Spain to manage the integration of high volumes of renewable energy.[16]

The solar PV market in Spain now accounts for 3 per cent. of total electricity generation. It has developed in response to the implementation of regulatory incentives, initially experiencing steady but low rates of installation until 2006 followed by a significant rise in new installations in 2008. Following a reduction in support in 2009, new installations and showed only moderate growth.

Figure 6: Electricity Generation Sources



The solar PV market in Spain is characterised by fragmentation both in respect of the number and size of installations and ownership. Approximately 77 per cent. of the 59,918 solar PV installations are less than 5kW in size and only 1.5 per cent. of the Spanish installations are above 100kW. TSolar Group owns the largest portfolio at 160MW of cumulative installed capacity, representing 3.5 per cent. of total installed capacity in the country. The five largest owners in Spain make up only 10.5 per cent. of the total installed capacity.

The Investment Adviser estimates that the Spanish solar PV market is nearly evenly divided between large scale and sub-scale solar PV assets. Large scale assets are typically held in portfolios of 5 to 20 MWp and owned by investment funds, strategic investors and contractors; while sub-scale assets are typically community-owned projects, held in cluster portfolios averaging 1MWp.

(15) Eurostat [tsdcc330]. Renewables include hydro, wind, solar, geothermal and electricity from biomass/waste.

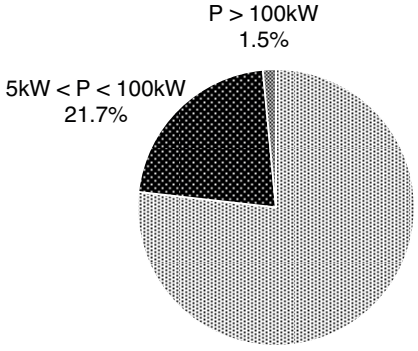
(16) https://ec.europa.eu/energy/sites/ener/files/documents/2014_countryreports_spain.pdf, p213.

(17) Red Electrica De Espana.

(18) Eurostat, Infrastructure – electricity – annual data [nrg_113a].

Figure 7: Overview of Spanish Solar Market Fragmentation

Solar Installations by Size[19]



Total: 59,918 Installations (2013)

Top 5 Solar Generation Owners[20]

	Company	Capacity Installed	% of Total Spain
1	TSolar Group	160MW	3.5%
2	Fotowatio (FSL)	141MW	3.1%
3	KGAL	77MW	1.7%
4	HG Capital	61MW	1.3%
5	Longsol	40MW	0.9%
	Total Top 5	**480MW**	**10.5%**

3.2 Regulatory developments

To facilitate Spain's compliance with commitments to renewable energy and GHG reduction targets contained in the Convention, Kyoto Protocol and Renewable Energy Directive, the Spanish government has introduced a series of schemes and decrees in support of renewable energy.

Solar PV installations have been supported through a feed-in-tariff (**FIT**) scheme based on the Electricity Sector Law introduced in 1997. This FIT scheme was established to provide electricity from renewable energy sources with guaranteed grid access and a preferential price for electricity, compared to conventional electricity generation and large hydro power plants. Over 1997-2004, there were several changes to the FIT scheme and the FIT available to solar PV developers.

In 2007, the Royal Decree 661/2007 was introduced which increased remuneration for solar PV installations up to 100kW of capacity, to foster greater investment in solar PV facilities.

Following a significant increase in solar PV installations in 2008, the government enacted a series of decrees to adjust downwards the growth in solar PV assets and limit the remuneration payable for the generated electricity. These decrees included, *inter alia*, reductions in FIT rates, a reduction in the lifetime of incentive payments from 30 to 25 years, and a cap on running hours eligible for FIT payments.

In 2012, the Government declared a moratorium on support for new solar PV assets. In 2013, the special regime for renewable generators was removed and replaced with a revised tariff regime based on a feed-in premium. The new system requires these facilities to participate on the market, and, where relevant, complement any market income earned with a specific regulated remuneration. The regulated remuneration has been designed to permit solar PV assets to compete under equal conditions with other energy generating technologies on the market. This additional specific remuneration is sufficient to cover operational costs which, unlike conventional technology, these facilities cannot otherwise recover on the market. The new system will also allow solar PV assets to earn a reasonable return by reference to a "standard facility".

3.3 Renewable energy tariff scheme

Renewable generation facilities receive revenues based on the sale of energy at market prices, and may also receive specific remuneration based on the calculation of an investment and

(19) ATA Technical Advisers.

(20) European Solar PV Portfolios – SolarPlaza 7-8, October-2014 (http://www.solarplaza.com/article/top-20-pv-portfolios-in-europe-who-owns-what); Company websites.

(21) International Institute for Sustainable Development. Based on government bond yields as at April 2015, the rate would be ~7.4 per cent.

operational component. Since 14 July 2013, renewable power generation facilities in Spain are remunerated in accordance with the below formula:

Total remuneration (pre-tax) =
Revenue from sale at pool prices + Investment remuneration + Operational Costs remuneration

Revenues are calculated for a standard project based on energy sold at pool prices, average operating expenses, original capex and minimum production hours. The formulae has been designed to deliver to the investor a 'reasonable profit before taxes', defined for the existing facilities as a return of the 10-year government bond plus a 300-basis-point margin on the investment[21]. To the extent this return cannot be delivered through the revenue from the sale of electricity at pool prices, the investor can receive:

- Ri: An investment remuneration to cover investment cost (Capacity (MW) x Remuneration per unit of capacity (€/MW)); and
- Ro: Remuneration for operational costs (Energy (MWh) x Remuneration per unit of energy (€/MWh)).

Market revenue in the formula above is inversely proportional to Ro revenue, so that if market revenues drop, Ro revenue will increase proportionately, providing 100 per cent. regulated revenue base.

Once set, the regulatory service life and the standard value of the initial investment may not be reviewed under any circumstances. The key parameters of the remuneration can be revised every six years, including the reasonable return threshold over the remaining regulatory life of the standard facilities. The reference bond yield is fixed every six years, with the next revision scheduled for 2019. Every three years a review will be undertaken for the remainder of the regulatory period which will consider the estimates of market income to be derived from energy production and the remuneration parameters directly related to such income.

This remuneration methodology is applicable to existing facilities and to new renewable energy facilities and applies for a maximum of 30 years for solar PV facilities. This regime has been applied retroactively with effect from 14 July 2013.

Solar PV facilities receive their main remuneration from two sources: (i) Operador del Mercado Ibérico de Energía, Polo Español, S.A., (**OMEL**); and (ii) "Comisiòn Nacional de los Mercados y la Competencia" (**CNMC**). OMEL is the electricity market operator in Spain with responsibility for *inter alia*, settling payments between electricity generators and offtakers participating in the electricity market. OMEL makes payments to solar PV asset owners and other electricity generators for energy sold into the market, and receives payments for electricity from retailers and other offtakers. CNMC is the electricity system regulator in Spain and responsible for *inter alia*, setting and arranging payments to owners of solar PV assets for the investment remuneration and operational costs remuneration components. In the first instance, these payments are funded by the major distribution companies and ultimately funded by consumers by way of pass through costs.

3.4 Market for operation & maintenance

The O&M service industry for solar PV in Spain began in 2008 under Royal Decree 661 (and the previous Royal Decree 431) with the commissioning of 3,500 MWp solar PV assets. The Investment Adviser estimates that O&M contract prices at this stage were typically €30,000-40,000/MWp per annum for a 10 MW solar PV plant.

The various regulatory changes enforced upon the market has resulted in O&M contracts reducing in cost to the point that today, O&M contracts can be agreed for c. €9,000 per MWp per annum.

(22) Eurostat, tsdvv330.

(23) Eurostat, tsdvv330.

4. DEVELOPMENT OF RENEWABLE ENERGY INCENTIVES IN OTHER RELEVANT MARKETS

4.1 Germany

Germany has committed to a renewable energy target of 18 per cent. of gross final energy consumption. The German renewable energy regime is underpinned by the fixed FIT system combined with a guaranteed right of access to the grid for renewable energy projects. Renewables have growth to be a major source of energy in Germany accounting for 25.6 per cent. of total electricity consumption in 2013[(22)].

Although Germany is not as well suited geographically for solar PV energy in comparison to some other European countries, it is the largest solar PV market in Europe. The rapid growth in solar PV was driven by the relatively high level of FIT as well as a decrease in the cost of solar PV modules. Germany's fixed FIT system has been in force since 2004 and was modified in 2008 in view of unexpectedly high growth rates. Under the 2008 modification, depreciation of solar PV installation was accelerated and a new category was created with a lower FIT. In 2010 the FIT was reduced by 16 per cent. and in 2011 a further modification was introduced whereby the FIT on new PV projects decreases every month depending on the previously installed capacity.

4.2 France

France has committed that 23 per cent. of final energy consumption must be generated from renewable energy and in 2014 it was the EU's second largest producer and consumer of renewable energy. Power generation from renewable energy sources in 2013 represented 16.9 per cent. of total electricity production in France.[(23)]

The development of renewable energy sources in France is based on two mechanisms: (i) a FIT; and (ii) a tender system. The FIT system was introduced for solar power in 2000 and generally applies for 20 years, with the rate varying depending on the type of installation, the commercial operation date of the plant and the applicable FIT. After a period of rapid growth of the solar power sector over the period from 2009 to 2012, the French government decided to lower the solar FIT in 2012.

4.3 United Kingdom

The UK has committed that 15 per cent. of final energy consumption must be generated from renewable energy sources by 2020. In 2013, renewable energy sources represented 13.9 per cent. of final electricity consumption.[(24)]

Solar PV is an important part of the UK's energy portfolio and is supported by a FIT system which was introduced in 2010 and the Renewables Obligation (**RO**) which was introduced in 2002. The FIT system applies to small scale projects, whilst the RO places an obligation on electricity suppliers to source an increasing proportion of electricity they supply from renewable sources. The solar PV sector has seen very strong growth in recent years. To curtail this growth, the UK Government announced a halt to RO subsidies to new solar PV projects above 5MW in scale with effect from April 2015.

(24) Eurostat, tsdvv330.

PART III

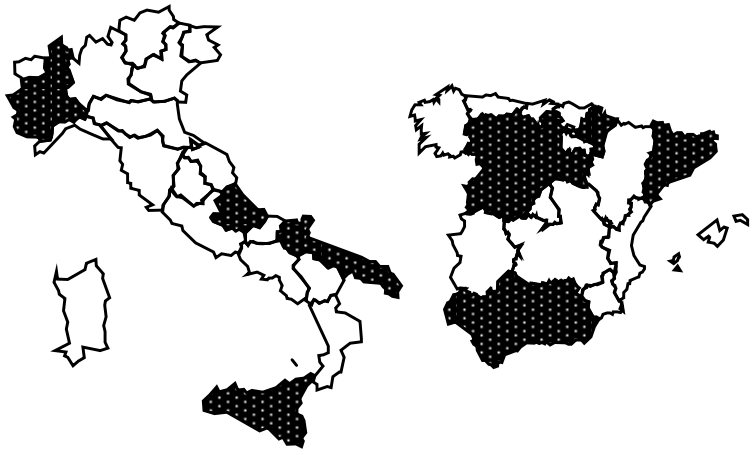
THE TARGET PORTFOLIO

Overview of the Target Portfolio

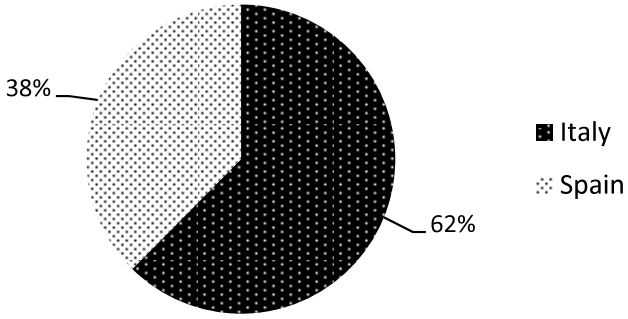
The Target Portfolio consists of 29 operating solar PV plants held in 51 SPVs with a total installed capacity of 49 MW, which are located in Italy and Spain. The total cost of the Target Portfolio, including the equity consideration for the acquisition of 100 per cent. of the equity of each of SPVs in the Target Portfolio, existing shareholder loans and full repayment of project and lease financing within the assets (including any associated breakage costs) is expected to be €157 million. Due to the unique character of each financing arrangement, the repayment of some or all of the financing within individual assets may not be repaid immediately upon acquisition.

Plant Location

The Italian assets in the Target Portfolio consist of plants located in Piedmont, Abruzzi, Puglia and Sicily regions and the Spanish assets consist plants located Castile & León, Andalusia, Navarre and Catalonia regions.



Target Portfolio Distribution



The Investment Adviser, on behalf of the Company, has entered into agreements with each of the sellers of assets within the Target Portfolio related to the intended acquisition of such assets, subject to Admission, satisfactory due diligence and other conditions, for a total expected cost of €157 million for the Target Portfolio.

The details of each of the agreements are described in more detail under the heading "Agreements" below.

Target Portfolio – Italy

The Italian assets in the Target Portfolio include 24 operating solar PV plants held in 18 SPVs, with a total installed capacity of 31 MW (the **Sunflower Portfolio**), which are held in the SPV Sunflower

Italy S.r.l. (**Sunflower Italy**). Sunflower Italy is owned by Sunflower Sustainable Investments, Ltd. and Dorado S.p.a. (85 and 15 per cent., respectively) (together, the **Sunflower Sellers**). The Sunflower Portfolio assets were commissioned between 2010 and 2011 and each benefit from the Conto Energia applicable at that time (II, III and IV). The total cost for the Italian assets in the Target Portfolio is expected to be €102.1 million.

Subject to the terms detailed in the heading "Agreements" below, it is intended that BESF Italy will acquire 100 per cent. of Sunflower Italy. As described more completely for each solar PV assets below, each of the SPVs in the Sunflower Portfolio were financed with either long-term financing or pursuant to a leasing agreement, each of which is at the SPV level. With the exception of an on demand guarantee under the Green Power Delta S.r.l. financing agreement as described in "***Nardo' 1 and Copertino Plants***", below, Sunflower Italy has not provided any other guarantees nor is it a party to any of the financing agreements with the other SPVs and there is no cross-collateralisation between any of the financing agreements entered into by any of the SPVs in the Sunflower Portfolio, including Sunflower Italy. Further, each of the SPVs has unique counter-parties under their relevant contracts, so there is no aggregation of risk at the level of Sunflower Italy.

Summary of the Italian assets in the Target Portfolio

Portfolio	SPV	Plant Name	Region	Installed capacity (MW)	Module Manufacturer	FIT (€/kWh)[1]	Commissioned	End of Project Life[2]
Sunflower	Green Power Delta S.r.l	Nardo' 1	Apulia	0.959	Trina	0.346	2010	2035
Sunflower	Green Power Delta S.r.l	Copertino	Apulia	0.959	Trina	0.346	2010	2037
Sunflower	Inseguitori Solari Impianto Due S.r.l	Stefanachi	Apulia	0.924	Suntech	0.346	2010	2040
Sunflower	SBY Abruzzo S.r.l	San Nicola	Abruzzi	1.982	Trina	0.289	2011	2041
Sunflower	Elias S.r.l	Elias 1, 2, 3, 4 and 5 (5 plants)	Sicily	4.947	Trina (Sharp)	0.346	2011	2032
Sunflower	Sunflower Italy PV Plant 1 S.r.l	Mandrogne 1	Piedmont	2.058	Solurfun	0.346	2011	2035
Sunflower	Sunflower Italy PV Plant 2 S.r.l	Mandrogne 2	Piedmont	2.078	MTS/ Solurfun	0.346	2011	2035
Sunflower	Noto Energia S.r.l	Fuci	Sicily	0.997	Conergy	0.304	2011	2036
Sunflower	Flex Energia S.r.l	FT02	Sicily	0.997	Conergy	0.303	2011	2036
Sunflower	Paladina S.r.l	PV Plant	Sicily	0.997	Conergy	0.289	2011	2036
Sunflower	Sciangula Energia S.r.l	FT01	Sicily	0.997	Conergy	0.303	2011	2036
Sunflower	QCII Ruvo 1 S.r.l	Ruvo A	Apulia	0.999	QCells	0.346	2011	2041
Sunflower	QCII Ruvo 3 S.r.l	Ruvo B	Apulia	0.996	QCells	0.346	2011	2041
Sunflower	Gargano Solar Park S.r.l	Posta Piana	Apulia	0.999	MTS	0.346	2011	2035
Sunflower	Gargano Solar Park S.r.l	Posta Conca	Apulia	0.999	MTS	0.346	2011	2035

Portfolio	SPV	Plant Name	Region	Installed capacity (MW)	Module Manufacturer	FIT (€/kWh)[1]	Commissioned	End of Project Life[2]
Sunflower	Promosolar S.r.l	Mater Pater	Apulia	0.972	Conergy	0.208	2011	2036
Sunflower	Eurosolar S.r.l	Piccolo Carlo	Apulia	0.993	Conergy	0.208	2011	2036
Sunflower	Gemini S.r.l	San Giorgio 6	Apulia	0.957	Ja Solar	0.189	2011	2032
Sunflower	Andromeda S.r.l	San Giorgio 2	Apulia	0.984	Trina/ Sharp/REC	0.346	2011	2033
Sunflower	Terra & Sole S.r.l	Albanese	Sicily	4.811	First Solar	0.275	2011	2041

(1) Represents the original FIT before the 8 per cent. reduction to reflect the 2014 retroactive regulatory change.

(2) Estimate based on factors such as lease expiry dates, planning permission/permit durations and forecast plant equipment life.

Some of the lands were acquired, others have a surface right up to 25 years and often include an automatic renewal clause of at least five years, which is very likely to be exercised when needed. Assumes a 30 year estimated end of project life for any plant (also in cases where the land is acquired or the agreement is extended up to 40 years) except in the cases where the surface rights expire before.

Based on the proposed consideration payable, the Board expects that the cashflow derived from Italian assets in the Target Portfolio, over the life of the assets, will be accretive to Shareholder returns.

Nardo' 1 and Copertino Plants

Green Power Delta S.r.l. holds the Nardo' 1 and Copertino plants, which are located in Nardo' (Apulia) and Copertino (Apulia), respectively. Green Power Delta S.r.l. is 100 per cent. owned by Sunflower Italy.

The Nardo' 1 and Copertino plants use Trina Solar modules for a total installed capacity of 958.80 kW (Nardo' 1) and 959.10 kW (Copertino) and Power One inverters to connect to the local ENEL distribution network. The Nardo' 1 and Copertino plants have been operational since October 2010.

Approximately 86 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The Nardo' 1 and Copertino plants are financed with long term debt at a variable rate over 18 years, which was arranged in 2012. Sunflower Italy has provided an on demand guarantee under this financing agreement, limited to claims resulting from claims against the current landowner based on a challenge to the endowment by the previous owner of the land.

Stefanachi Plant

Inseguitori Solari Impianto Due S.r.l. holds the Stefanachi plant, which is located in Turi (Apulia). Inseguitori Solari Impianto Due S.r.l. is 100 per cent. owned by Sunflower Italy.

The Stefanachi plant uses Suntech modules for a total installed capacity of 924.49 kW and Soltec Renewables inverters to connect to the local ENEL distribution network. The Stefanachi plant has been operational since October 2010.

Approximately 86 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The Stefanachi plant is financed under a leasing agreement at a variable rate over 18 years, which was arranged in 2012.

San Nicola Plant

SBY Abruzzo S.r.l. holds the San Nicola plant, which is located in Manoppello (the Abbruzzi). SBY Abruzzo S.r.l. is 100 per cent. owned by Sunflower Italy.

The San Nicola plant uses Trina Solar modules for a total installed capacity of 1,982.40 kW and Kako inverters to connect to the local ENEL distribution network. The San Nicola plant has been operational since May 2011.

Approximately 84 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The San Nicola plant is financed under a leasing agreement at a variable rate over 18 years, which was arranged in 2012.

Elias Plant

Elias S.r.l. holds Elias 1, 2, 3, 4 and 5, which are 5 plants located in Melilli (Sicily). Elias S.r.l. is 100 per cent. owned by Sunflower Italy.

The Elias 1, 2, 3, 4 and 5 plants use Trina Solar and Sharp modules for a total installed capacity of 4,947.20 kW and Ingeteam inverters to connect to the local ENEL distribution network. The Elias 1, 2, 3, 4 and 5 plants have been operational since June 2011.

Approximately 86 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The Elias 1, 2, 3, 4 and 5 plants are financed under a leasing agreement at a variable rate over 18 years, which was arranged in 2011.

Mandrogne 1 Plant

Sunflower Italy PV Plant 1 S.r.l. holds the Mandrogne 1 plant, which is located in Alessandria (Piedmont). Sunflower Italy PV Plant 1 S.r.l. is 100 per cent. owned by Sunflower Italy.

The Mandrogne 1 plant uses Solarfun modules for a total installed capacity of 2,058.50 kW and Power One inverters to connect to the local ENEL distribution network. The Mandrogne 1 plant has been operational since April 2011.

Approximately 86 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The Mandrogne 1 plant is financed under a leasing agreement at a variable rate over 18 years, which was arranged in 2011.

Mandrogne 2

Sunflower Italy PV Plant 2 S.r.l. holds the Mandrogne 2 plant, which is located in Alessandria (Piedmont). Sunflower Italy PV Plant 2 S.r.l. is 100 per cent. owned by Sunflower Italy.

The Mandrogne 2 uses MTS and Solarfun modules for a total installed capacity of 2,078.00 kW and Power One inverters to connect to the local ENEL distribution network. The Mandrogne 2 plant has been operational since April 2011.

Approximately 86 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The Mandrogne 2 plant is financed under a leasing agreement at a variable rate over 18 years, which was arranged in 2011.

FUCI Plant

Noto Energia S.r.l. holds the FUCI plant, which is located in Agrigento (Sicily). Noto Energia S.r.l. is 100 per cent. owned by Sunflower Italy.

The FUCI plant uses Conergy modules for a total installed capacity of 996.98 kW and Power One inverters to connect to the local ENEL distribution network. The FUCI plant has been operational since July 2011.

Approximately 85 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The FUCI plant is financed under a leasing agreement at a variable rate over 18 years, which was arranged in 2012.

FT02 Plant

Flex Energia S.r.l. holds the FT02 plant, which is located in Agrigento (Sicily). Flex Energia S.r.l. is 100 per cent. owned by Sunflower Italy.

The FT02 plant uses Conergy modules for a total installed capacity of 996.98 kW and Power One inverters to connect to the local ENEL distribution network. The FT02 plant has been operational since May 2011.

Approximately 84 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The FT02 plant is financed under a leasing agreement at a variable rate over 18 years, which was arranged in 2012.

PV Plant

Paladina S.r.l. holds PV Plant, which is located in Agrigento (Sicily). Paladina S.r.l. is 100 per cent. owned by Sunflower Italy.

PV Plant uses Conergy modules for a total installed capacity of 996.98 kW and Power One inverters to connect to the local ENEL distribution network. PV Plant has been operational since August 2011.

Approximately 85 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

PV Plant is financed under a leasing agreement at a variable rate over 18 years, which was arranged in 2011.

FT01 Plant

Sciangula Energia S.r.l. holds the FT01 plant, which is located in Agrigento (Sicily). Sciangula Energia S.r.l. is 100 per cent. owned by Sunflower Italy.

The FT01 plant uses Conergy modules for a total installed capacity of 996.98 kW and Power One Inverters to connect to the local ENEL distribution network. The FT01 plant has been operational since May 2011.

Approximately 84 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The FT01 plant is financed under a leasing agreement at a variable rate over 18 years, which was arranged in 2012.

Ruvo A Plant

QCII Ruvo 1 S.r.l. holds the Ruvo A plant, which is located in Ruvo di Puglia (Apulia). QCII Ruvo 1 S.r.l. is 100 per cent. owned by Sunflower Italy.

The Ruvo A uses QCells modules for a total installed capacity of 999.00 kW and Xantrex inverters to connect to the local ENEL distribution network. The Ruvo A plant has been operational since May 2011.

Approximately 86 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The Ruvo A plant is financed with long term debt at a variable rate over 15 years, which was arranged in 2011.

Ruvo B Plant

QCII Ruvo 3 S.r.l. holds the Ruvo B plant, which is located in Ruvo di Puglia (Apulia). QCII Ruvo 3 S.r.l. is 100 per cent. owned by Sunflower Italy.

The Ruvo B plant uses QCells modules for a total installed capacity of 996.40 kW and Xantrex inverters to connect to the local ENEL distribution network. The Ruvo B plant has been operational since May 2011.

Approximately 86 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The Ruvo B plant is financed with long term debt at a variable rate over 15 years, which was arranged in 2011.

Posta Conca and Posta Piana Plants

Gargano Solar Park S.r.l. holds the Posta Conca and Posta Piana plants, which are located in Foggia (Apulia). Gargano Solar Park S.r.l. is 100 per cent. owned by Sunflower Italy.

The Posta Conca and Posta Piana plants use MTS modules for a total installed capacity of 999.00 kW (Posta Conca) and 999,00 kW (Posta Piana) and Ingeteam inverters to connect to the local ENEL distribution network. The Posta Conca and Posta Piana plants have been operational since May 2011.

Approximately 86 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The Posta Conca and Posta Piana plants are financed under a leasing agreement at a variable rate over 18 years, which was arranged in 2011.

Mater Pater Plant

Promosolar S.r.l. holds the Mater Pater plant, which is located in Surano (Apulia). Promosolar S.r.l. is 100 per cent. owned by Sunflower Italy.

The Mater Pater plant uses Conergy modules for a total installed capacity of 971.96 kW and Conergy inverters to connect to the local ENEL distribution network. The Mater Pater plant has been operational since December 2011.

Approximately 79 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The Mater Pater plant is financed under a leasing agreement at a variable rate over 16 years, which was arranged in 2012.

Piccolo Carlo Plant

Eurosolar S.r.l. holds the Piccolo Carlo plant, which is located in Surano (Apulia). Eurosolar S.r.l. is 100 per cent. owned by Sunflower Italy.

The Piccolo Carlo plant uses Conergy modules for a total installed capacity of 992.64 kW and Conergy inverters to connect to the local ENEL distribution network. The Piccolo Carlo plant has been operational since December 2011.

Approximately 77 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE (yearly renewable contract).

The Piccolo Carlo plant is financed with long term debt at a variable rate over 15 years, which was arranged in 2012.

San Giorgio 6 Plant

Gemini S.r.l. holds the San Giorgio 6 plant, which is located in San Giorgio Jonico (Apulia). Gemini S.r.l. is 100 per cent. owned by Sunflower Italy.

The San Giorgio 6 plant uses JA Solar modules for a total installed capacity of 956.69 kW and Power One inverters to connect to the local ENEL distribution network. The San Giorgio 6 plant has been operational since December 2011.

Approximately 77 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The San Giorgio 6 plant is financed with long term debt at a variable rate over 15 years, which was arranged in 2013.

San Giorgio 2 Plant

Andromeda S.r.l. holds the San Giorgio 2 plant, which is located in San Giorgio Jonico (Apulia). Andromeda S.r.l. is 100 per cent. owned by Sunflower Italy.

The San Giorgio 2 plant uses Trina Solar, Sharp and REC modules for a total installed capacity of 983.89 kW and Power One inverters to connect to the local ENEL distribution network. The San Giorgio 2 plant has been operational since June 2011.

Approximately 86 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The San Giorgio 2 plant is financed with long term debt at a variable rate over 15 years, which was arranged in 2013.

Albanese Plant

Terra & Sole S.r.l. holds the Albanese plant, which is located in Melilli (Sicily). Terra & Sole S.r.l. is 100 per cent. owned by Sunflower Italy.

The Albanese plant uses First Solar modules for a total installed capacity of 4,811.30 kW and Power One inverters to connect to the local ENEL distribution network. The Albanese plant has been operational since August 2011.

Approximately 83 per cent. of the revenues are from FIT proceeds, with the balance coming from the sale of power under a variable price (the zonal tariff) directly to the GSE pursuant to an annually renewable contract.

The Albanese plant is financed with long term debt at a variable rate over 15 years, which was arranged in 2013.

Target Portfolio – Spain

The Spanish assets in the Target Portfolio are being sold by OPDE Participaciones Industriales, S.L. (**OPDE**), a wholly-owned subsidiary of OPDE Investment Espana, S.L., which total 5 operating solar PV plants held in 33 SPVs, with 25 of these SPVs being subsidiaries of one SPV, with a total installed capacity of 18.44 MW and each benefit from the subsidies applicable at that time and subsequently reduced with Real Decreto 413/2014 and Orden IET 1045/2014 (the **OPDE Portfolio**). The total cost for the Spanish assets in the Target Portfolio is expected to be €54.958 million.

Summary of the Spanish assets in the Target Portfolio

Vendor/ Portfolio	SPV	Asset Name	Region	Installed capacity (MW)	Module Manufacturer	FIT	Commissioned	End of Project Life[1]
OPDE Participaciones Industriales, S.L.	Cantillana Fotovoltaica, S.L.	Cantillana	Andalucia	4.177	Yingli Solar	Ri: 280.143 €/MWn; Ro: 11.39 €/MWh	2012	2042
OPDE Participaciones Industriales, S.L.	Grupo Solar Basico Delta 2, S.L.	Ecija	Andalucia	1.791	Canadian Solar and Trina Solar	Ri: 394.618 €/MWn; Ro: 14.35 €/MWh	2011	2041
OPDE Participaciones Industriales, S.L.	Elogia Trans Uno, S.L.	Tarrasa	Catalonia	1.100	Renesola	Ri: 233.346 €/MWn; Ro: 10.01 €/MWh	2013	2043
OPDE Participaciones Industriales, S.L.	Promociones Fotovoltaicas Juglans, S.L.	Ablitas	Navarre	2.153	Canadian Solar	Ri: 287.256 €/MWn; Ro: 11.72 €/MWh	2012	2042
OPDE Participaciones Industriales, S.L.	Promociones Fotovoltaicas Juniperus, S.L.	Ablitas	Navarre	2.153	Canadian Solar	Ri: 287.256 €/MWn; Ro: 11.72 €/MWh	2012	2042
OPDE Participaciones Industriales, S.L.	Promociones Fotovoltaicas Laurus, S.L.	Ablitas	Navarre	2.153	Canadian Solar	Ri: 287.256 €/MWn; Ro: 11.72 €/MWh	2012	2042
OPDE Participaciones Industriales, S.L.	Promociones Fotovoltaicas Pinus, S.L.	Ablitas	Navarre	2.153	Canadian Solar	Ri: 287.256 €/MWn; Ro: 11.72 €/MWh	2012	2042
OPDE Participaciones Industriales, S.L.	Eolica La Lora, S.L. and its subsidiaries	Cigunuela	Castille and Leon	2.760	Trina Solar	Ri: 342.659 €/MWn; Ro: 14.28 €/MWh	2010	2040

(1) Estimate based on factors such as lease expiry dates, planning permission/permit durations and forecast plant equipment life. The Investment Adviser has assumed a 30 year estimated end of project life as long as all permits and licenses have a 30 year duration. In addition, CNMC (Spanish Competency and Market Commission) assumes a 30 year technical life for PV plants assuming no CAPEX outside the typical O&M initially considered in the Base Cases. Although most land lease contracts have a 25 years term, they also include a renewal clause for up to 40 years.

Cantillana Plant

Cantillana Fotovoltaica, S.L. holds the Cantillana plant, which is located in Seville, Andalucia. Cantillana Fotovoltaica, S.L. is 100 per cent. owned by OPDE.

The Cantillana plant uses Trina Solar modules for a total installed capacity of 4.177 MW, SMA 11000TL inverters and Schneider transformers to connect to the local Endesa distribution network. The Cantillana plant has been operational since 2012. Otras Producciones de Energia Fotovoltaica, S.L. was the EPC contractor and is also in charge of the operation and maintenance and guarantees an availability level.

Approximately 76 per cent. of the revenues are from Ri and Ro proceeds, with the balance coming from the sale of power under a cap and floor price compensation system.

Cantillana Fotovoltaica, S.L. is financed with long term debt at a fixed rate over 17 years, which was arranged in 2013.

Subject to the terms detailed in the heading "Agreements" below, it is intended that BESF Spain will acquire 100 per cent. interest in Cantillana Fotovoltaica, S.L.

Ecija Plant

Grupo Solar Basico Delta 2, S.L. holds the Ecija plant, which is located in Seville, Andalucia. Grupo Solar Basico Delta 2, S.L. is 100 per cent. owned by OPDE a project financing raised in 2012.

The Ecija plant uses Canadian Solar and Trina Solar modules for a total installed capacity of 1.791 MW, SMA Sunny Mini Central inverters and Jara transformers to connect to the local Endesa distribution network. The Ecija plant has been operational since 2011. Otras Producciones de Energia Fotovoltaica, S.L. was the EPC contractor and Otras is also in charge of the operation and maintenance and guarantees an availability level.

Approximately 77 per cent. of the revenues are from Ri and Ro proceeds, with the balance coming from the sale of power under a cap and floor price compensation system.

Grupo Solar Basico Delta 2, S.L. is financed with long term debt at a fixed rate over 17 years, which was arranged in 2012.

Subject to the terms detailed in the heading "Agreements" below, it is intended that BESF Spain will acquire 100 per cent. interest in Grupo Solar Basico Delta 2, S.L.

Tarrasa Plant

Elogia Trans Uno, S.L. holds the Tarrasa plant, which is located in Tarrasa, Catalonia. Elogia Trans Uno, S.L. is 100 per cent. owned by OPDE.

The Tarrasa plant uses Renesola modules for a total installed capacity of 1.100 MW, Solarmax 100 TS plus 1 Solarmax 300 TS inverters and Ormazabal-Cotradis transformers to connect to the local Endesa distribution network. The Tarrasa plant has been operational since 2013. Otras Producciones de Energia Fotovoltaica, S.L. was the EPC contractor is also in charge of the operation and maintenance and guarantees an availability level.

Approximately 76 per cent. of the revenues are from Ri and Ro proceeds, with the balance coming from the sale of power under a cap and floor price compensation system.

Elogia Trans Uno, S.L. is financed with long term debt at a fixed rate over 17 years, which was arranged in 2013.

Subject to the terms detailed in the heading "Agreements" below, it is intended that BESF Spain will acquire 100 per cent. interest in Elogia Trans Uno, S.L.

Ablitas Plant

The Ablitas plant is held by Promociones Fotovoltaicas Juglans, S.L., Promociones Fotovoltaicas Laurus, S.L., Promociones Fotovoltaicas Juniperus, S.L. and Promociones Fotovoltaicas Pinus, S.L. (the **Promociones SPVs**) and is located in Ablitas, Navarre. The Promociones SPVs are 100 per cent. owned by OPDE a project financing raised in 2012.

The Ablitas plant uses Canadian Solar modules for a total installed capacity of 8.611 MW, Ingecom Sun 500HE inverters and Ormazabal transformers to connect to the local Iberdrola distribution network. The Ablitas plant has been operational since 2012. Otras Producciones de Energia Fotovoltaica, S.L. was the EPC contractor is also in charge of the operation and maintenance and guarantees an availability level.

Approximately 78 per cent. of the revenues are from Ri and Ro proceeds, with the balance coming from the sale of power under a cap and floor price compensation system.

The Promociones SPVs are financed with long term debt at a fixed rate over 16 years, which was arranged in 2012.

Subject to the terms detailed in the heading "Agreements" below, it is intended that BESF Spain will acquire 100 per cent. interest in the Promociones SPVs

Cigunuela Plant

The Cigunuela plant is held by Eolica La Lora, S.L. through its subsidiaries: Ecija Villanueva del Rey II Fotovoltaica II, S.L., Almaraz Fotovoltaica XLII, S.L., Almaraz Fotovoltaica XXXVII, S.L., Almaraz Fotovoltaica XXXVI, S.L., Grupo Solar Basico Beta 2, S.L., Grupo Solar Basico Alfa 2, S.L., Grupo Solar Basico Delta 1, S.L., Grupo Solar Basico Epsilon 1, S.L., Grupo Solar Basico Gamma 1, S.L., Grupo Solar Basico Iota 1, S.L., Grupo Solar Basico Kappa 1, S.L., Grupo Solar Basico Lamda 1, S.L., Grupo Solar Basico Omega 1, S.L., Grupo Solar Basico Omicron 1, S.L., Grupo Solar Basico Sigma 1, S.L., Grupo Solar Basico Tau 1, S.L., Agrupacion Fotovoltaica de Villanueva del Rey II Ecija XVII, S.L., Sociedad Hispana de Generacion de Energia Fotovoltaica XII, S.L., Sociedad Hispana de Energia Fotovoltaica XIII, S.L., Sociedad Hispana de Generacion de Energia Fotovoltaica XVIII, S.L., Sociedad Hispana de Generacion de Energia Fotovoltaica XXIV, S.L., Sociedad Iberica de Generacion de Energia Fotovoltaica IXX, S.L., Sociedad Iberica de Generacion de Energia

Fotovoltaica XXI, S.L., Sociedad Iberica de Generacion de Energia Fotovoltaica XXII, S.L., Sociedad Iberica de Generacion de Energia Fotovoltaica XXV, S.L. (collectively, the **Cigunuela SPVs**).

Eolica La Lora, S.L. is 100 per cent. owned by OPDE a project financing raised in 2012.

The Cigunuela plant uses Trina Solar modules for a total installed capacity of 2.760 MW, SMA Sunny Mini Central 10000TL-10 inverters and Incoesa transformers to connect to the local Iberdrola distribution network. The Cigunuela plant has been operational since 2010. Otras Producciones de Energia Fotovoltaica, S.L. was the EPC contractor and is also in charge of the operation and maintenance and guarantees an availability level.

The Cigunuela SPVs are financed with long term debt at a fixed rate over 17 years, which was arranged in 2012.

Approximately 80 per cent. of the revenues are from Ri and Ro proceeds, with the balance coming from the sale of power under a cap and floor price compensation system.

Subject to the terms detailed in the heading "Agreements" below, it is intended that BESF Spain will acquire 100 per cent. interest in the Cigunuela SPVs.

Agreements

Sunflower Portfolio

The Investment Adviser, on behalf of BESF Italy, has entered into a non-binding exclusivity agreement with the Sunflower Sellers, dated 3 June 2015, for the intended acquisition of the Sunflower Portfolio (the **Sunflower Exclusivity**). Pursuant to the terms of the Sunflower Exclusivity, the Sunflower Sellers have given the Investment Adviser, on behalf of BESF Italy, exclusivity to purchase 100 per cent. of the Sunflower Portfolio through the acquisition of Sunflower Italy, based on a non-binding indicative offer. The indicative offer was based on listed key assumptions, and is subject to due diligence, documentation and board approval.

The Sunflower Exclusivity can be terminated at any time by the Investment Adviser by communicating to the Sunflower Sellers in writing that it will not proceed with the acquisition. The Sunflower Exclusivity provided for an automatic termination of the exclusivity if the Investment Adviser did not issue a confirmatory offer to the Sunflower Sellers by 30 June 2015; however, the Investment Adviser issued a confirmatory offer on 29 June 2015, which was accepted by the Sunflower Sellers on 30 June 2015. Further, the Sunflower Exclusivity will terminate automatically if the Investment Adviser does not procure board approval for the acquisition of the Sunflower Portfolio within thirty (30) Business Days of the Sunflower Sellers' acceptance of the confirmatory offer. The Sunflower Exclusivity is further conditional, where required by the financing documents, on the financing banks' approval of the transaction, principally in respect of change of control provisions and the execution of a conditional sale and purchase agreement by 31 July 2015.

Prior to issuing the confirmatory offer, the Investment Adviser conducted red flag legal, financial and technical due diligence (the **Phase 1 Due Diligence**). Pursuant to the Phase 1 Due Diligence, the Investment Adviser issued the confirmatory offer on 29 June 2015, at the original indicative offer price, which the Sunflower Sellers agreed on 30 June 2015.

The Investment Adviser has initiated full scope legal, technical, accounting and tax, insurance and commercial due diligence (the **Phase 2 Due Diligence**). Concurrently with the Phase 2 Due Diligence, the Investment Adviser has engaged legal advisors to prepare and finalise a conditional sale and purchase agreement and such other ancillary documentation required for the completion of the acquisition of the Sunflower Portfolio by BESF Italy, with the target of signing a conditional sale and purchase agreement no later than on 31 July 2015. Until the signing of a conditional sale and purchase agreement, the Company has the same termination rights as set out above.

The total liability of the Sunflower Sellers in respect of claims for breach of exclusivity or confidentiality under the Sunflower Exclusivity is limited to the expenses incurred by the Investment Adviser and BESF Italy in relation to the potential acquisition of the Sunflower Portfolio, capped at €250,000 thereafter until the termination of the exclusivity or the signing the conditional sale and purchase agreement.

The total cost for the acquisition of the Sunflower Portfolio is anticipated to be €102.1 million, including transaction costs, which will be satisfied by cash.

OPDE Portfolio

The Investment Adviser, on behalf of BESF Spain, has entered into a non-binding exclusivity agreement with OPDE, dated 19 May 2015, for the intended acquisition of the OPDE Portfolio (the **OPDE Exclusivity**). Pursuant to the terms of the OPDE Exclusivity, OPDE has given the Investment Adviser, on behalf of BESF Spain, exclusivity to purchase 100 per cent. of the OPDE Portfolio based on a non-binding indicative offer. The indicative offer was based on listed key assumptions, and is subject to the Investment Adviser's due diligence, documentation and board approval.

The OPDE Exclusivity can be terminated at any time by the Investment Adviser by communicating to OPDE in writing that it will not proceed with the acquisition. The OPDE Exclusivity provided for an automatic termination of the exclusivity if the Investment Adviser did not issue a confirmatory offer to OPDE by 17 June 2015; however, the Investment Adviser issued an initial confirmatory offer on 17 June 2015, which was accepted by OPDE on 23 June 2015. The Investment Adviser issued an amended confirmatory offer on 25 June 2015, which was accepted by OPDE on the same day. The OPDE Exclusivity is further conditional on, where required by the financing documents, the financing banks approval of the transaction, principally in regards to change of control provisions (which OPDE and the Investment Adviser must act jointly and in good faith procure) and the execution of a conditional sale and purchase agreement by 31 July 2015 (as extended by agreement on 2 July 2015), provided, however, that the Investment Adviser may by written notice request OPDE, extend the OPDE Exclusivity by such period as shall be reasonably necessary to finalise the drafting of the sale and purchase agreement, which is subject to OPDE's discretionary approval.

Prior to issuing the confirmatory offer, the Investment Adviser conducted red flag legal, financial and technical due diligence (the **Phase 1 Due Diligence**). Pursuant to the Phase 1 Due Diligence, the Investment Adviser issued confirmatory offers on 17 June 2015 and 25 June 2015, ultimately amending the indicative offer to €54.509 million, which was accepted by OPDE.

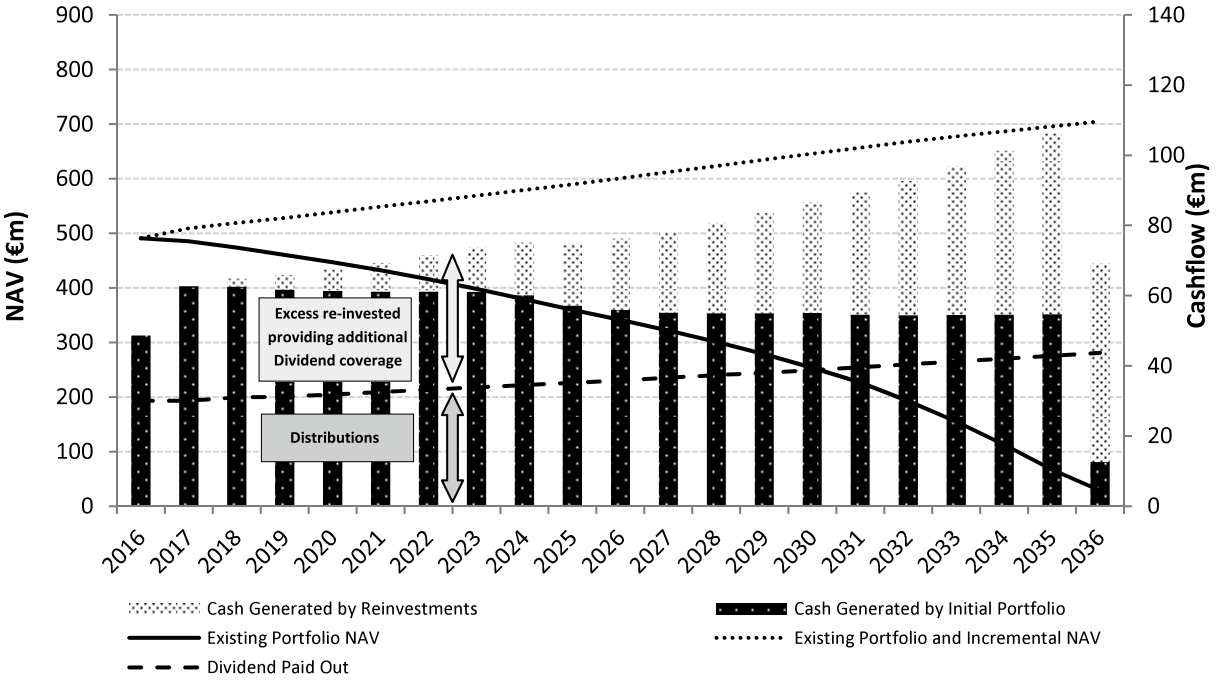
The Investment Adviser has initiated full scope legal, technical, accounting and tax, insurance and commercial due diligence (the **Phase 2 Due Diligence**). Concurrently with the Phase 2 Due Diligence, the Investment Adviser has engaged legal advisors to prepare and finalise a conditional sale and purchase agreement and such other ancillary documentation required for the completion of the acquisition of the OPDE Portfolio by BESF Spain, with the target of signing a conditional sale and purchase agreement no later than on 10 July 2015, as extended on 29 June 2015. Until the signing of a conditional sale and purchase agreement, the Company has the same termination rights as set out above.

The total liability of OPDE in respect of claims for breach of exclusivity or confidentiality under the OPDE Exclusivity is limited to the expenses incurred by the Investment Adviser and BESF Spain in relation to the potential acquisition of the OPDE Portfolio, capped at €300,000 until the termination of the exclusivity or the signing the conditional sale and purchase agreement.

The total cost for the acquisition of the OPDE Portfolio is expected to be €54.958 million, including transaction costs, which will be satisfied by cash.

Cash flow and NAV outlook

The figure below provides an illustration of the Company's targeted net cash flow, and Net Asset Value profile following the investment of the Net Issue Proceeds within 12 months of Admission, together with the reinvestment of expected surplus cash flow following payment of a target return being €0.06 per year as increased annually after the second financial year ending 30 September 2017 by 2 per cent. The illustrative Net Asset Value of the combined cash flows from the invested Net Issue Proceeds and reinvested cash flows is also provided. The return illustrated in the graph below provides for a 7.8 per cent. IRR.



The target returns are based on the following key assumptions:

Inflation Rate:

Italy	2015	2016	2017	2018	2019	Thereafter
	1.0%	1.0%	1.5%	2.0%	2.0%	2.0%
Spain	2015	2016	2017	2018	2019	Thereafter
	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

Dividend growth assumptions:

2.0% p.a. from year 3

Corporate tax rates (flat from 2016):

Italy	27.5%
Spain	25.0%

Operating Costs:

to be added in for disclosed portfolio as % of revenues.

Availability and PR:

Approximately 99% and 82% respectively.

Interest rates on cash deposits:

0.0%

Reinvestment of surplus cash flows after payment of target dividends:

surplus cash arising in a financial year is assumed to be reinvested in newly sourced assets generating gross cashflow (before Base Fee and expenses) at the end of each year. A flat project rate of return of 9.0 per cent. per annum is assumed to be earned on such reinvested cash generating a lifetime IRR of 9 per cent. The Company's model assumes that this gross return on surplus cash (a proxy for an average gross return on investment in new assets) will continue to apply until such time as there are insufficient cash flows available to sustain the inflating dividend. At that point an amount would be taken

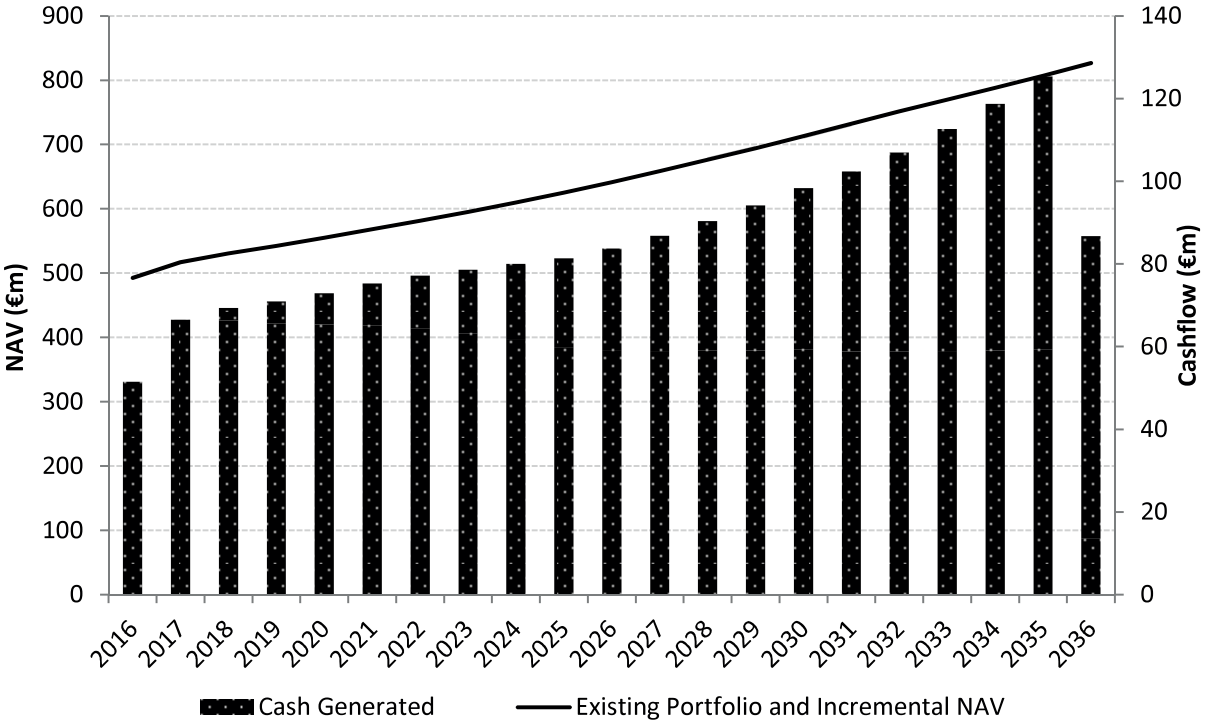
from the accumulated surplus (cash invested in notional assets) in order to maintain the payment of the inflating dividend, while the remaining surplus balance would continue to be reinvested.

Leverage:

Initial leverage of 15 per cent. of GAV amortising semi-annually to zero over the first 15 years after IPO at fixed interest rate of 3.5 per cent.

Managed Case I 8-11 per cent. IRR – Reduction in costs, optimisation of performance and revenues

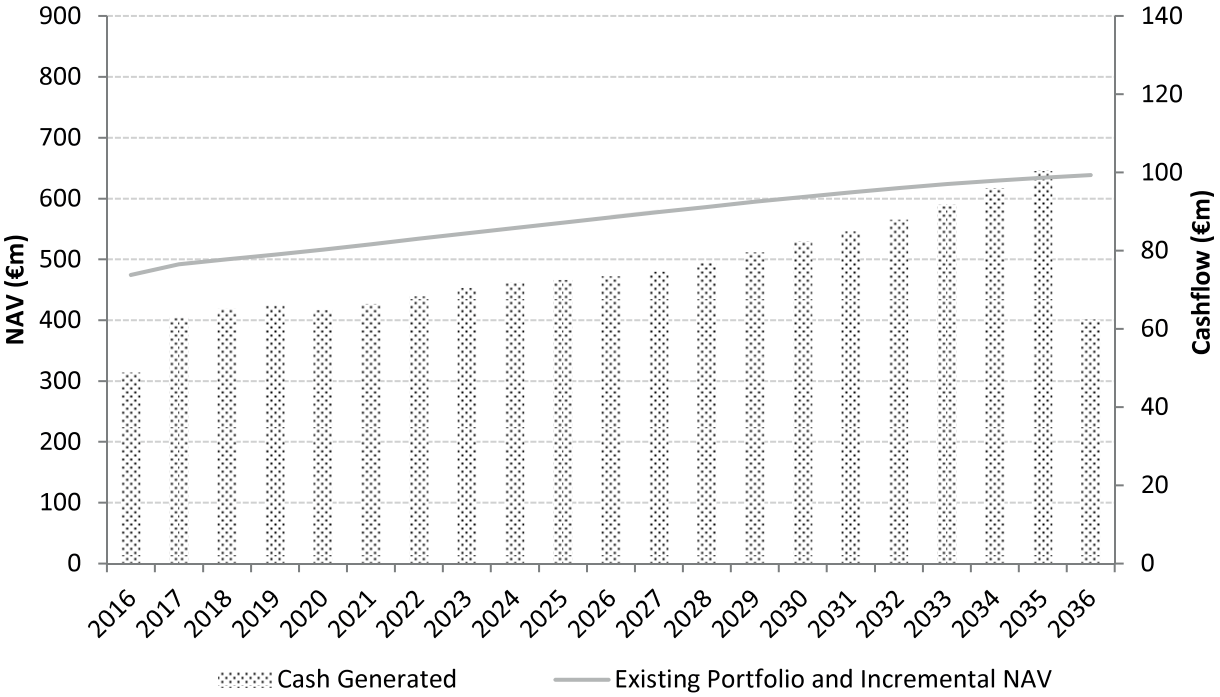
In the managed case, the Investment Adviser has executed its optimisation strategies of operation and maintenance cost reductions (40 per cent. in Italy and 60 per cent. in Spain), insurance cost reductions (20 per cent.), improved the performance of the plants in Italy (3 per cent.) and agreed improved power purchase agreements for the sale of the power in Italy (10 per cent.). In this scenario, the Fund model IRR increases to 8.7 per cent. and distributions to 6.5 per cent. (growing by 2 per cent. per annum).



Managed Case I 8-11 per cent. IRR.

Managed Case after retroactive regulatory change 7-9 per cent. IRR – Further 8 per cent. cut in Italy (2016) and a reduction of regulated returns in Spain (2020) by 27 per cent. reduction in the capacity-based remuneration

In the managed case after retroactive regulatory change, the Investment Adviser assumes the return enhancements achieved in the managed scenario remain however the revenues are hit by a further 8 per cent. reduction in Italy (equal to the reduction in the recent retroactive change) and a 27 per cent. cut in the capacity-based remuneration Spain. In this downside scenario, the Fund model IRR delivers 7.6 per cent. and the distributions are at 6 per cent. (growing by 2 per cent. per annum).



Managed Case after retroactive regulatory change I 7-9 per cent. IRR.

PART IV

THE INVESTMENT ADVISER, INVESTMENT PROCESS AND STRATEGY

THE INVESTMENT ADVISER

The Investment Adviser is a limited liability partnership registered in England (registered number: OC348071) with its principal place of business at 53 Chandos Place, London WC2N 4HS 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 of Part VIII of this document.

The Investment Adviser was founded in 2009 and is led by its founding managing partners, James Armstrong and Mike Rand and Giovanni Terranova, who joined the business in 2010. They are supported by an experienced executive team working from the London office.

The Investment Adviser's partners and investment team have a combined track record, prior to Bluefield, of investing in or project financing approximately €22 billion of energy and infrastructure projects, and have been involved in 90 pan-European solar PV deals since 2008. The Investment Adviser's renewable energy asset and operation & maintenance team has experience with more than 2,75GWp.

Key personnel

James Armstrong

James Armstrong is a founder of the Investment Adviser and is one of the three managing partners. He is a member of the Investment Adviser's Investment Committee. He is based in their London office. James has worked in renewable energy since 2006, and solar PV since 2007. He has been involved in approximately €550 million of solar PV focused funds in the UK & Europe since 2008 at, and prior to founding, Bluefield. He led the listing of the Bluefield Solar Income Fund (BSIF: L), the first UK focused solar investment fund to be listed on the main market of the London Stock Exchange. 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 managing partners of Bluefield, Mike Rand and Giovanni Terranova.

James has served as board director on a number of 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 is based in their London office. He is a member of the Investment Adviser's Investment Committee and Valuation Committee. 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 €1.4 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 approximately €550 million of pan-European solar energy transactions at, and prior to founding, Bluefield, including leading the acquisition of 253MWp (c. €370 million) into UK solar infrastructure for BSIF over 24 months following its IPO. 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 managing 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.

Mike has served as board director on a number of UK based solar energy asset companies. Mike has an MA in Economics from Cambridge.

Giovanni Terranova

Giovanni Terranova is a managing partner of the Investment Adviser and is one of the three managing partners. He is based in their London office. He is a member of the Investment Adviser's Investment Committee. 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 €750 million of pan-European solar energy transactions at, and prior to founding, Bluefield, including investing and sourcing a revolving credit facility for BSIF's 253MW (c. €370 million) solar PV portfolio. 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 managing 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 of 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.

Selected senior executives

Francesco Girardi

Francesco Girardi is Director of Engineering and Project Operations. He and his teams are based in London and Bristol. Francesco leads specialist solar PV engineering and asset management teams whose current responsibilities range from EPC and O&M contract negotiation to asset management including overseeing contractors during all stages of construction, commissioning, testing acceptance and operation of the solar PV assets owned by Bluefield funds which account for 260MWp to date across 61 plants.

Prior to joining Bluefield, Francesco has worked in REC Group as Country Manager for the solar photovoltaic construction business, REC Systems Italy where he was responsible for contracting and constructing over 70 MWp installed capacity comprising 26 ground and roof top sites; and 24 plants in operation and maintenance. Francesco has also been a former Babcock & Brown Program Manager managing a pipeline of 170 MWp projects developed in Greece and 300+ MWp in Italy.

Francesco has served as Managing Director of REC Systems Italy and of a number of Italy based solar energy asset companies. He has also served as Board Director for one Greek based solar energy assets holding company.

Francesco holds a MEng in Electronics Engineering from Polytechnic University of Bari.

Rich Morris

Rich Morris is the Investment Adviser's General Counsel and Compliance Officer. He is based in their London office. He is responsible for Bluefield's legal and compliance work, as well as governance oversight. Rich is a US qualified lawyer, having joined the bar in 2003. He has worked in investment and fund management and advisory services, with a focus on energy, utilities, infrastructure and renewables, since 2008. Prior to joining Bluefield, Rich was the General Counsel at Ecofin Limited, an FCA regulated and SEC registered investment adviser, where he was responsible for the legal and compliance oversight for a UK listed investment trust, multiple hedge funds and a substantial sovereign wealth managed account.

Rich has served as a board director of UK based solar energy asset companies, as well as a Cypriot based holding company for solar assets. He currently serves as the corporate secretary for the Ecofin Research Foundation and as a Trustee Director for the Bexhill Old Town Preservation Society Limited.

Rich holds a Bachelors of Science degree from Texas A&M University (1996) and a Juris Doctorate from The University of Texas School of Law (2003).

Alberto Paturzo

Alberto Paturzo is the Investment Adviser's Country Director for Italy. He is based in Milan. He has worked in advisory, investment and finance since 2000, with energy and renewables experience dating from 2008. Prior to joining Bluefield, Alberto has been involved in over €200 million of solar energy transactions including a significant number of project development, construction and investment deals. Prior to joining Bluefield Alberto was the Development, EPC and Investment manager of Martifer Solar, a major global solar PV business, taking leading roles in equity investment/divestment, leasing and project financing as well as asset management of the solar energy portfolio of Martifer Solar Italy.

Prior to that Alberto worked at MedEnergy, an international energy group involved in the development and construction of two LNG terminals, then expanded into the energy and renewable sector. In addition he worked at PwC and IBM, where he worked as a strategy consultant specialising in financial modelling and marketing strategy in the telecommunication and energy.

Alberto has served as sole administrator or director of several solar energy companies.

Alberto holds an MBA from IESE Business School, Barcelona, during which he had the opportunity to enrol in a Project Finance internship at BNP Paribas-Spain (Madrid). He also holds an MSc in Economics from LUISS University and is a certified chartered accountant and auditor.

Dario Bertagna

Dario Bertagna is an Associate Director, Investments. He is based in London. He is a renewable energy specialist having been involved in the sector for most of his career. Dario has experience in project development, financing and construction of a number of PV projects in Italy and Africa and he has been involved in over €300 million of solar PV transactions at, and prior to joining, Bluefield. Prior to joining Bluefield, Dario was an Investment Manager at Platina Partners where he has been involved in several renewable energy transaction and project financing in Europe. His previous experience also includes roles at the international energy developer MedEnergy and in the energy team at Jefferies International.

Dario holds a BA in International Trades from University of Turin and a Masters in European Business from ESCP Europe.

Rafael Garcia

Rafael Garcia is an Associate Director for Spain. He is based in Madrid. He has worked in advisory, business development and project execution since 2006, with solar energy experience dating from 2010. Prior to joining Bluefield Rafael gained experience providing services for over 1,000 MW solar PV assets across Spain and the rest of the EMEA region. Prior to joining Bluefield Rafael was the Business Development Director EMEA region and TechDD Manager in the refinancing of solar PV plants in Spain at Aries Ingenieria y Sistemas, taking leading roles in advisory, project refinancing as well asset management services.

Prior to that Rafael worked at Globaltec, a Spanish construction group involved in the development and construction of agro industrial and renewable projects, including a Bioethanol plant in Mexico, waste-to-energy projects and PV green houses across Spain and LATAM. In addition he worked at MBD as a strategy consultant specialising in marketing strategy in the health sector.

Rafael holds an MBA from IE Business School and a MEng in Agricultural Engineering (Hons) from University of Cordoba.

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

Bluefield Partners Investment Committee

Bluefield Partners has an investment committee that has been involved in over €400 million of European solar PV investments. Its members are the key executives described above and William Doughty and Dr. Anthony Williams. Between them, the members of the Investment Committee have experience of approximately €22 billion of energy and infrastructure investments.

William Doughty

William Doughty is a partner in Bluefield and is chairman of the Investment Committee. He is an infrastructure and fund management specialist. He is the former founding executive chairman of Semperian Group, one of the largest Public Private Partnership (PPP) 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 approximately €5 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 and the chairman of Bluefield, the chairman of the Bluefield's valuation committee and a member of the Investment 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 partner

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 BECAP GP Limited and BECAP12 GP Limited, the general partner of the Better Capital Funds. 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 Securities Exchange.

Jon does not have any day-to-day involvement in the running of Bluefield Partners LLP.

TRACK RECORD

The Investment Adviser was established 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.

In July 2013, the Investment Adviser established Bluefield Solar Income Fund Limited (**BSIF**), the first large scale solar PV focused fund to be listed on the London Stock Exchange (**LSE**). As at

10 July 2015, BSIF had over 278 million shares in issue and a market capitalisation in excess of £290 million. In June 2014 it agreed a three-year revolving credit facility with Royal Bank of Scotland, for up to £50 million.

On behalf of BSIF, the Investment Adviser has completed the acquisition of 29 solar PV assets in the UK, with a total capacity of over 250MWp.

Investors' attention is drawn to the paragraphs headed "Track record information" in the section of this document headed "Important Information".

INVESTMENT PROCESS AND STRATEGY

The Investment Adviser, its partners and investment team have 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, its partners and investment team have worked with legal, technical, insurance and accounting advisors in each of the UK and pan-European transactions they have executed. This direct experience has enabled the Investment Adviser to develop an understanding of key areas of competence to address specific issues; for example, identifying specific individuals who have expertise 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 an acquisition.

Application of standardised terms developed based upon direct experience

The Investment Adviser has developed standardised terms which have been specifically tested in completed transactions and projects. Whilst contract terms are specifically negotiated and tailored for each individual project, solar project O&M contracts provide for penalties 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 will be 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 Adviser'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 and approval 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 Adviser has experience in identifying relevant experts.

4. ***Bluefield Investment Committee***

Investment recommendations issued by the Investment Adviser and the BES UK board 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.

5. ***BES UK Board Recommendation***

Following approval by Bluefield's Investment Committee, investment recommendations are issued by the Investment Adviser to the BES UK board of directors for review prior to the Group Board. The BES UK board consists of two directors from the Investment Adviser and Sir Neville Simms and Anthony Brooke. The BES UK Board will review the investment recommendation, and if appropriate, will recommend the investment recommendation by the Investment Adviser to the Board of the Company.

6. ***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 Board of the Company. The Board undertakes detailed review meetings with the Investment Adviser to assess the project prior to determining any approval. Board approval is required in order for a transaction to proceed. If the Board approves the relevant transaction, the board of directors of each of the relevant GroupCos will have authority to implement the investment decision made by the Board of the Company, within the parameters agreed by the Board, and the Investment Adviser is authorised to execute the transaction in accordance with the Investment Adviser's recommendation and any condition stipulated in the Board's approval.

7. ***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.

Interested Parties may be engaged to provide asset management activities ranging from operation and generation monitoring, contract management to invoicing and cash management to the Group, provided such services are provided on an arm's length basis and subject to the Board's approval.

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, including BSIF, and have satisfied themselves that the Investment Adviser has procedures in place to address potential conflicts of interest.

PART V

DIRECTORS, MANAGEMENT AND ADMINISTRATION

THE BOARD

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.

Sir Neville Simms *(Chairman)*

Sir Neville Simms is the former chairman of International Power, former deputy chairman of GDFSuez Energy International and non-executive director at National Power plc. He is the former chairman of Oasis IP LLC (inc. in Abu Dhabi) and held non-executive roles at the Bank of England, Courtaulds plc, Duke Street Capital and the Private Finance Panel. Sir Neville is the Chairman of the Thames Tideway Tunnel and is the former CEO of Tarmac Construction, Group CEO of Tarmac plc and chairman of Carillion plc. He is a graduate of the University of Newcastle upon Tyne and has a Masters in Engineering from the University of Glasgow. Sir Neville was knighted in 1998 and was made a Prince of Wales Ambassador for his work with Business in the Community (BITC).

Anthony Brooke

Anthony Brooke joined S. G. Warburg & Co. Ltd. in 1972, became a director of the firm in 1981 and subsequently a vice chairman. From 1999 to 2008, Anthony was a partner of the specialist fund manager, Fauchier Partners. He is a non-executive director of Alliance Trust plc, Quintessentially UK and of the specialist fund manager, Bourne Park Capital. He sits on the investment committee of the National Portrait Gallery, is a Trustee of the Portrait Trust and is deputy chairman of the Governors of Mill Hill School. From 2000 to 2010, he was a non-executive director of the PR consultancy, Huntsworth plc. He currently acts as an investment advisor to a number of scientific endowments and other funds. He is a graduate of Christ's College, Cambridge and has an MBA from The Wharton School, University of Pennsylvania.

Ian Burns

Ian Burns is a fellow of both the Institute of Chartered Accountants in England & Wales and the Chartered Institute Securities and Investment. He is the founder and Executive Director of Via Executive Limited, a specialist management consulting company and the managing director of Regent Mercantile Holdings Limited, a privately owned investment company. He is currently a non-executive director and audit committee chairman of three London listed companies, Phaunos Timber Fund Limited, River & Mercantile UK Micro Cap Ltd and Twenty Four Income Fund Limited as well as Azincourt Uranium Inc and Montreux Capital Corp both of which are listed on the Toronto Stock Exchange. He is also a non executive director of Darwin Property Management (Guernsey) Limited, Curlew Capital Guernsey Limited, and Premier Asset Management (Guernsey) Ltd and, until recently, he was the finance director of AIM listed Polo Resources Ltd. Ian Burns is resident in Guernsey.

Paul Meader

Paul Meader is an independent director of a number of investment management companies, insurers and investment funds. Until 2013, he was Head of Portfolio Management for Canaccord Genuity based in Guernsey, having previously held the role of Chief Executive of Corazon Capital. Prior to joining Corazon he was managing director of Rothschild's Swiss private-banking subsidiary in Guernsey. He has nearly 30 years' experience in financial markets with particular expertise in fixed income investments. He is a Chartered Fellow of the Chartered Institute of Securities & Investments and is past Chairman of the Guernsey International Business Association. He is a graduate of Hertford College, Oxford. Paul. Meader is resident in Guernsey.

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

MANAGEMENT

The Company is categorised as an internally managed non-EU alternative investment fund for the purposes of the AIFM Directive and the Board is responsible for the determination of the Company's investment objective and policy and has overall responsibility for the Company's activities including all acquisitions and disposals of Solar PV assets, the review of 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 in accordance with the Company's investment policy, having regard to advice from the Investment Adviser. The Directors also have responsibility for exercising overall control and supervision over the Investment Adviser.

CORPORATE GOVERNANCE

The Finance Sector Code of the Corporate Governance Code issued by the GFSC (the **GFSC Code**) 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.

As a newly incorporated company, the Company does not comply with the UK Code or the AIC Code as at the date of this document. However, the Directors recognise the value of the UK Code and have taken appropriate measures to ensure that from Admission the Company will comply, 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 will be 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 intends to become a member of the AIC following Admission.

Audit and Risk Committee

The Company's Audit and Risk Committee, comprising all the Directors will meet formally at least twice a year for the purpose, among other things, of considering the appointment, independence and remuneration of the auditor, to review the annual accounts, interim reports and interim management statements and review the Company's operational risks and legal regulatory compliance. 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. Ian Burns will act as chairman of the Audit and Risk Committee. The principal duties of the Audit and Risk Committee will be 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, to analyse the key procedures adopted by the Company's service providers, review and analyse operational risks, legal and regulatory compliance, receive and consider reports from the Investment Adviser confirming compliance with applicable regulations and investment policy.

Other committees

As noted above, the Board will fulfil the responsibilities typically undertaken by a nomination committee and a remuneration committee. The Board as a whole will also fulfil the functions of a management engagement committee and will review 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 will be responsible for taking all proper and reasonable steps to ensure compliance with the Model Code by the Directors.

Administration Services

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 of Part VIII of this document) and will also provide company secretarial services and a registered office to the Company. For the purposes of the Rules, the Administrator is the designated administrator of the Company.

The Administrator will be 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 will be 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, UK transfer agent and receiving agent

Capita Registrars (Guernsey) Limited has been appointed as the Company's Registrar and Capita Asset Services will act as the Company's UK transfer agent and receiving agent.

Auditor

PricewaterhouseCoopers CI LLP will provide audit services to the Group. The annual report and accounts will be prepared in accordance with IFRS.

Fees and expenses

Initial expenses

The initial expenses of the Company are those which are necessary for the Issue and are not expected to exceed 2 per cent. of the Gross Issue Proceeds. These expenses will be paid on or around Admission and will include, without limitation: placing fees and commissions; registration, listing and admission fees; printing, advertising and distribution costs; legal fees; and any other applicable expenses. All such expenses will be immediately written off. On the assumption that the Company issues the maximum number of Ordinary Shares available under the Issue, being 400 million Ordinary Shares, at the Issue Price of €1.00 per Ordinary Share, the Net Asset Value of the Company immediately following Admission is expected to be €392 million (in other words, 98 per cent. of the Gross Issue Proceeds).

Ongoing Fees and Expenses

Investment Adviser's Fees

Base fee

The Investment Adviser will be entitled to an annual base fee which shall accrue daily and will be calculated as follows:

(i) 0.75 per cent. of NAV up to and including €1 billion; and

(ii) 0.65 per cent of NAV above €1 billion.

The base fee will be payable quarterly in advance in cash, and will be initially calculated on the NAV reported in the most recent quarterly NAV calculation as at the date of payment but shall be subject to adjustment upward or downward at the end of the relevant quarter based on the NAV applicable at the end of the quarter.

The Base 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 Base Fee will be borne by BES UK as most of the Investment Adviser's services will be provided to it in respect of the SPVs in which the Group invests.

Variable fee

If in any year (excluding the Company's first financial year ending 30 September 2016), the Company:

(i) exceeds the Net Cash Hurdle of €0.095 per Ordinary Share; and

(ii) achieves an annual distribution target (initially €0.06 per Ordinary Share per year and increasing annually after the Company's second financial year ending 30 September 2017 by 2 per cent.),

the Investment Adviser will be entitled to a variable fee equal to 25 per cent. of the amount of Net Cash in excess of the Net Cash Hurdle up to a maximum of 0.5 per cent. of Net Asset Value as at the relevant year end. Subject to the Directors' discretion as referred to below, the variable fee shall be satisfied by the issue of Ordinary Shares to the Investment Adviser at an issue price equal to the latest published 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 Share to the Investment Adviser by way of an issue of new Ordinary Shares, a sale of existing Ordinary Shares out of treasury or through purchases of existing Ordinary Shares in the market or any combination of these. In the event that the variable fee is satisfied in whole or in part through the purchase of existing Ordinary Shares in the market, such Ordinary Shares will be transferred to the Investment Adviser at an issue price equal to the latest published NAV per Ordinary Share, notwithstanding the fact that they may have been purchased by the Company at a lower price.

More specifically, the variable fee in relation to a year shall be calculated at the end of the 12th month in relation to the Company's financial year (the **Variable Fee Calculation Date**) and the Company shall issue all of the value of the variable fee to the Investment Adviser at the Calculation Date, always provided that in each such year the third of the variable fee issued in Ordinary Shares that is subject to the lock-up shall be cancelled in the event that either the Net Cash Hurdle is not exceeded or the annual distribution target is not met in such year. Entitlement to the Ordinary Shares in respect of the variable fee will be based on the audited annual accounts and will be approved by the Board of Directors.

The Net Cash is defined as the total cash distributed (in the form of shareholder loan repayment, shareholder loan interest, management or other services fees and dividends) by the investments to the Group during the period under measurement, less the operational costs incurred by the Group during such period (excluding for the avoidance of doubt investment transaction costs or financing arrangement costs), less any debt service due payable by the Group.

In the event that there is a change of control of the Company (whether by means of an offer for the Ordinary Shares becoming unconditional, a scheme of arrangement or a sale of all or substantially all of the Group's assets) in circumstances where the offer price per Ordinary Share is in excess of the floor price per Ordinary Shares (the floor price per Ordinary Share being, depending on the timing of the change of control, the current Net Asset Value per Ordinary Share or the higher of the current Net Asset Value per Ordinary Share and the issue price per Ordinary Share on Admission (adjusted, as appropriate, for any changes in the Company's issued capital)), the Investment Adviser will receive a fee of an amount equal to two per cent. of the offer value. For these purposes the offer value is the aggregate of the offer price or consideration per Ordinary Share or, if the change of control is by means of a sale of all or substantially all of the Group's assets, the Net Asset Value of the Company at the date of completion of such sale.

Other fees and expenses

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

Administrator

Under the Administration Agreement, Heritage International Fund Managers Limited is entitled to a fee calculated as follows:

- a fee of 0.10 per cent. of NAV up to and including €100 million;
- a fee of 0.075 per cent. of NAV above €100 million up to and including €200 million; and
- a fee of 0.05 per cent. of NAV above €200 million.

Registrar

Under the Registrar's Agreement, Capita Registrars (Guernsey) Limited is entitled to an annual fee from the Company equal to £1.65 per shareholder per annum or part thereof; with a minimum of £6,500 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 will be remunerated for their services at a fee of £35,000 per annum (£60,000 for the Chairman and £40,000 for Anthony Brooke). In addition, the chairman of the Audit Committee will receive 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 VIII of this document.

The Company has agreed that in relation to their first two years' fees, the Directors may elect to receive some or all of such fees through an issue of Ordinary Shares at the Issue Price, with such issue to take place immediately following Admission. All of the Directors have informed the Company that their first two years' fee should be satisfied in this way, save for Ian Burns who has elected to receive one year's fee in this way.

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 the relevant GroupCo.

MEETINGS AND REPORTS

All general meetings of the Company shall be held in Guernsey or such other place outside the United Kingdom as may be determined by the Board. The Company expects to hold its first annual

general meeting in Guernsey in December 2015. The Company's audited annual report and accounts will be prepared to 30 September each year, commencing in 2016, and it is expected that copies will be sent to Shareholders in December each year, or earlier if possible. Shareholders will also receive an unaudited interim report each year commencing in respect of the period to 31 March, expected to be despatched in May each year, or earlier if possible. The Company's audited annual report and accounts will be available on the Company's website, www.bluefieldeuropean.com.

The Company's accounts and the annual report will be drawn up in euro and in accordance with IFRS.

VALUATIONS

The Investment Adviser will produce fair market valuations of the Group's investments on a semi-annual basis as at 31 March and 30 September each year (with the first such calculation being as at 30 September 2015), which will form the basis of the Net Asset Value calculation prepared by the Administrator. The valuation principles used in such methodology will be based on a discounted cash flow methodology, and adjusted for IPEV (European Private Equity and Venture Capital Association) guidelines.

Fair value for each investment is derived from the present value of the investment's expected future cash flows, using reasonable assumptions and forecasts for revenues and operating costs, and an appropriate discount rate. The Investment Adviser will exercise its judgement in assessing the expected future cash flows from each investment. Each SPV will produce detailed financial models and the Investment Adviser will take, *inter alia*, the following into account in its review of such models and will make amendments where appropriate:

- the terms of any financing;
- the terms of any material contracts;
- asset performance to date;
- opportunities for de-levering;
- changes in regulation or law;
- claims or other disputes or contractual uncertainties; and
- changes to key assumptions.

In every third year, commencing not later than the financial year ending 30 September 2018, 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 (the first such calculation being as at 31 December 2015) 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.bluefieldeuropean.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.

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 VI

THE ISSUE

THE ISSUE

The total number of Ordinary Shares issued under the Placing and the Offer will be determined by the Company, the Joint Bookrunners and the Investment Adviser after taking into account demand for the Ordinary Shares, subject to a maximum of 400 million Ordinary Shares being issued under the Placing and Offer in aggregate.

The actual number of Ordinary Shares to be issued pursuant to the Issue, and therefore the Gross Issue Proceeds, are not known as at the date of this document but will be notified by the Company via an RIS announcement and the Company's website www.bluefieldeuropean.com, prior to Admission.

The Issue will not proceed if the Gross Issue Proceeds would be less than €200 million. If the Issue does not proceed, subscription monies received will be returned without interest at the risk of the applicant.

The maximum issue size should not be taken as an indication of the number of Ordinary Shares to be issued. The actual number of Ordinary Shares issued pursuant to the Issue will be announced via an RIS announcement shortly following the deadline for receipt of placing commitments under the Placing.

The Directors have determined that the Ordinary Shares under the Issue will be issued at a price equal to €1.00 per Ordinary Share.

The Issue is not being underwritten.

The Placing will be made by way of: (a) an offer to institutional investors outside the United States pursuant to Regulation S who are not US Persons (as defined in Regulation S); and (b) a private placement in the United States to persons reasonably believed to be QIBs and who are also QPs in reliance on Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

PROCEEDS OF THE ISSUE

All of the net proceeds of the Issue will be invested in accordance with the Company's investment policy save to the extent some of the net proceeds will be retained for working capital purposes and subject to the availability of sufficient investment opportunities.

THE PLACING

The Company, the Directors, the Investment Adviser and the Joint Bookrunners have entered into the Placing Agreement pursuant to which the Joint Bookrunners have agreed, as agents for the Company, to use their respective reasonable endeavours to procure subscribers (in certain jurisdictions outside the United States) for the Ordinary Shares under the Placing at the Issue Price in return for the payment by the Company of placing commission. A summary of the terms of the Sponsor and Placing Agreement is set out in paragraph 5 of Part VIII of this document.

The terms and conditions which shall apply to any subscriber for Ordinary Shares procured by the Joint Bookrunners pursuant to the Placing are contained in Appendix 1 to this document.

Applications under the Placing must be for a minimum subscription amount of €50,000.

THE OFFER

The Company is also offering the Ordinary Shares to investors in the United Kingdom pursuant to the Offer. The Terms and Conditions of Application relating to the Offer are set out in Appendix 2 to this document and an Application Form and notes on how to complete such Application Form are set out at the end of this document. The Terms and Conditions of Application should be read carefully before an application is made.

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

Completed Application Forms, accompanied by a cheque or banker's draft in Euros made payable to "Capita Registrars Ltd re: BESF LTD OFS A/C and crossed "A/C payee" for the appropriate sum must be posted or delivered by hand (during normal business hours) to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Kent BR39 4TU so as to be received by no later than 11.00 a.m. on 28 July 2015. The Offer will, unless extended, be closed at that time.

For applicants sending subscription monies by electronic bank transfer (CHAPs), payment must be made for value by 11.00 a.m. on 28 July 2015 directly into the bank account detailed below. The payment instruction must also include a unique reference comprising your name and a contact telephone number which should be entered in the reference field on the payment instruction (for example: MJ SMITH 01234 567 8910).

Bank: Royal Bank of Scotland

Sort Code: 15-10-00

A/C No: CAP REG 04 – EURA

A/C Name: Capita Registrars Ltd re: BESF LTD OFS A/C

The Receiving Agent cannot take responsibility for identifying payments without a unique reference nor where a payment has been received but without an accompanying application form.

Applicants choosing to settle via CREST, that is "delivery versus payment" (DVP), will need to input their instructions to Capita Asset Services' Participant account RA06 by no later than 11.00 a.m. on 28 July 2015, allowing for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price per Ordinary Share, following the CREST matching criteria set out in the Application Form.

MAJOR SHAREHOLDERS

Certain funds and accounts under management by direct and indirect investment management subsidiaries of BlackRock, Inc. have committed to subscribe for such number of Ordinary Shares as shall represent, in aggregate, 10 per cent. of the Company's issued share capital on Admission pursuant to the BlackRock Subscription Agreement. The BlackRock Subscription Agreement is summarised in paragraph 5 of Part VIII of this document.

Newton Investment Management Limited has committed to subscribe for at least 20 million Ordinary Shares pursuant to the Newton Subscription Deed. The Newton Subscription Deed is summarised in paragraph 5 of Part VIII of this document.

SCALING BACK AND ALLOCATION

The Directors are authorised to issue up to 400 million Ordinary Shares pursuant to the Issue. To the extent that applications under the Offer and commitments under the Placing exceed 400 million Ordinary Shares, the Joint Bookrunners reserve the right, at their sole discretion, but after consultation with the Company, to scale back applications in such amounts as they consider appropriate. The Company reserves the right to decline in whole or in part any application for Ordinary Shares pursuant to the Issue. Accordingly, applicants for Ordinary Shares may, in certain circumstances, not be allotted the number of Ordinary Shares for which they have applied.

The Company will notify investors of the number of Ordinary Shares in respect of which their application has been successful and the results of the Issue will be announced by the Company on or around 31 July 2015 via an RIS announcement.

Subscription monies received in respect of unsuccessful applications (or to the extent scaled back) will be returned without interest at the risk of the applicant to the bank account from which the money was received.

GENERAL

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK and/or Guernsey, the Company and its agents (and their agents) or the Investment Adviser may require evidence in connection with any application for Ordinary Shares, including further identification of the applicant(s), before any Ordinary Shares are issued.

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

Subject to their statutory right of withdrawal pursuant to section 87(Q)(4) of FSMA, in the event of the publication of a supplementary prospectus, applicants under the Offer for Subscription may not withdraw their applications for Ordinary Shares after the date of this document without the written consent of the Directors.

Applicants wishing to exercise their statutory right of withdrawal pursuant to section 87(Q)(4) of FSMA after the publication by the Company of a prospectus supplementing this document must do so by lodging a written notice of withdrawal (which shall include a notice sent by any form of electronic communication) which must include the full name and address of the person wishing to exercise statutory withdrawal rights and, if such person is a CREST member, the Participant ID and the Member Account ID of such CREST Member by post or by hand (during normal business hours only) with Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Kent BR39 4TU, or by email to withdraw@capita.co.ukregistrars.com so as to be received not later than two Business Days after the date on which the supplementary prospectus is published. Notice of withdrawal given by any other means or which is deposited with or received by Capita Asset Services after expiry of such period will not constitute a valid withdrawal. The Company will not permit the exercise of withdrawal rights after payment by the relevant applicant of his subscription in full and the allotment of Ordinary Shares to such applicant becoming unconditional. In such event Shareholders are recommended to seek independent legal advice.

The Directors (in consultation with the Joint Bookrunners) may in their absolute discretion waive the minimum application amounts in respect of any particular application for Ordinary Shares under the Offer and/or Placing.

Should the Issue be aborted or fail to complete for any reason (including as a result of the Gross Issue Proceeds being less than €200 million), monies received will be returned without interest at the risk of the applicant.

Definitive certificates in respect of Ordinary Shares in certificated form will be dispatched by post in the week commencing 10 August 2015. Temporary documents of title will not be issued.

CLEARING AND SETTLEMENT

Payment for the Ordinary Shares, in the case of the Placing, should be made in accordance with settlement instructions to be provided to placees by the Joint Bookrunners. Payment for the Ordinary Shares, in the case of the Offer, should be made in accordance with the Terms and Conditions of Application under the Offer set out in Appendix 2 to this document and in the Application Form. To the extent that any application for Ordinary Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest at the risk of the applicant.

Ordinary Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST from Admission. In the case of Ordinary Shares to be issued in uncertificated form pursuant to the Issue, these will be transferred to successful applicants through the CREST system. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any Shareholder so wishes.

Ordinary Shares issued under the Offer will be issued to successful applicants in accordance with the Terms and Conditions of Application under the Offer set out in Appendix 2 to this document.

CREST is a paperless book-entry settlement system operated by Euroclear which enables securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so.

It is expected that the Company will arrange for Euroclear to be instructed on 5 August 2015 to credit the appropriate CREST accounts of the subscribers concerned or their nominees with their respective entitlements to Ordinary Shares. The names of subscribers or their nominees investing through their CREST accounts will be entered directly on to the share register of the Company.

The transfer of Ordinary Shares out of the CREST system following the Issue should be arranged directly through CREST. However, an investor's beneficial holding held through the CREST system may be exchanged, in whole or in part, only upon the specific request of the registered holder to CREST for share certificates or an uncertificated holding in definitive registered form. If a Shareholder or transferee requests Ordinary Shares to be issued in certificated form and is holding such Ordinary Shares outside CREST, a share certificate will be despatched either to him or his nominated agent (at his risk) within 21 days of completion of the registration process or transfer, as the case may be, of the Ordinary Shares. Shareholders holding definitive certificates may elect at a later date to hold such Ordinary Shares through CREST or in uncertificated form provided they surrender their definitive certificate.

DEALINGS

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for the Ordinary Shares issued pursuant to the Issue to be admitted to listing and trading on the premium segment of the Official List and the London Stock Exchange's main market for listed securities, respectively.

It is expected that Admission will become effective and that unconditional dealings in the Ordinary Shares will commence at 8.00 a.m. on 5 August 2015. Dealings in Ordinary Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned. The ISIN number of the Ordinary Shares GG00BYM15141 and the SEDOL code is BYM1514.

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

PURCHASE AND TRANSFER RESTRICTIONS

This document does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company or the Investment Adviser.

The Company has elected to impose the restrictions described below on the Issue and on the future trading of the Ordinary Shares so that the Company will not be required to register the offer and sale of the Ordinary Shares under the US Securities Act and will not have an obligation to register as an investment company under the US Investment Company Act and related rules and also to address certain ERISA, Internal Revenue Code and other considerations. These transfer restrictions, which will remain in effect until the Company determines in its sole discretion to remove them, may adversely affect the ability of holders of the Ordinary Shares to trade such securities. The Company and its agents will not be obligated to recognise any resale or other transfer of the Ordinary Shares made other than in compliance with the restrictions described below.

RESTRICTIONS DUE TO LACK OF REGISTRATION UNDER THE US SECURITIES ACT AND US INVESTMENT COMPANY ACT RESTRICTIONS

The Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States, subject to certain exceptions, and the Ordinary Shares may not 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 US Securities Act). There will be no public offer of the Ordinary Shares in the United States. Except as provided below, the Ordinary Shares are being offered and sold outside the United States to non-US Persons in reliance on the exemption from registration provided by Regulation S under the US Securities Act.

The Ordinary Shares offered and sold in reliance on Regulation S and any beneficial interests therein may only be transferred in an offshore transaction in accordance with Regulation S: (i) to a person outside the United States and not known by the transferor to be a US Person, by prearrangement or otherwise; or (ii) to the Company or a subsidiary thereof.

The Placing Agreement provides that the Joint Bookrunners may, directly or through their respective US broker-dealer affiliates, arrange for the offer and sale of Ordinary Shares within the United States only to QIBs who are also QPs in reliance on Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

Each person that is purchasing or otherwise acquiring Ordinary Shares and that is located within the United States or that is a US Person (or is purchasing or acquiring Ordinary Shares for the account or benefit of a US Person), prior to any such purchase or acquisition, will be required to execute a US Investor's Letter in the form set out at the end of this document (the **US Investor's Letter**) and deliver the letter to the Joint Bookrunners and the Company. The US Investor's Letter will require each such person to represent and agree that, among other things: (i) it is both a QIB and a QP; and (ii) it will offer, resell, transfer, assign, pledge or otherwise dispose of the Ordinary Shares only: (a) in an offshore transaction complying with the provisions of Regulation S (including, for the avoidance of doubt, a bona fide sale on the London Stock Exchange's main market for listed securities) to a person not known to be a US Person (by pre-arrangement or otherwise), and in compliance with applicable securities laws, and in connection therewith, it will execute an Offshore Transaction Letter in the form of the Appendix to the US Investor's Letter and promptly send it to the Company; or (b) to the Company or a subsidiary (if any) thereof. The transferor will notify any subsequent transferee or executing broker, as applicable, of the restrictions that are applicable to the Ordinary Shares being sold. The US Investor's Letter and the Offshore Transaction Letter contain additional written representations, agreements and acknowledgements relating to the transfer restrictions applicable to the Ordinary Shares.

In addition, until 40 days after the commencement of the offering of the Ordinary Shares, an offer or sale of Ordinary Shares within the United States by any dealer (whether or not participating in the Placing) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than in accordance with an applicable exemption from registration under the US Securities Act.

Moreover, the Company has not been and will not be registered under the US Investment Company Act and investors will not be entitled to the benefits of the US Investment Company Act.

SUBSCRIBER WARRANTIES

Each subscriber of Ordinary Shares in the Issue and each subsequent investor in the Ordinary Shares will be deemed to have represented, warranted, acknowledged and agreed to the representations, warranties, acknowledgments and agreements set out in paragraphs 4 and 5 in Appendix 1 to this document.

The Company, the Investment Adviser, the Joint Bookrunners, and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

If any of the representations, warranties, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the investor will immediately notify the Company.

PART VII

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

The Company

The Company has applied for 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 £1,200 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.

Taxation of Shareholders

Shareholders not resident for tax purposes in Guernsey (which includes Alderney and Herm for these purposes) will not be subject to income tax in Guernsey and will receive dividends without deduction of Guernsey income tax. Any Shareholders who are resident for tax purposes in Guernsey, Alderney or Herm will be subject to income tax in Guernsey on any dividends paid on Ordinary Shares owned by them but will suffer no deduction of tax by the Company from any such dividend payable by the Company whilst the Company maintains exempt status.

The Company is required to provide the Director of Income Tax in Guernsey with such particulars relating to any distribution paid to Guernsey resident Shareholders as the Director of Income Tax may require, 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 in the Company, with details of the interest.

Except as mentioned above, Shareholders are not subject to tax in Guernsey as a result of purchasing, owning or disposing of Shares or either participating or choosing not to participate in a redemption of shares in the Company.

Capital Taxes and Stamp Duty

Guernsey currently does not levy taxes upon capital inheritances, capital gains, gifts, sales or turnover (unless the varying of investments and the timing of such investments to account is a

business or part of a business), 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 or other taxes are chargeable in Guernsey on the issue, transfer, switching or redemption of shares in the Company.

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 Member States on the taxation of savings income. Paying agents in Guernsey must automatically report to the Director of Income Tax in Guernsey any interest payment to individuals resident in the contracting 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 the Company to an individual beneficial owner resident in an EU Member State will not be subject to reporting obligations pursuant to the agreements between Guernsey and Member States to implement the EU Savings Directive in Guernsey.

On 24 March 2014, the Council of the European Union formally adopted a directive (the **Amending Directive**) to amend the EU Savings Directive. The amendments significantly widen the scope of the EU Savings Directive. 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.

However, on 18 March 2015 the European Commission announced a proposal to repeal the EU Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to ongoing requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates. This is to prevent overlap between the EU Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive. This proposal is still being considered and has not yet been adopted.

Guernsey, along with other dependent and associated territories, will consider the effect of the amendments to, or any repeal of, 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, or if it is repealed, 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.

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 are 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 is implemented through Guernsey's domestic legislation in accordance with guidance which is currently published 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.

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 are imposed in respect of certain investors in the Company who are resident in the UK or, in the case of entities, are controlled

by one or more residents in the UK. The UK-Guernsey IGA is implemented through Guernsey's domestic legislation in accordance with guidance which is currently published 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.

Reporting under the Foreign Multilateral Competent Authority Agreement for Automatic Exchange of Taxpayer Information

On 13 February 2014, the Organisation for Economic Co-operation and Development released a Common Reporting Standard (**CRS**) designed to create a global standard for the automatic exchange of financial account information, similar to the information to be reported under FATCA. On 29 October 2014, fifty-one jurisdictions signed a multilateral competent authority agreement (**Multilateral Agreement**) that activates this automatic exchange of FATCA-like information in line with the CRS. Pursuant to the Multilateral Agreement, certain disclosure requirements will be imposed in respect of certain investors in the Company who are, or are entities that are controlled by one or more, residents of any of the signatory jurisdictions. Both Guernsey and the UK have signed up to the Multilateral Agreement, but the US has not signed the Multilateral Agreement. Early adopters who signed the Multilateral Agreement (including Guernsey) have pledged to work towards the first information exchanges taking place by September 2017. Others are expected to follow with information exchange starting in 2018. Guidance and domestic legislation regarding the implementation of the CRS and the Multilateral Agreement in Guernsey are yet to be published in finalised form. Accordingly, the full impact of the CRS and the Multilateral Agreement on the Company and the Company's reporting responsibilities pursuant to the Multilateral Agreement on the Company and the Company's reporting responsibilities pursuant to the Multilateral Agreement as it will be implemented in Guernsey is currently uncertain.

Whilst the Company will seek to satisfy its obligations under each of the US-Guernsey IGA, the UK-Guernsey IGA, the Multilateral Agreement and the CRS as implemented in Guernsey pursuant to regulations and to guidance (which is yet to be published in final form) in order to avoid the imposition of any financial penalties under Guernsey law, the ability of the Company to satisfy such obligations will depend on receiving relevant information and/or documentation about each investor and where appropriate the direct and indirect beneficial owners of the interests held in the Company. There can be no assurance that the Company will be able to satisfy such obligations.

If any investor is in doubt as to his taxation position, he is strongly recommended to consult an independent professional adviser without delay.

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 Ordinary 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 have been advised that the Company should not be treated as resident in the UK for taxation purposes, either on the basis that it its central management and control is outside the UK or pursuant to section 363A of the Taxation (International and Other Provisions) Act 2010 (**TIOPA**) (pursuant to which the Company should be deemed not to be resident in the UK for UK tax purposes if, absent that section, the Company would otherwise be treated as UK resident). Accordingly, and provided that the Company does not carry on a trade or business in the UK (whether or not through a permanent establishment situated in the UK), the Company will not be subject to UK tax on any income or other profits or gains of an income nature which it derives from sources outside of the

UK and it should not be within the scope of UK tax on chargeable gains wheresoever arising (other than, in certain circumstances, on a disposal of UK residential property).

BES UK

BES UK will be liable to UK corporation tax on its income, although dividend income should be exempt from tax provided that the dividend falls within one of the exempt classes set out in Part 9A of the Corporation Tax Act 2009. Income arising from overseas investments may be subject to foreign withholding taxes at varying rates, but double taxation relief may be available. BES UK 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 are currently liable to income tax at 37.5 per cent., higher rate taxpayers are currently liable to income tax at 32.5 per cent. and other individual taxpayers are currently 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 currently 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.

The UK Government has announced in its Summer Budget 2015 a reform to simplify the taxation of dividends received by UK resident individuals. The UK Government intends to replace the dividend tax credit with a new annual tax-free allowance of £5,000 of dividend income for all UK resident Shareholders with effect from April 2016. To the extent that dividend income exceeds £5,000, tax will be imposed at the rates of 7.5 per cent. for basic rate taxpayers, 32.5 per cent. for higher rate taxpayers and 38.1 per cent. for additional rate taxpayers.

A UK resident corporate Shareholder will be liable to UK corporation tax (currently 20 per cent.) 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 £11,100 for the year 2015/2016).

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 of Ordinary Shares. Indexation allowance may apply to reduce any chargeable gain arising on disposals of Ordinary Shares 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 TIOPA should not apply.

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. A company is "close" if, broadly, it is either controlled by five or fewer participators or by participators who are also directors, or five or fewer directors (or directors who are participators) possess or are entitled to acquire rights to a greater part of the company's assets in a distribution or winding up. A participator for these purposes is broadly any person having a share or interest in the capital or income of the Company. 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. This legislation will, however, not apply if such a Shareholder can satisfy HM Revenue & Customs either:

(a) that it would not be reasonable to draw the conclusion, from all the circumstances of the case, that the purpose of avoiding a liability to UK taxation was the purpose, or one of the purposes, for which the relevant transactions or any of them were effected; or

(b) that all of the relevant transactions were genuine commercial transactions and it would not be reasonable to draw the conclusion, from all the circumstances of the case, that any one or more of those transactions was more than incidentally designed for the purpose of avoiding a liability to UK taxation.

Shareholders relying on this exemption are required to note this in their self-assessment return.

The attention of companies resident in the UK is drawn to the controlled foreign companies legislation contained in Part 9A of TIOPA. If the Company were regarded as being controlled by persons resident in the UK for UK tax purposes, the legislation applying to controlled foreign companies may apply to corporate shareholders who are resident in the UK and who alone, or with connected persons, hold an interest of at least 25 per cent. in the Company. If relevant, a UK corporation taxpayer may be subject to tax on the part of the Company's "chargeable profits" apportioned to it in accordance with the controlled foreign companies rules.

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 Ordinary 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 Ordinary Shares executed within, the UK or which "relates to any matter or thing done or to be done" in the UK, although in practice any such instrument will not require stamping in order for the register of Ordinary Shares to be updated. Unstamped transfer instruments, however, may not be used for certain official purposes (e.g. civil litigation and updating the share registers of UK incorporated or registered companies) in the UK until they are duly stamped. Provided that Ordinary 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 Ordinary Shares, including any paperless transfers of Ordinary Shares within the CREST system, should not be subject to SDRT. No stamp duty liability should arise on paperless transfers of Ordinary Shares within the CREST system either, on the basis that the transfer should not be effected by executing a transfer instrument.

ISAs and SIPPs

General

The Ordinary Shares will be "qualifying investments" for the stocks and shares component of an ISA. The subscription limit for an ISA account is £15,240 (for the tax year 2015/2016). Where the Ordinary Shares are held in an ISA, income and gains arising in respect of them will be exempt from UK taxation.

Placing

Ordinary Shares allotted under the Placing are not eligible for inclusion in an ISA.

Secondary market purchases

Ordinary 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 (SSAS) and self invested personal pensions (SIPP)

Ordinary Shares will be eligible for inclusion in a UK SSAS or a UK SIPP.

US FEDERAL INCOME TAXATION

The following is a summary of certain of the US federal income tax consequences of the acquisition, ownership and disposition of Ordinary Shares by a US Holder (as defined below). This summary is based upon the Internal Revenue Code of 1986 (the **Code**), Treasury Regulations promulgated (and in certain cases, proposed) thereunder, judicial decisions, and the current administrative rules, practices and interpretations or law of the United States Internal Revenue Service (**IRS**), all as in effect on the date of this document, and all of which are subject to change and differing interpretations, possibly with retroactive effect.

As used herein, the term **US Holder** means a beneficial owner of Ordinary Shares that is, for US federal income tax purposes: (i) a citizen or individual resident of the United States; (ii) a corporation, or other entity treated as a corporation for US federal tax purposes created or organised in or under the laws of the United States or any State thereof (including the District of Columbia); (iii) an estate, the income of which is subject to US federal income tax without regard to its source; or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more US persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust for US federal income tax purposes.

If an entity treated as a partnership for United States federal income tax purposes holds Ordinary Shares, the United States federal income tax treatment of a partner in the partnership generally will depend on the status and the activities of the partner and the partnership. A partnership holding Ordinary Shares should consult its own tax advisors with respect to the United States federal income tax consequences applicable to it and its partners of the acquisition, ownership and disposition of Ordinary Shares.

This summary is only a general discussion and is not intended to be, and should not be construed to be, legal or tax advice to any prospective investor. In addition, this summary does not discuss all aspects of United States federal income taxation that may be relevant to a US Holder in light of such person's particular circumstances, including certain holders of Ordinary Shares that may be subject to special treatment under the Inland Revenue Code (for example, persons that: (i) are tax-exempt organisations, qualified retirements plans, individual retirement accounts and other tax-deferred accounts; (ii) are financial institutions, insurance companies, grantor trusts, real estate investment trusts, regulated investment companies, or brokers, dealers or traders in securities; (iii) are subject to the alternative minimum tax provisions of the Inland Revenue Code; (iv) own Ordinary Shares as part

of a straddle, hedging, conversion transaction, constructive sale or other arrangement involving more than one disposition; (v) are expatriates or other former long-term residents of the United States; (vi) own (or are deemed to own) 10 per cent. or more (by voting power or value) of the stock of the Company; and (vii) hold Ordinary Shares other than as capital assets or do not use the US Dollar as their functional currency). Moreover, this summary does not include any discussion of United States federal estate or gift tax consequences or state, local or foreign income, estate, gift or other tax consequences.

THE UNITED STATES FEDERAL INCOME TAX CONSEQUENCES RELATING TO THE ACQUISITION, OWNERSHIP AND DISPOSITION OF SHARES ARE COMPLEX AND POTENTIALLY UNFAVOURABLE TO US HOLDERS. ACCORDINGLY, EACH US HOLDER WHO ACQUIRES SHARES IS STRONGLY URGED TO CONSULT HIS, HER OR ITS OWN TAX ADVISOR WITH RESPECT TO THE UNITED STATES FEDERAL, STATE, LOCAL AND FOREIGN INCOME, ESTATE, GIFT AND OTHER TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF SHARES, WITH SPECIFIC REFERENCE TO SUCH HOLDER'S PARTICULAR CIRCUMSTANCES.

General Taxation on Distributions

Subject to the discussion below under **Passive Foreign Investment Company Considerations**, a US Holder that receives a distribution, including a constructive distribution, of cash or property with respect to the Ordinary Shares, other than certain distributions, if any, of the Ordinary Shares distributed *pro rata* to all Shareholders, generally will be required to include the amount of such distribution in gross income as dividend income (without reduction for any foreign income tax withheld from such distribution) to the extent of the current or accumulated "earnings and profits" of the Company, as determined under United States federal income tax principles. To the extent that a distribution exceeds the current and accumulated **earnings and profits** of the Company, such distribution will be treated: (a) first, as a tax-free return of capital to the extent of a US Holder's tax basis in the Ordinary Shares, causing a reduction in the adjusted basis of the Ordinary Shares; and (b) thereafter, as capital gain from the sale or exchange of Ordinary Shares (as discussed below). However, the Company does not maintain calculations of its earnings and profits in accordance with US federal income tax accounting principles. US Holders should, therefore, assume that any distribution by the Company with respect to the Ordinary Shares generally will constitute ordinary dividend income. Dividends will not be eligible for the dividends received deduction generally allowed to corporate US Holders. In addition, because the Company is not eligible for the benefits of a comprehensive tax treaty with the United States, dividends on the Ordinary Shares will not be eligible for the preferential tax rate generally applicable to dividends paid by a "qualified foreign corporation" to non-corporate US Holders.

Any such dividend paid in a currency other than the US Dollar will be included in the gross income of a US Holder in an amount equal to the US Dollar value of such currency on the date the dividend is actually or constructively received. The amount of any distribution of property other than cash will be the fair market value of such property on the date of distribution. If a distribution that is made in a currency other than the US Dollar is converted into US Dollars on the date of receipt, a US Holder receiving such distribution generally should not be required to recognise foreign currency gain or loss in respect of such distribution. A US Holder may have foreign currency gain or loss if the amount of such distribution is converted into US Dollars on a date other than the date of receipt. Any gain or loss realised by a US Holder on such conversion will be treated as US source ordinary income or loss.

Dividends received by a US Holder with respect to Ordinary Shares will be treated as foreign source income, which may be relevant in calculating such US Holder's foreign tax credit limitation, if any. A US Holder who does not elect to claim a foreign tax credit may instead claim a deduction in respect of foreign income taxes paid during the taxable year provided the US Holder elects to deduct (rather than credit) all foreign income taxes for that year. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. For this purpose, dividends distributed by the Company generally will constitute **passive income**. The rules relating to computing

foreign tax credits or deducting foreign taxes are extremely complex and US Holders are encouraged to consult their own tax advisors regarding the availability of foreign tax credits under their particular circumstances.

Sale or other disposition

Subject to the discussion below under **Passive Foreign Investment Company Considerations**, a US Holder will generally recognise gain or loss on the sale or other taxable disposition of Ordinary Shares in an amount equal to the difference, if any, between: (a) the amount of cash plus the fair market value of any property received, determined on: (i) the date of receipt of payment in the case of a cash basis US Holder; and (ii) the date of such sale or other disposition in the case of an accrual basis US Holder; and (b) such US Holder's adjusted tax basis in the Ordinary Shares sold or otherwise disposed of. Any such gain or loss generally will be treated as a capital gain or loss, which will be a long-term capital gain or loss if the Ordinary Shares are held by such US Holder for more than one year. The deductibility of capital losses is subject to limitations. Gain or loss recognised by a US Holder on the sale or other taxable disposition of Ordinary Shares generally will be treated as **United States source** for purposes of applying the United States foreign tax credit rules. A cash basis US Holder or an electing accrual basis US Holder that receives payment in a currency other than the US Dollar upon the sale or other disposition of the Ordinary Shares will realise an amount equal to the US Dollar value of such currency on the settlement date if Ordinary Shares are treated as being **traded on an established securities market**. Any other US Holder generally will determine the amount realised by reference to the US Dollar value of such currency on the date of sale and will have additional ordinary foreign exchange gain or loss attributable to the movement in exchange rates between the date of sale and the settlement date. Any gain or loss realised by a US Holder on a subsequent conversion of the currency for a different amount generally will be ordinary foreign currency gain or loss. The initial tax basis of Ordinary Shares to a US Holder will be the US Dollar value purchase price determined on the date of purchase. If the Ordinary Shares are treated as traded on an **established securities market**, a cash basis US Holder or an electing accrual basis US Holder will determine the US Dollar value of the cost of such Ordinary Shares by translating the amount paid at the spot rate of exchange on the settlement date of purchase. The conversion of US Dollars to a non-United States currency and the immediate use of such currency to purchase Ordinary Shares generally will not result in taxable gain or loss for a US Holder.

Passive Foreign Investment Company Considerations

A non-US corporation will be a PFIC for US federal income tax purposes for any taxable year if either:

(a) 75 per cent. or more of its gross income for such year is **passive income** which for this purpose generally includes dividends, interest, royalties, rents and gains from commodities and securities transactions and gains from assets that produce passive income (the **Income Test**); or

(b) 50 per cent. or more of the value of its assets (based on an average of the quarterly values of the assets) during such year is attributable to assets that produce passive income or are held for the production of passive income (the **Asset Test**).

For this purpose, a corporation will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which the corporation owns, directly or indirectly, at least 25 per cent. (by value) of the stock.

Based on its intended manner of operations, the Company currently does not expect that it will be treated as a PFIC. However, because the Company is a start-up and will have no current active business until such time as it is able to deploy capital, the Company believes that it is possible that it may not satisfy the Asset Test or Income Test for PFIC status for its initial taxable year. However, the PFIC rules contain an exception to PFIC status for companies in their "start-up year." Under this exception, a corporation will not be a PFIC for the first taxable year the corporation has gross income, if: (1) no predecessor of the corporation was a PFIC; (2) the corporation satisfies the IRS that it will not be a PFIC for either of the first two taxable years following the start-up year; and (3) the

corporation is not in fact a PFIC for either of these years. The determination of whether the Company will be a PFIC in one of the first two taxable years after its start-up year is primarily factual and is based upon its future operations, and there is little administrative or judicial authority which interprets the start-up year exception. Accordingly, the Company can give no assurance that it will be able to rely on the start-up year exception if it should not be able to deploy capital quickly enough. In addition, it is possible that the IRS or courts will not agree with the Company's analysis of whether or not it is or was a PFIC during any particular year, including its initial year. Furthermore, the determination of PFIC status is a factual determination that must be made annually at the close of each taxable year and therefore, there can be no certainty as to its status in this regard until the close of the current or any future taxable year. Finally, the Company's status could change depending upon, among other things, the trading price of its Ordinary Shares, changes in the composition and relative values of its assets, and the sources of its income.

If the Company were a PFIC in any year during a US Holder's holding period for the Ordinary Shares, the Company generally would continue to be treated as a PFIC for each subsequent year during which the US Holder owned the Ordinary Shares. If the Company ceases to be a PFIC, a Non-Electing US Holder (defined below) may terminate the deemed PFIC status with respect to Ordinary Shares by electing to recognise gain (which will be subject to the special tax rules discussed below with respect to excess distributions), but not loss, as if such Ordinary Shares were sold on the last day of the last tax year for which the Company was a PFIC.

If the Company were a PFIC for a taxable year during a US Holder's holding period for the Ordinary Shares, such US Holder generally would be subject to additional taxes on any "excess distributions" received from the Company and on any gain realised from a sale, exchange or other disposition of the Ordinary Shares. A US Holder would have an excess distribution to the extent that distributions on the Ordinary Shares during a taxable year exceed 125 per cent. of the average of the annual distributions received during the three preceding taxable years or, if shorter, the US Holder's holding period. Under these special tax rules, excess distributions will be allocated rateably over the US Holder's holding period for the Ordinary Shares; the amount allocated to the current taxable year and any year before the Company became a PFIC would be taxed as ordinary income in the current year and excess distributions allocated to other taxable years would be taxed at the highest applicable marginal rate in effect for each such year (i.e., at ordinary income tax rates) and an interest charge would be imposed. Gain on the disposition of the Ordinary Shares will be subject to taxation in the same manner as an excess distribution, described immediately above.

Furthermore, if the Company were a PFIC with respect to a US Holder for any taxable year, to the extent any of the Company's subsidiaries were also PFICs, the US Holder may be deemed to own shares in such lower-tier PFICs that are directly or indirectly owned by the Company in the proportion to which the value of the Ordinary Shares such US Holder owns bears to the value of all of the Company's shares, and the US Holder may be subject to the tax consequences described above with respect to the Ordinary Shares of such lower-tier PFIC that such US Holder would be deemed to own. As a result, if the Company were a PFIC and received a distribution from any lower-tier PFIC or any shares in a lower-tier PFIC were disposed of (or deemed disposed of), a US Holder may be subject to tax under the PFIC rules described above in the same manner as if the US Holder had held its proportionate share of the lower-tier PFIC stock directly even though such US Holder has not received the proceeds of the distribution or disposition directly. US Holders should consult their tax advisors regarding the application of the PFIC rules to any of the Company's subsidiaries.

If the Company were a PFIC and the Ordinary Shares were "regularly traded" on a "qualified exchange", a US Holder could make a mark-to-market election that would result in tax treatment different from the treatment described above. A US Holder that does not make a mark-to-market election will be referred to in this summary as a **Non-Electing US Holder**. The IRS has not identified specific foreign exchanges that are "qualified exchanges" for this purposes. The Company expects the London Stock Exchange, on which the Ordinary Shares will be listed, would be considered a qualified exchange; however, no assurance can be given as to whether the Ordinary Shares will be traded in sufficient frequency to be considered regularly traded for these purposes. Additionally, because a mark-to-market election cannot be made for equity interests in any lower tier PFICs that

the Company may own, a US Holder that makes a mark-to-market election with respect to the Company may continue to be subject to the PFIC rules with respect to any indirect investments held by the Company that are treated as an equity interest in a PFIC for US federal income tax purposes.

A US Holder would not be able to avoid the tax consequences described above by electing to treat the Company as a qualified electing fund (**QEF**), because the Company does not intend to provide US Holders with the information that would be necessary to make a QEF election with respect to the Ordinary Shares.

If the Company were regarded as a PFIC, a US Holder would be required to file an annual information return on IRS Form 8621 relating to the US Holder's ownership of the Ordinary Shares.

The PFIC rules are particularly complex. Prospective purchasers should consult their tax advisors regarding the potential application of the PFIC regime.

Medicare Tax

An additional 3.8 per cent. tax will generally be imposed on the "net investment income" of individuals, estates and trusts whose income exceeds certain thresholds. "Net investment income" generally includes the following: (i) gross income from interest and dividends other than from the conduct of a non-passive trade or business; (ii) other gross income from a passive trade or business; and (iii) net gain attributable to the disposition of property other than property held in a non-passive trade or business. Therefore, dividends on, and capital gains from the sale or other taxable disposition of, the Ordinary Shares may be subject to the additional tax.

Backup withholding and information reporting

United States information reporting requirements and backup withholding tax generally apply to certain payments to certain non-corporate holders of Ordinary Shares. Information reporting generally will apply to payments of dividends on, and to proceeds from the sale or redemption of, Ordinary Shares by a paying agent within the United States, and by certain paying agents outside the United States, to a holder of Ordinary Shares (other than an **exempt recipient**, which includes corporations, payees that are not US Holders that provide an appropriate certification and certain other persons). A paying agent or other intermediary within the United States, and by certain paying agents and intermediaries outside the United States, generally will be required to withhold, at a rate currently of 28 per cent. on any payment of dividends with respect to, and on the proceeds from the sale or redemption of, Ordinary Shares within the United States to a US Holder (other than a corporation or other "**exempt recipient**") if such person fails to furnish its correct taxpayer identification number or otherwise fails to comply with such backup withholding requirements. **Non-US Holders may be required to meet appropriate US tax identification and certification requirements (generally by providing a Form W-8BEN) in order to receive payments free of US backup withholding tax.**

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a US Holder generally may be refunded (or credited against such US Holder's United States federal income tax liability, if any) provided the required information is furnished to the IRS. US Holders should consult their tax advisors as to the application of United States information reporting and backup withholding and their qualification for exemption from backup withholding and the procedure for obtaining such an exemption. If information reporting requirements apply to a US Holder, the amount of dividends paid with respect to, and the gross proceeds from the sale or redemption of, such Ordinary Shares will be reported annually to the IRS and such US Holder.

US Holders that are individuals (and certain entities formed by or for US Holders) are required to report information with respect to their investment in the Ordinary Shares to the IRS unless the Ordinary Shares are held in an account at a financial institution. Investors who fail to report required information could become subject to substantial penalties. Investors are encouraged to consult with their own tax advisors regarding the potential information reporting obligations in respect of their investment in the Ordinary Shares.

US Holders who acquire any Ordinary Shares for cash may be required to file a form 926 (return by a US Transferor of Property to a Foreign Corporation) with the IRS and to supply certain additional information to the IRS if: (i) immediately after the transfer, the US Holder owns directly or indirectly at least 10 per cent. of the Company's total voting power or value; or (ii) the amount of cash transferred to the Company in exchange for the Ordinary Shares, when aggregated with all related transfers under applicable regulations, exceeds US$100,000. Substantial penalties may be imposed on a US Holder that fails to comply with this reporting requirement. Each US Holder is urged to consult with its own tax advisor regarding this reporting obligation.

PART VIII

ADDITIONAL INFORMATION

1. INCORPORATION AND ADMINISTRATION

1.1 The Company was incorporated with liability limited by shares in Guernsey under the Companies Law on 11 June 2015 with registered number 60446 as a closed-ended investment company registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and the Rules. Registered schemes are supervised 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.

1.2 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.

1.3 The Directors confirm that the Company has not traded or commenced operations and that, as at the date of this document, no accounts of the Company have been made up since its incorporation on 11 June 2015. The Company's accounting period will end on 30 September of each year, with the first year end on 30 September 2016.

1.4 PricewaterhouseCoopers CI LLP has been the only auditor of the Company since its incorporation. PricewaterhouseCoopers CI LLP is a member of the Institute of Chartered Accountants of England & Wales.

1.5 The annual report and accounts will be prepared according to IFRS.

1.6 Save for its entry into the material contracts summarised in paragraph 5 of this Part VIII and certain non-material contracts, since its incorporation the Company has not carried on business, incurred borrowings, issued any debt securities, incurred any contingent liabilities or made any guarantees, nor granted any charges or mortgages.

1.7 As at the date of this document, there have been no changes to the issued share capital of the Company since incorporation.

2. SHARE CAPITAL

2.1 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 number of 400 million Ordinary Shares will be issued pursuant to the Issue. The Directors may also issue C Shares.

2.2 C Shares are shares which convert into Ordinary Shares at a time determined in the absolute discretion of the Directors 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 date of conversion cannot fall later than a longstop date falling six months after admission of the relevant class of C Shares (prior to which the assets of the Company attributable to the C Shares are segregated from the assets of the Company attributable to the other classes of shares). The issue of C Shares would therefore permit the Board to raise further capital for the Company whilst limiting any dilution of investment returns for existing Shareholders which might otherwise result.

2.3 As at the date of incorporation and as at the date of this document, the Company's issued share capital comprises one Ordinary Share issued at a price of €1.00.

2.4 As at the date of this document, the entire issued share capital of the Company, comprising one Ordinary Share, is held by the subscriber to the memorandum of incorporation of the Company, CO1 Limited (a nominee company owned by Carey Olsen, the Company's Guernsey legal adviser).

2.5 The Directors have absolute authority to allot the Ordinary Shares under the Articles and are expected to resolve to do so shortly prior to Admission in respect of the Ordinary Shares to be issued pursuant to the Issue.

2.6 The Ordinary Shares will be issued and created in accordance with the Articles and the Companies Law. The Ordinary Shares are denominated in euro.

2.7 By written ordinary and extraordinary resolutions of the Company's sole Shareholder passed on 10 July 2015:

(a) the Directors have authority to issue up to 400 million Ordinary Shares in connection with the Issue;

(b) 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 Issue, 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

(c) 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.

2.8 Pursuant to a written ordinary resolution of the Company's sole Shareholder passed on 10 July 2015, the Directors are authorised to make market purchases of up to 14.99 per cent. of the Ordinary Shares in issue immediately following Admission. The maximum price which may be paid for an Ordinary Share must not be more than the higher of: (i) 5 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.

2.9 The Ordinary Shares are in registered form and, from Admission, will be capable of being held in uncertificated form and title to such Ordinary Shares may be transferred by means of a relevant system (as defined in the CREST Regulations). Where the Ordinary 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 Ordinary Shares. Where Ordinary 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 45 of this document, will maintain a register of Shareholders holding their Ordinary Shares in CREST.

2.10 None of the actions specified in paragraph 2.9 above shall be deemed an action requiring the approval of Shareholders pursuant to the rights attached to those Ordinary Shares.

2.11 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

3.1 As at the date of this document, none of the Directors or any person connected with any of the Directors has a shareholding or any other interest in the share capital of the Company. As described in Part V of this document, the Directors may elect to receive some or all of their

fees through the issue of Ordinary Shares. The Directors currently intend to subscribe for under the Issue and/or elect to receive in lieu of their respective fees 866,604 Ordinary Shares in aggregate.

3.2 As at the date hereof, insofar as is known to the Company, other than as described in this paragraph, no person is or will, immediately following the Issue, be directly or indirectly interested in 5 per cent. or more of the Company's issued share capital. Certain funds and accounts under management by direct or indirect investment management subsidiaries of BlackRock, Inc. have committed to subscribe for such number of Ordinary Shares as shall represent, in aggregate, 10 per cent. of the Company's issued share capital on Admission pursuant to the BlackRock Subscription Agreement. The BlackRock Subscription Agreement is summarised in paragraph 5 of Part VIII of this document. Newton Investment Management Limited has committed to subscribe for at least 20 million Ordinary Shares pursuant to the Newton Subscription Deed. The Newton Subscription Deed is summarised in paragraph 5 of Part VIII of this document.

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

3.4 The Company knows of no arrangements, the operation of which may result in a change of control of the Company.

3.5 All Shareholders of the same class have the same voting rights in respect of the share capital of the Company.

3.6 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.

3.7 The aggregate remuneration and benefits in kind of the Directors in respect of the Company's accounting period ending on 30 June 2016 which will be payable out of the assets of the Company are not expected to exceed £175,000. Each of the Directors will be entitled to receive £35,000 per annum, other than the Chairman, who will be entitled to receive £60,000 per annum and Anthony Brooke, who will be entitled to receive £40,000 per annum. The chairman of the Audit Committee is entitled to receive an additional fee of £5,000 per annum. No amount has been set aside or accrued by the Company to provide pension, retirement or other similar benefits.

3.8 Each of the Directors has been appointed pursuant to a letter of appointment dated 10 July 2015. 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.

3.9 No loan has been granted to, nor any guarantee provided for the benefit of, any Director by the Company.

3.10 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.

3.11 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.

3.12 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
Sir Neville Simms	Flaghead Management Limited Thames Tideway Tunnel	Bombardier Transportation UK Ltd BRE Trust Equiniti Enterprises Limited Equiniti Financial Services Limited Equiniti X2 Enterprises Limited GDF Suez Energy International International Power plc Oasis LLC
Anthony L. Brooke	Alliance Trust plc Bluefield Harrier Ltd Bourne Park Capital Limited Consant Investments Limited Mill Hill School Enterprises Mill Hill School Foundation Quantum Group Wealth Ltd Quantum Swansea LLP Quintessentially (UK) Ltd The Portrait Trust Vestra Wealth LLP	C Brooke Investment Partners Ltd Fauchier Partners Limited Folsam Ltd
Ian Burns	Apiro Capital GP (Guernsey) Limited Azincourt Uranium Inc Circum Minerals Holdings Limited Circum Minerals Potash limited Curlew Capital Guernsey Limited Curlew Fifth Property GP1 Ltd Curlew Fifth Property GP2 Ltd Curlew Fourth Property GP1 Ltd Curlew Fourth Property GP2 Ltd Curlew Property Finance Company Limited Curlew Property GP1 Ltd Curlew Property GP2 Ltd Curlew Sixth Property GP1 Ltd Curlew Sixth Property GP2 Ltd Curlew Second Property GP1 Ltd Curlew Second Property GP2 Ltd Curlew Seventh Property GP1 Ltd Curlew Seventh Property GP2 Ltd Curlew Third Property GP1 Ltd Curlew Third Property GP2 Ltd Darwin Finance Limited Darwin Property Investment Management (Guerney) Limited Darwin (West Country) Limited E-Can Petroleum Limited Eccentrix International Ltd HevMet Resources Limited Kuala Limited Milroy Capital Limited Minex Consultants Limited Montreux Capital Corp. N2 Petroleum NewGen Trading Fund 2 SPC NewGen Trading Master Fund Ltd One Hyde Park Limited Phaunos Boston Inc Phaunos Timber Fund Limited	Actium Oil Corporation Centurion Drilling Copper Ex Corporation Danakil Holdings Limited (voluntary liquidation) Ferrous Africa Limited Ferrous Benin Limited Ferrum Mauritania Limited Ferrum Resources Limited Global Nickel Corporation Global Tin Corporation GTin Brazil Holdings Limited GTin Edem Holdings Limited GTin San Lourenco Holdings Limited Guernsey Citizens Advice Bureau LBG H-Gold Corporation Hex Resources Limited Indo Phoenix Coal Limited Ingwe Investments Limited Kilo Gold Corporation Laurite Limited (voluntary liquidation) Loshed Resources Limited Mandalore Development Limited (voluntary liquidation) Minfer Holdings Limited Nimini Holdings Limited Nimini Mining (UK) Ltd Polo Arrieros Limited Polo Australasia Limited Polo Bagledesh Limited Polo Coal Limited Polo Copper Corporation Polo Cuprita Limited Polo Direction Limited Polo Gold Limited Polo Investments Limited Polo Iron Limited Polo Resources Limited

Name	Current directorships/partnerships	Past directorships/partnerships
	Premier Asset Management (Guernsey)Limited Regalis Petroleum (Tchad) ltd Regalis Petroleum Limited Regency Consulting Limited Regent Aviation Inc Regent Mercantile Bancorp Inc Regent Mercantile Holdings Limited Regent Mercantile Trustcorp (Pvt) Limited Regent Resources Capital Corporation River and Mercantile UK Micro Cap Investment Company Limited Seven Dial European Property Limited Smoke Rise Holdings Limited TwentyFour Income Fund Limited Via Executive Limited	REE International Inc Signet (Albertine) Petroleum Limited Seven Dials Guernsey Limited (voluntary liquidation) Signet (Rift) Petroleum Signet Petroleum Ltd Signet Petroleum Nigeria Ltd T-Gold Resources Limited Tanziron Resources limited Via Administration Limited
Paul Meader	Allez Property Limited Apax Guernsey Managers Limited Arle Expro (Guernsey) Limited BlueCrest AllBlue Fund Limited Canopius Group Limited Dampfeet Investments Limited Frontier Capital (Bermuda) Limited Frontier Commercial Property Fund plc Fronter Global Real Estate Fund plc Guaranteed Investment Products 1 PCC Limited Guernsey Employment Trust LBG IGG-Longbow Senior Secured UK Property Debt Investments Limited Island Forestry and Countryside Limited JPMorgan Global Convertibles Income Fund Limited Rutherford Indemnity Limited Smithfield Capital (Guernsey) Limited Spitfire Asset Managers (Bermuda) Limited Spitfire British Property Recovery Fund Spitfire Funds (Bermuda) Limited Spitfire International Property Recovery Fund United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Limited Volta Finance Limited	ABD General Partner Limited Albion Investments Holdings Limited Arle Heritage (Guernsey) Limited British Real Estate Accumulation Fund Limited (voluntary liquidation) British Real Estate Fund Limited British Real Estate Investments Limited Corazon Absolute Return Fund Limited Corazon Capital Limited (voluntary liquidation) Corazon Capital Group Limited (voluntary liquidation) Glanmore Investments Limited Glanmore Property Accumulation Fund Limited Glanmore Property Company Limited Glanmore Property Dollar Fund Limited Glanmore Property Euro Fund Limited Glanmore Property Fund Limited Guernsey Finance LBG International P&I Reinsurance Company Limited Lucas House limited International Capital Accumulation Fund IC Limited International Investments ICC Limited Talisman Guernsey Management Limited The TDM Fund The TDM Fund L.P. The TDM Master Fund

3.13 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.

3.14 At the date of this document:

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

(b) save as disclosed in paragraph 3.12 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;

(c) 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

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

3.15 The Company intends to maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

4. MEMORANDUM AND ARTICLES

4.1 Objects

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

4.2 Dividends and other distributions

(a) 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.

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

(c) 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 requirements set out in the Companies Law and subject to any rights attaching to such C Shares.

(d) 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.

4.3 Voting

(a) 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.

(b) 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.

(c) 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.

4.4 **Capital**

(a) 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.

(b) 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.

(c) Without restricting the discretion of the Directors described in paragraph 4.4(b), the Directors may effect distributions of Capital Proceeds by:

(i) 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

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

4.5 **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 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 extraordinary resolution of the Shareholders.

4.6 **Variation of rights**

(a) 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:

(i) with the consent in writing of the holders of more than 75 per cent. in number of the issued shares of that class; or

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

(b) 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.

(c) 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).

4.7 **Disclosure of interests in Ordinary Shares**

(a) 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).

(b) 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.

(c) 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.

(d) 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:

(i) satisfy any account or payee identification, documentation or other diligence requirements and any reporting requirements imposed under: (A) FATCA and any agreement relating thereto (including, any amendments, modification, consolidation, re-enactment or replacement thereof made from time to time); (B) the UK-Guernsey IGA; (C) the multilateral competent authority agreement signed on 29 October 2014 by fifty-one jurisdictions (including Guernsey) which provides for the automatic exchange of FATCA-like information in line the Common Reporting Standard issued by the Organization for Economic Co-operation and Development; and/or (D) 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

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

(iii) prevent a non-exempt prohibited transaction under ERISA or Section 4975 of the Internal Revenue Code or prevent the Company from becoming subject to laws or regulations that are substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Internal Revenue Code; or

(iv) 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.

4.8 **Prohibition on the Acquisition of Shares**

Under the Articles, a person may not acquire shares in the Company, either as part of an initial allotment of shares in the Company or subsequently, if such person is a Non-Qualified Holder (as defined in the Articles). Each purchaser and transferee of shares in the Company will be required to represent, warrant and covenant, or will be deemed to have represented, warranted and covenanted, for the benefit of the Company, its affiliates and advisers that:

(a) it is not a Non-Qualified Holder;

(b) no portion of the assets it uses to purchase, and no portion of the assets it uses to hold, the shares in the Company or any beneficial interest therein constitutes or will constitute the assets of a Benefit Plan Investor other than shareholders that acquire the shares in the Company on or prior to Admission with the written consent of the Company;

(c) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such share in the Company does not and will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Internal Revenue Code; and

(d) if a holder is a governmental, church, non-US or other plan: (i) it is not, and for so long as it holds such shares in the Company or interest therein will not be, subject to any federal, state, local, non-US or other laws or regulations that could cause the underlying assets of the Company to be treated as assets of the holder by virtue of its interest in the shares in the Company and thereby subject the Company (or any persons responsible for the investment and operation of the Company's assets) to laws or regulations that are substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Internal Revenue Code; and (ii) its acquisition, holding and disposition of such shares in the Company will not constitute or result in a non-exempt violation of any federal, state, local or non-US law that is similar to the prohibited transaction provisions of section 406 of ERISA and/or section 4975 of the Internal Revenue Code.

4.9 **Transfer of Ordinary Shares**

(a) Subject to the Articles (and the restrictions on transfer contained therein), a Shareholder may transfer all or any of his Ordinary 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.

(b) 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.

(c) The Articles 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 the CREST UK system. If the Board implements any such arrangements, any provision of the Articles will not apply or have effect to the extent that it is in any respect inconsistent with:

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

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

(iii) the Regulations or the CREST Rules.

(d) 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 Regulations. 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 Regulations. 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.

(e) 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.

(f) 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 Regulations or 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.

(g) 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.

(h) 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.

4.10 **General meetings**

(a) 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.

(b) 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.

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

4.11 **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 4.7(a) 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.

4.12 **Appointment, retirement and disqualification of Directors**

(a) 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.

(b) 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.

(c) 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 and containing a declaration that he is not ineligible to be a Director in accordance with the Companies Law.

(d) 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.

(e) Subject to the Articles, at each annual general meeting of the Company all Directors will retire from office and each Director may offer himself for election or re-election by the Shareholders.

(f) 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.

(g) 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.

(h) 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; or (viii) if he becomes ineligible to be a Director in accordance with the Companies Law.

(i) Any Director may, by notice in writing, appoint any other person (subject to the provisions in paragraph 4.12(j) below), who is willing to act as his alternate and may remove his alternate from that office.

(j) Each alternate Director shall be eligible to be a Director under the Companies Law and shall sign 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.

4.13 **Proceedings of the Board**

(a) 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.

(b) 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.

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

(d) The Board may delegate any of its powers to committees consisting of one or more Directors as they think fit. 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.

4.14 **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.

4.15 **Interests of Directors**

(a) 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 the nature and extent of that interest).

(b) 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:

(i) 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;

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

(iii) 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;

(iv) 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;

(v) 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

(vi) 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).

4.16 **Winding-up**

(a) 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.

(b) 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.

4.17 **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.

4.18 **Suspension of determination of the Net Asset Value per Ordinary Share**

The Board has the power to determine that the Company shall suspend the determination of the Net Asset Value per Ordinary Share when the price of any investments owned by the Group cannot be promptly or accurately ascertained or in any other circumstances in which the Board in its absolute discretion deems necessary or desirable.

4.19 **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:

5.1 **Placing Agreement**

Pursuant to the Placing Agreement dated 14 July 2015 between the Company, the Investment Adviser, the Directors and the Joint Bookrunners, and subject to certain conditions, the Joint Bookrunners have agreed to use their respective reasonable endeavours to procure subscribers for Ordinary Shares at the Issue Price pursuant to the Placing. In addition, under the Placing Agreement, Goldman Sachs has been appointed as sponsor and financial adviser in connection with the proposed applications for Admission and the Issue. The Issue is not being underwritten.

For their services in connection with the Issue and provided the Placing Agreement becomes wholly unconditional and is not terminated, the Joint Bookrunners shall be entitled to a placing commission equal to 2 per cent. of the Gross Issue Proceeds, less certain costs and expenses incurred by or on behalf of the Company in connection with, or incidental to, the Issue and agreed between the Joint Bookrunners and the Company.

The Company has undertaken that it will not, during the period beginning at the date of the Placing Agreement and ending on the date that is 180 days after the closing date of the Issue (as defined in the Placing Agreement), without the prior consent of the Joint Bookrunners, offer, issue, lend, sell or contract to sell, grant options in respect of or otherwise dispose of, directly or indirectly, any Ordinary Shares or any securities convertible into, or exchangeable for, or enter into any swap or other agreement or any other transaction with the same economic effect as, or agree to do any of the foregoing (other than the Ordinary Shares to be issued pursuant to the Issue).

The obligations of the Company to issue the Ordinary Shares and the obligations of the Joint Bookrunners to use their respective reasonable endeavours to procure subscribers for the Ordinary Shares is conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, among others: (i) Admission occurring no later than 8.00 a.m. on 5 August 2015 (or such later time and/or date, not being later than 28 August 2015 as the Company, the Joint Bookrunners and the Investment Adviser may agree); and (ii) the Placing Agreement not having been terminated in accordance with its terms.

The Company and the Investment Adviser have given warranties to the Joint Bookrunners concerning, *inter alia*, the accuracy of the information contained in this document. The Directors have given certain warranties to the Joint Bookrunners as to the accuracy of certain information in this document and as to themselves. The Company and the Investment Adviser have also given indemnities to the Joint Bookrunners. The warranties and indemnities given by the Company and the Investment Adviser, and the warranties given by the Directors, are usual for an agreement of this nature.

The Placing Agreement can be terminated at any time on or before Admission by any of the Joint Bookrunners giving notice to the Company and the Investment Adviser if:

(a) any of the conditions in the Placing Agreement are not satisfied or waived at the required times and continue not to be satisfied or waived at Admission;

(b) any statement contained in any document published or issued in connection with the Placing is or has become untrue or incorrect in any material respect or misleading;

(c) any matter has arisen which would, in the opinion of any of the Joint Bookrunners, require the publication of a supplementary prospectus;

(d) the Company or any Director or the Investment Adviser fails to comply with any of its or his obligations under the Placing Agreement or under the terms of the Placing which the Joint Bookrunners, acting in good faith, consider to be material;

(e) there has been a breach, by the Company, any of the Directors or the Investment Adviser of any of the representations, warranties or undertakings, contained in the Placing Agreement which the Joint Bookrunners, acting in good faith, consider material in the context of the Issue or Admission;

(f) in the opinion of any of the Joint Bookrunners, acting in good faith, there has been, since the date of the Placing Agreement, a Material Adverse Change; or

(g) there has occurred, or in the opinion of the Joint Bookrunners,a it is reasonably likely that any of the following will occur:

  (i) any material adverse change in certain international financial markets which may adversely affect the Placing;

  (ii) trading on the LSE, the GFSC has been restricted or materially disrupted in a way which may adversely affect the Placing;

  (iii) any actual or prospective change or development in applicable UK, United States or Guernsey taxation or the imposition of certain exchange controls which may adversely affect the Placing;

  (iv) any of the LSE, the GFSC or FCA applications are withdrawn or refused by such entity; or

  (v) a banking moratorium has been declared by the United States, the UK, or Guernsey authorities.

If any notice to terminate is given by a Joint Bookrunner to the Company and the Investment Adviser, the Joint Bookrunners shall on behalf of the Company withdraw any application made to the LSE or the FCA.

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

5.2 **Investment Advisory Agreement**

Pursuant to an agreement dated 14 July 2015 made between the Company, BES UK and the Investment Adviser, the Investment Adviser has been appointed to provide investment advisory services to the Company, BES UK and other members of the Group, to identify and source potential investments for the Company in accordance with the Company's 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 Company's 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 24 months' written notice, such notice not to be given before the third anniversary of 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 (as defined in the agreement) occurs 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-up; (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.

5.3 **Administration Agreement**

The Company and the Administrator have entered into an administration agreement dated 14 July 2015, pursuant to which the Company has appointed the Administrator to act as its administrator and company secretary.

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 may be terminated by either party by giving three months' written notice after an initial term of 12 months. The Administration Agreement may be terminated immediately by a party: (i) if the other party shall go into liquidation (except voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the other) or if a receiver is appointed or if it shall be insolvent or stop or threaten to stop carrying on business or payment of its debts or make any arrangements with its creditors generally or have a receiver or administrator appointed over all or part of its assets or undertakings or some other event having a similar effect to the foregoing occurs; (ii) if the other party shall commit any material breach of the agreement, any applicable laws, rules or regulations, guidance or other publications of any regulatory authority having lawful jurisdiction over that party or its business activities and shall not have remedied such breach within thirty (30) Business Days of receipt by it of written notice from the first party requiring it to remedy such breach; or (iii) if the other party shall be guilty of fraud, wilful misconduct, material breach of duty or negligence in connection with this Agreement.

The Company may terminate the Administration Agreement forthwith by notice in writing if the Administrator is no longer permitted or qualified to perform its obligations and duties pursuant to any applicable law or regulation.

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

5.4 **BlackRock Subscription Agreement**

The Company, the Joint Bookrunners, the Investment Adviser and certain funds and accounts under management by direct and indirect investment management subsidiaries of BlackRock, Inc. (the **BlackRock Funds**) have entered into a subscription agreement dated 14 July 2015 under which the BlackRock Funds have agreed to subscribe, at the Issue Price, for such number of Ordinary Shares as shall, in aggregate, represent 10 per cent. of the Company's issued share capital on Admission (the **BlackRock Subscription Shares**).

Pursuant to the terms of the BlackRock Subscription Agreement, as soon as reasonably practicable following allotment of the BlackRock Subscription Shares, the Joint Bookrunners will pay to the BlackRock Funds an amount equal to one per cent. of the consideration paid by the BlackRock Funds for the BlackRock Subscription Shares, such amount to be paid out of the commission to which the Joint Bookrunners are paid on the BlackRock Subscription Shares pursuant to the terms of the Placing Agreement.

The BlackRock Subscription Agreement contains standard representations and warranties from the Company to the BlackRock Funds and standard representations and warranties from the BlackRock Funds to the Company and to the Joint Bookrunners.

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

5.5 **Newton Subscription Deed**

The Company, the Joint Bookrunners, the Investment Adviser and Newton Investment Management Limited (**Newton**) have entered into a deed of subscription dated 14 July 2015 under which Newton has agreed to subscribe, at the Issue Price, for at least 20 million Ordinary Shares.

Pursuant to the terms of the Newton Subscription Deed, as soon as reasonably practicable following allotment of the Ordinary Shares subscribed for by Newton (the **Newton Subscription Shares**), the Joint Bookrunners will pay to Newton an amount equal to one per cent. of the consideration paid by Newton for the Newton Subscription Shares, such amount to be paid out of the commission to which the Joint Bookrunners are paid on the Newton Subscription Shares pursuant to the terms of the Placing Agreement.

The Newton Subscription Deed contains standard representations and warranties from Newton to the Company and to the Joint Bookrunners.

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

5.6 **Registrar Agreement**

The Company and the Registrar entered into a registrar agreement dated 14 July 2015, pursuant to which the Company appointed the Registrar to act as registrar of the Company for a minimum annual fee payable by the Company of £6,500 in respect of basic registration.

The Registrar Agreement may be terminated by either the Company or the Administrator giving to the other not less than six months' written notice.

5.7 **Receiving Agent's Agreement**

The Company and the Registrar entered into a receiving agent agreement dated 14 July 2015, pursuant to which the Company appointed Capita Registrars to act as receiving agent to the Offer for Subscription. The Receiving Agent is entitled to receive various fees for services provided, including a minimum aggregate advisory fee and a minimum aggregate processing fee in relation to the Offer for Subscription, as well as reasonable out-of-pocket expenses. The agreement contains 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 is subject to a financial limit.

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 Company's and/or the Group's financial position or profitability.

7. NO SIGNIFICANT CHANGE

There has been no significant change in the financial or trading position of the Company since its incorporation.

8. RELATED PARTY TRANSACTIONS

Except with respect to the appointment letters entered into between the Company and each director and as set out in paragraphs 3.11 and 5.2 of this Part VIII of this document, the Company has not entered into any related party transaction since incorporation.

9. GENERAL

9.1 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.

9.2 The address of the Investment Adviser's principal place of business is 53 Chandos Place, London EC2N 4HS and its telephone number is +44 (0)20 7078 0020.

9.3 The Issue will represent a significant gross change to the Company. At the date of this document and until Admission, the assets of the Company are €1.00. Under the Issue, on the basis that 400 million Ordinary Shares are to be issued, the net assets of the Company would increase by approximately €392 million immediately after Admission assuming that the

expenses of the Issue do not exceed 2 per cent. of the Gross Issue Proceeds. Since the Company has not commenced operations and therefore not generated any earnings; following completion of the Issue, the net proceeds of the Issue will be invested in accordance with the Company's investment policy and pending investment will be held on deposit or invested in near cash instruments and consequently it is expected that the Company will derive earnings from its gross assets in the form of dividends and interest.

9.4 None of the Ordinary Shares available under the Issue are being underwritten.

9.5 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 Ordinary Shares under the CREST system. The Directors intend to apply for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly it is intended that settlement of transactions in the Ordinary 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.

9.6 Applications will be made to each of the Financial Conduct Authority and the London Stock Exchange for such Ordinary Shares to be admitted to listing and trading on the premium segment of the Official List and the London Stock Exchange's main market for listed securities respectively. It is expected that Admission will become effective, and that unconditional dealings in the Ordinary Shares will commence at 8.00 a.m. on 5 August 2015. No application is being made for the Ordinary Shares to be dealt with in or on any stock exchanges or investment exchanges other than the London Stock Exchange.

9.7 The Directors confirm that the Company was incorporated and registered on the date referred to in paragraph 1.1 of this Part VIII and that since the incorporation and registration of the Company the Company has not traded nor prepared any financial statements or accounts.

9.8 The Company does not own any premises and does not lease any premises.

10. THIRD PARTY SOURCES

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.

11. WORKING CAPITAL

The Company is of the opinion that, provided that at least the Minimum Net Proceeds are raised, 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.

12. CAPITALISATION AND INDEBTEDNESS

The following table shows the Company's gross indebtedness as at 11 June 2015 (being the date of incorporation):

	11 June 2015 (unaudited) €'000
Total Current Debt (€)	
Guaranteed/secured	Nil
Unguaranteed/unsecured	Nil
Total Non-Current Debt (€)	
Guaranteed	Nil
Secured	Nil
Unguaranteed/unsecured	Nil

The following table shows the capitalisation of the Company as at 11 June 2015 (being the date of incorporation):

	11 June 2015 (unaudited) €
Shareholders' equity (€)	
Share capital	1
Legal reserves	–
Other reserves	–
Total	1

As at the date of this document the Company has nil net indebtedness.

13. MANDATORY BIDS, SQUEEZE OUT AND SELL OUT RIGHTS RELATING TO THE SHARES

13.1 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.

13.2 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.

13.3 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 **Takeover Offer**) relating to the acquisition of the Ordinary Shares and make the Takeover Offer to some or all of the Shareholders. If, at the end of a four month period following the making of the Takeover Offer, the Takeover Offer has been accepted by Shareholders holding 90 per cent. in value of the Ordinary Shares affected by the Takeover 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 Takeover 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 Takeover Offer to the Company, which it will hold on trust for the Dissenting Shareholders.

13.4 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.

13.5 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.

14. CERTAIN ERISA CONSIDERATIONS

14.1 ERISA and Section 4975 of the Code impose certain requirements and restrictions on: (a) employee benefit plans (as defined in Section 3(3) of ERISA) that are subject to Title I of ERISA; (b) plans (as defined in Section 4975(e)(1) of the Code) that are subject to Section 4975 of the Code, including individual retirement accounts and Keogh plans; (c) any entities whose underlying assets include plan assets by reason of an investment described in (a) or (b) in such entities (each of (a), (b) and (c), a **Benefit Plan Investor**); and (d) persons having certain relationships to such Benefit Plan Investors (such persons referred to as **parties in interest** under ERISA or **disqualified persons** under the Code (collectively, **Parties in Interest**)). Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of a Benefit Plan Investor, unless a statutory or administrative exception or exemption is applicable to the transaction. A Party in Interest who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code and the prohibited transaction may have to be rescinded at significant cost to the Company. Governmental plans, certain church plans and certain non-US plans, while not subject to the fiduciary responsibility and prohibited transaction provisions of ERISA or the provisions of section 4975 of the Code, may nevertheless be subject to substantially similar rules under Federal, state, local or non-US laws (Similar Laws), and may be subject to the prohibited transaction rules of section 503 of the Code.

14.2 Under ERISA and a regulation issued by the United States Department of Labor (29 C.F.R. section 2510.3-101, the **Plan Asset Regulations**), as modified by section 3(42) of ERISA, if a Benefit Plan Investor invests in an **equity interest** of an entity that is neither a **publicly offered security** (which requires registration with the SEC) nor a security issued by an investment company registered under the Investment Company Act of 1940, the Benefit Plan Investor's assets are generally deemed to include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established: (a) that the entity is an **operating company** as that term is defined in the Plan Asset Regulations; or (b) equity participation by Benefit Plan Investors is not **significant**.

14.3 Under the Plan Asset Regulations equity participation in an entity by Benefit Plan Investors is significant on any date if, immediately after the most recent acquisition of any equity interest in the entity, 25 per cent. or more of the total value of each class of equity interest in the entity is held by Benefit Plan Investors (the **25 per cent. Limitation**). For purposes of the 25 per cent. Limitation, the value of any equity interests held by persons (other than Benefit Plan Investors) with discretionary authority or control with respect to the assets of the entity or who provide investment advice for a fee with respect to such assets, and their respective affiliates is disregarded, which in the case of the Company will include equity interests held by the Investment Manager and its affiliates.

14.4 If the underlying assets of the Company are deemed to be plan assets under the Plan Asset Regulations, the obligations and other responsibilities of the plan sponsors, plan fiduciaries and plan administrators, and of Parties in Interest, under Parts 1 and 4 of Subtitle B of Title I of ERISA and section 4975 of the Code, as applicable, may be expanded, and there may be an increase in their liability under these and other provisions of ERISA and the Code. In addition, various providers of fiduciary or other services to the Company, and any other parties with authority or control with respect to the Company, could be deemed to be plan fiduciaries or otherwise parties in interest or disqualified persons by virtue of their provision of such services (and there could be an improper delegation of authority to such providers).

14.5 After the Issue, the Company will be unable to monitor whether Benefit Plan Investors acquire Ordinary Shares and therefore, there can be no assurance that Benefit Plan Investors will never acquire Ordinary Shares other than during the Issue or that, if they do, the ownership of all Benefit Plan Investors will be below the 25 per cent. Limitation. If the Company's assets were deemed to constitute **plan assets** within the meaning of the Plan Asset Regulations, certain transactions that the Company might enter into in the ordinary course of business and operation might constitute non-exempt prohibited transactions under ERISA or the Code,

resulting in the imposition of excise taxes and penalties. In addition, any fiduciary of a Benefit Plan Investor or a governmental, church, non-US or other plan which is subject to any Similar Laws that is responsible for such plans investment in the Ordinary Shares could be liable for any ERISA fiduciary violations or violations of the Similar Law relating to the Company.

14.6 It is anticipated that: (i) the Ordinary Shares will not constitute "publicly offered securities" for purposes of the Plan Asset Regulations; (ii) the Company will not be an investment company registered under the US Investment Company Act; and (iii) the Company will not quality as an operating company within the meaning of the Plan Asset Regulations. Therefore, in order to avoid having the Company's assets treated as plan assets under the Plan Asset Regulations, the Company intends to prohibit investments by Benefit Plan Investors in Ordinary Shares other than Shareholders that acquire the Ordinary Shares on or prior to Admission with the written consent of the Company.

14.7 Unless otherwise agreed in writing by the Company, each purchaser in the Offering, and each subsequent transferee of the Ordinary Shares, will be required to and will be deemed to represent, warrant and agree that: (i) it is not, and is not acting on behalf of, a Benefit Plan Investor unless it is with the written consent of the Company; and (ii) if it is, or is acting on behalf of, a Benefit Plan Investor with the consent of the Company, the acquisition, holding and disposition of such Share does not and will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code; (iii) if it is a governmental, church, non-US or other plan: (A) it is not, and for so long as it holds such Ordinary Shares or interest therein will not be, subject to any federal, state, local, non-US or other laws or regulations that could cause the underlying assets of the Company to be treated as assets of a shareholder by virtue of its interest in the Ordinary Shares and thereby subject the Company (or any persons responsible for the investment and operation of the Company's assets) to laws or regulations that are substantially similar to the prohibited transaction provisions of section 406 of ERISA or section 4975 of the Code; and (B) its acquisition, holding and disposition of such Ordinary Shares will not constitute or result in a non-exempt violation of any similar law; and (iv) it will not transfer its interest in such Ordinary Shares to any person that cannot make the representations, warranties and agreements set out in clauses (i), (ii) and (iii) above.

14.8 The fiduciary of any Benefit Plan Investor considering whether to acquire a Share or of an employee benefit plan not subject to ERISA or section 4975 of the Code should consult with its counsel regarding the potential consequences of such investment, the applicability and potential effects of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code and/or corresponding provisions of Similar Law, and the scope of any available exemption relating to such investment.

14.9 The sale of Ordinary Shares to a Benefit Plan Investor or an employee benefit plan not subject to ERISA or section 4975 of the Code is in no respect a representation or warranty by the Company, or any other person that this investment meets or, in the future, will meet all relevant legal requirements with respect to investments by Benefit Plan Investors or such other plans generally or with respect to any particular Benefit Plan Investor or other plan, that any prohibited transaction exemption would apply to the acquisition, holding, or disposition of this investment by such plans in general or any particular plan, or that this investment is appropriate for such plans generally or any particular plan. Although it is contemplated that the assets of the Company will not be deemed to be plan assets under the Plan Asset Regulations, no assurance can be given that the such treatment can be avoided after the Ordinary Shares become publicly traded and that the fiduciary and prohibited transaction provisions of ERISA and the Code would not become applicable to investments made and transactions entered into by the Company.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Articles and the Directors letters of appointment will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) until the date of Admission.

This document is dated 14 July 2015.

PART IX

NOTICES TO OVERSEAS INVESTORS

No application to market the Ordinary Shares has been made by the Company under the relevant private placement regime in any Member State other than in the United Kingdom, the Republic of Ireland, Luxembourg and The Netherlands (further details of which are set out below). No marketing of Ordinary Shares in any Member State other than the United Kingdom, the Republic of Ireland, Luxembourg and The Netherlands 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, the Republic of Ireland, Luxembourg, The Netherlands, Switzerland 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 wish to make an application for Ordinary Shares, 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 Ordinary 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 Ordinary Shares have been or will be registered under the laws of Australia, Canada, Japan or the Republic of South Africa, Australia, Canada, Japan or the Republic of South Africa. Accordingly, unless an exemption is applicable, the Ordinary Shares may not be offered, sold or delivered, directly or indirectly, within Australia, Canada, Japan or the Republic of South Africa (as the case may be). If you subscribe for Ordinary Shares you will, unless the Company agrees otherwise in writing, be deemed to represent and warrant to the Company that you are not a resident of Australia, Canada, Japan or the Republic of South Africa or a corporation, partnership or other entity organised under the laws of 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 Ordinary Shares for the account of any 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 Ordinary Shares in or into Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa or to any 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 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 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 AND US PERSONS

The Ordinary Shares offered by this document have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, exercised, resold, transferred or delivered, directly or

indirectly, in or into the United States or to or for the account or benefit of any US person (within the meaning of Regulation S under the US Securities Act) except pursuant to the following paragraph. In addition, the Company has not been, and will not be, registered under the US Investment Company Act, nor will the Investment Adviser be registered as an investment adviser under the US Investment Advisers Act, and investors will not be entitled to the benefits of the US Investment Company Act or the US Investment Advisers Act.

The Joint Bookrunners and any of their respective affiliates may arrange for the offer and sale of Ordinary Shares: (i) in the United States only to persons reasonably believed to be qualified institutional buyers, as defined in Rule 144A, that are also qualified purchasers as defined in section 2(a)(51) of the US Investment Company Act and the related rules thereunder in reliance on Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act; and (ii) outside of the United States to persons who are not US persons (as defined in Regulation S) in offshore transactions in reliance on Regulation S. Prospective purchasers are hereby notified that sellers of the Ordinary Shares may be relying on the exemption from the provisions of section 5 of the US Securities Act provided by Rule 144A.

Other than as set forth above, the Ordinary Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, in or into the United States or to or for the account or benefit of any US person (within the meaning of Regulation S under the US Securities Act). Until the expiry of 40 days after the commencement of the Placing, an offer or sale of Ordinary Shares within the United States by a dealer (whether or not it is participating in the Placing) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than in accordance with an applicable exemption from registration under the US Securities Act. Prospective purchasers should read the restrictions described in Part VI of this document. Each purchaser of the Ordinary Shares will be deemed to have made the relevant representations described therein and in Appendix 1 (*Terms and Conditions of the Placing*).

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 or to US Persons, save for the distribution to persons reasonably believed to be QIBs who are also QPs.

FOR THE ATTENTION OF GUERNSEY RESIDENTS

This Prospectus may only be distributed or circulated directly or indirectly in or from within the Bailiwick of Guernsey: (i) by persons licensed to do so by the Commission under the POI Law; or (ii) to persons licensed under the POI Law, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Business (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Business and Company Directors etc. (Bailiwick of Guernsey) Law, 2000.

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 Ordinary Shares may not be made in that Relevant Member State other than pursuant to the Placing 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 Ordinary 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 Joint Bookrunners 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 Joint Bookrunners 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 Ordinary Shares shall result in a requirement for, the publication by the Company or the Joint Bookrunners 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 Ordinary Shares or to whom any offer is made will be deemed to have represented, warranted to and agreed with the Joint Bookrunners 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.

In those Relevant Member States which have implemented the AIFM Directive, the Ordinary Shares may only be offered in that Relevant Member State to the extent that shares in the Company may be marketed in the Relevant Member State pursuant to Article 42 or Article 61 of the AIFM Directive or can otherwise be lawfully marketed in that Relevant Member State in accordance with the AIFM Directive or under applicable implementing legislation (if any) of that Relevant Member State. Each person who initially acquires Ordinary Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the Joint Bookrunners and the Company that if that Relevant Member State has implemented the AIFM Directive, that it is a person to whom the Ordinary Shares may lawfully be marketed under the AIFM Directive or under the applicable implementing legislation (if any) of that Relevant Member State.

For the purposes of this provision, the expression an "offer to the public" in relation to any Ordinary 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 Ordinary Shares to be offered so as to enable an investor to decide to purchase any Ordinary Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant 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 Ordinary 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 Ordinary Shares subscribed by it pursuant to the Placing 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 Ordinary 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 the Joint Bookrunners has been obtained to each such proposed offer or resale.

The Company, the Joint Bookrunners 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 the Joint Bookrunners of such fact in writing may, with the consent of the Joint Bookrunners, be permitted to subscribe for Ordinary Shares pursuant to the Placing.

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 document 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 Ordinary 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 notification to the Central Bank of Ireland and has received confirmation of its eligibility to market the Ordinary Shares under Article 42 of the AIFM Directive (as implemented into Irish Law) shortly after publication of this document.

The offer of Ordinary Shares 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 its intention to market Ordinary Shares in 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 has received confirmation of its eligibility to market the Ordinary Shares under Article 42 of the AIFM Directive (as implemented into Luxembourg Law) shortly after publication of this document. 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).

FOR THE ATTENTION OF THE NETHERLANDS RESIDENTS

The Company is an internally managed AIF, as such term is defined for the purposes of the AIFM Directive, as implemented by the Dutch Financial Supervision Act (*Wet op het financieel toezicht,* the **DFSA**) and is located outside the European Economic Area. Accordingly, the Company will be marketed (as that term is used in the AIFM Directive) in the Netherlands in reliance on Article 42 of the AIFM Directive, as implemented under the DFSA and subject to the restrictions of the conditions required under such implementing provisions. To this end, the Company has submitted (or will submit) all required notifications to the Dutch Authority for the Financial Markets (*Autoriteit Financiële Markten*) to enable it to market the Ordinary Shares in the Netherlands no later than on the date on which such notification must be submitted.

The securities in the Company may not be offered, sold, transferred or delivered, directly or indirectly, in the Netherlands as part of their initial distribution or at any time thereafter, other than to individuals or legal entities that are considered qualified investors (*gekwalificeerde beleggers*) within the meaning of section 1:1 of the DFSA. Accordingly, in the Netherlands, there is no requirement to publish an approved prospectus that complies with the Prospectus Directive 2003/71/EC, as amended, and the Prospectus Regulation 809/2004, as amended.

FOR THE ATTENTION OF SWISS RESIDENTS

The Company has not been registered and will not be registered with FINMA. No representative and no paying agent have been appointed. This Prospectus is only intended to be provided to regulated qualified investors within the meaning of article 10(3)(a)(b) of the Collective Investment Schemes Act of 23 June 2006 and its implementing ordinance. This Prospectus cannot be distributed and may only be used by those persons to whom it has been provided.

FOR THE ATTENTION OF RESIDENTS OF THE PEOPLE'S REPUBLIC OF CHINA (EXCLUDING HONG KONG, MACAU AND TAIWAN)

This document does not constitute a recommendation to acquire, an invitation to apply for or buy, an offer to apply for or buy, a solicitation of interest in the application or purchase, of any securities, any interest in any securities investment fund or any other financial investment product, in the People's Republic of China (for the purpose of this document excluding Taiwan, Hong Kong and Macau) (**PRC**). This document is solely for use by Qualified Domestic Institutional Investors duly licensed in accordance with applicable laws of the PRC and must not be circulated or disseminated in the PRC for any other purpose. Any person or entity resident in the PRC must satisfy himself/itself that all applicable PRC laws and regulations have been complied with, and all necessary government approvals and licences (including any investor qualification requirements) have been obtained, in connection with his/its investment outside of the PRC.

FOR THE ATTENTION OF INVESTORS IN HONG KONG

The Shares may not be offered or sold by means of any document and no advertisement, invitation or document relating to the Company, whether in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) or elsewhere, shall be issued, circulated or distributed to, directed at or the contents of which are likely to be accessed or read by, the public in Hong Kong other than: (i) with respect to shares in the Company which are only intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (CAP. 571) of Hong Kong (**SFO**) and any rules made thereunder; or (ii) in circumstances that do not constitute an invitation to the public for the purposes of the SFO.

The content of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Administration Agreement	the administration agreement between the Company and the Administrator, a summary of which is set out in paragraph 5 of Part VIII of this document
Administrator	Heritage International Fund Managers Limited
Admission	admission to trading on the London Stock Exchange's main market for listed of securities of the Ordinary Shares becoming effective in accordance with the LSE Admission Standards and admission of the Ordinary Shares to listing on the premium segment of the Official List
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 2011/61/EU on Alternative Investment Fund Managers
Application Form	the application form under the Offer set out at the end of this document
Articles	the articles of incorporation of the Company
Auditors	PricewaterhouseCoopers CI LLP
BlackRock Subscription Agreement	the subscription agreement between the Company, the Joint Bookrunners, the Investment Adviser and certain funds and accounts under management by direct and indirect investment management subsidiaries of BlackRock, Inc., a summary of which is set out in paragraph 5 of Part VIII of this document
Bluefield	Bluefield Partners LLP
Board	the board of directors of the Company
BESF Italy	a company to be incorporated and registered under the laws of Italy as a wholly-owned subsidiary of BES UK
BESF Spain	a company to be incorporated and registered under the laws of Spain as a wholly-owned subsidiary of BES UK
BES UK	Bluefield ES Limited, a wholly-owned subsidiary of the Company, incorporated and registered under the laws of England and Wales with registered number 09659618
BSIF	Bluefield Solar Income Fund Limited
Business Day	a day on which the London Stock Exchange and banks in Guernsey are normally open for business
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 set out in the Articles, which will convert into Ordinary Shares as set out in the Articles

Capita Asset Services	a trading name of Capita Registrars Limited
certificated or **certificated form**	not in uncertificated form
Companies Law	the Companies (Guernsey) Law, 2008, as amended
Company	Bluefield European Solar Fund Limited
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 Regulations
CREST	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations 2001
Directors	the directors of the Company
Disclosure and **Transparency Rules** or **DTRs**	the disclosure rules and transparency rules made by the FCA under Part VI of FSMA
Discontinuation Resolution	has the meaning given in the section headed "Duration" in Part I of this document as to the discontinuation of the Company as currently constituted
EEA	the European Economic Area
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
Euroclear	Euroclear UK & Ireland Limited
Eurozone	the Member States of the European Union which have adopted the euro as their unit of currency
Excluded Territory	Australia, Japan and the Republic of South Africa and any other jurisdiction where the extension or availability of the Issue would breach any applicable law
FATCA	Sections 1471 through 1474 of the Internal Revenue Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any US or non-US fiscal or regulatory legislation, rules, guidance notes or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implantations of such Sections of the Code or analogous provisions of non-US law
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
FIT	feed-in tariff
FSMA	the Financial Services and Markets Act 2000, as amended
GFSC	Guernsey Financial Services Commission
GWh	gigawatt hour, a measure of energy

Goldman Sachs	Goldman Sachs International
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 Issue Proceeds	the aggregate value of the Ordinary Shares issued under the Issue at the Issue Price
Group	the Company and the GroupCos and any other direct or indirect subsidiaries of any of them
GroupCos	BES UK, BESF Italy and BESF Spain
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 Securities (Guernsey) Regulations 2009, as amended
GW	Gigawatt, equal to one billion watts, a measure of power
GWp	gigawatt peak, being the power produced when a solar project is at peak operating performance with the sun shining strongly at midday
IFRS	International Financial Reporting Standards
Internal Revenue Code	the US 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 of Part VIII of this document
Investment Committee	the investment committee of the Investment Adviser, details of which are set out in Part IV of this document
IRR	internal rate of return
IRS	the US Internal Revenue Service
ISA	an individual savings account
ISIN	International Securities Identification Number
Issue	the Placing and Offer
Issue Price	€1.00 per Ordinary Share
Joint Bookrunners	Goldman Sachs, Numis and UBS
Key Markets	Italy and Spain
KW	kilowatt, equal to one thousand watts, a measure of power

KWh	kilowatt hour, a measure of energy
Listing Rules	the listing rules made by the Financial Conduct Authority pursuant to Part VI of 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
Member State	a member state of the European Union
Memorandum	the memorandum of incorporation of the Company
Minimum Gross Proceeds	€200 million
Minimum Net Proceeds	the Minimum Gross Proceeds less the fees and expenses of the Issue
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 Share or **NAV per Share**	the Net Asset Value of the Company divided by the number of Ordinary Shares in issue at the relevant time
Net Cash	the total cash distributed (in the form of shareholder loan repayment, shareholder loan interest, management or other services fees and dividends) by the investments to the Group during the period under measurement, less the operational costs incurred by the Group during such period (excluding for the avoidance of doubt investment transaction costs or financing arrangement costs), less any debt service due payable by the Group
Net Cash Hurdle	means €0.095 per Ordinary Share
Net Issue Proceeds	the Gross Issue Proceeds less the fees and expenses of the Issue
Newton Subscription Deed	the deed of subscription between the Company, the Joint Bookrunners, the Investment Adviser and Newton Investment Management Limited, a summary of which is set out in paragraph 5 of Part VIII of this document
Non-Qualified Holder	any person whose ownership of Ordinary Shares may: (i) cause the Company's assets to be deemed "plan assets" for the purposes of the Plan Asset Regulations or the Internal Revenue Code; (ii) cause the Company to be required to register as an "investment company" under the US Investment Company Act (including because the holder of the shares is not a "qualified purchaser" as defined in the US Investment Company Act) or to lose an exemption or status thereunder to which it might otherwise be entitled; (iii) cause the Company to register under the US Exchange Act, the US Securities Act or any similar

	legislation; (iv) cause the Company not to be considered a "foreign private issuer" as such term is defined in rule 36-4(c) under the US 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; (vi) cause the Company to be a "controlled foreign corporation" for the purposes of the Internal Revenue Code; (vii) cause the Company to suffer any pecuniary disadvantage (including any excise tax, penalties or liabilities under ERISA or the Internal Revenue Code); or (viii) result in any Ordinary Shares being owned, directly or indirectly, by any person who is deemed to be a non-Qualified Holder as a result of failing to provide information to the Board upon request with respect to the above in accordance with the Articles
Numis	Numis Securities Limited
O&M	operation and maintenance
Offer or **Offer for Subscription**	the offer for subscription of Ordinary Shares at the Issue Price pursuant to the terms of this document
Ordinary Shares	redeemable ordinary shares of no par value in the capital of the Company
Placee	a person subscribing for Ordinary Shares under the Placing
Placing	the placing of Ordinary Shares at the Issue Price as described in this document
Placing Agreement	the conditional agreement between the Company, the Directors, the Investment Adviser and the Joint Bookrunners, a summary of which is set out in paragraph 5 of Part VIII of this document
Plan Asset Regulations	the regulations promulgated by the US 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 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 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

POI Law	The Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended
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
Prospectus Rules	the prospectus rules made by the Financial Conduct Authority under section 73(A) of FSMA
PV	photovoltaic – a photovoltaic panel, usually made from silicon, turns solar radiation into electricity
Qualified Institutional Buyer or **QIB**	a qualified institutional buyer within the meaning of Rule 144A under the US Securities Act
Qualified Purchaser or **QP**	a qualified purchaser within the meaning of section 2(a)(51) of the US Investment Company Act and the related rules thereunder
Receiving Agent	Capita Asset Services
Receiving Agent Agreement	the receiving agent agreement between the Company and the Receiving Agent, a summary of which is set out in paragraph 5 of Part VIII of this document
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 of Part VIII of this document
Regulation S	Regulation S promulgated under the US Securities Act
Regulations	the Uncertificated Securities (Guernsey) Regulations, 2009
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
Regulatory Information Service or **RIS**	a regulatory information service
Ri	the incentive payment based on capacity which may be payable on renewable energy assets in Spain, as more fully described in paragraph 3.3 of Part II of this document
Ro	the incentive payment based on operational costs which may be payable on renewable energy assets in Spain, as more fully described in paragraph 3.3 of Part II of this document
Rule 144A	Rule 144A under the US Securities Act
Rules	the Registered Collective Investment Scheme Rules 2015 issued by the Commission under The Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended
SEC	the US Securities and Exchange Commission
SEDOL	Stock Exchange Daily Official List
Shareholder	a holder of Ordinary Shares
Shareholding	a holding of Ordinary Shares
SIPP	a self-invested personal pension

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
Sterling	the lawful currency of the United Kingdom
Target Jurisdictions	the countries forming the Eurozone, with the exception of Greece
Target Portfolio	the solar PV assets in respect of which the Group has agreed preliminary acquisition terms, as more fully described in Part III of this document
Terms and Conditions of Application	the terms and conditions of application set out in Appendix 2 to this document in connection with the Offer
TIOPA	the Taxation (International and Other Provisions) Act 2010
UBS	UBS Limited
US Exchange Act	the US Securities Exchange Act of 1934, as amended
US Holders	has the meaning given on page 103 of this document
US Investment Company Act	the US Investment Company Act of 1940, as amended
US Persons	has the meaning given to it in Regulation S under the US Securities Act
US Securities Act	the US Securities Act of 1933, as amended
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
UK Listing Authority	the Financial Conduct Authority of the United Kingdom acting as the competent authority for listing in the United Kingdom
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

1. INTRODUCTION

Each Placee which confirms its agreement to the Joint Bookrunners to subscribe for Ordinary Shares under the Placing will be bound by these terms and conditions and will be deemed to have accepted them.

The Company and/or the Joint Bookrunners may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and/or may require any such Placee to execute a separate placing letter (a **Placing Letter**).

2. AGREEMENT TO SUBSCRIBE FOR ORDINARY SHARES

Conditional on: (i) Admission occurring and becoming effective by 8.00 a.m. (London time) on or prior to 5 August 2015 (or such later time and/or date, not being later than 28 August 2015, as the Company, the Investment Adviser and the Joint Bookrunners may agree); (ii) the Placing Agreement becoming otherwise unconditional in all respects and not having been terminated on or before 5 August 2015 (or such later time and/or date, not being later than 28 August 2015 as the Company, the Investment Adviser and the Joint Bookrunners may agree); and (iii) the Joint Bookrunners confirming to the Placees their allocation of Ordinary Shares, a Placee agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares allocated to it at the 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 the Placing must be for a minimum subscription amount of €50,000.

3. PAYMENT FOR ORDINARY SHARES

Each Placee undertakes to pay the Issue Price for the Ordinary Shares issued to the Placee in the manner and by the time directed by the Joint Bookrunners. In the event of any failure by any Placee to pay as so directed and/or by the time required by the Joint Bookrunners, the relevant Placee shall be deemed hereby to have appointed the Joint Bookrunners or any nominee of the Joint Bookrunners as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the Ordinary Shares in respect of which payment shall not have been made as directed, and to indemnify the Joint Bookrunners and their 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 Ordinary Shares shall not release the relevant Placee from the obligation to make such payment for relevant Ordinary Shares to the extent that the Joint Bookrunners or their respective nominees have failed to sell such Ordinary 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 Issue Price per Ordinary Share.

4. REPRESENTATIONS AND WARRANTIES

By agreeing to subscribe for Ordinary Shares, each Placee which enters into a commitment to subscribe for Ordinary Shares will (for itself and for any person(s) procured by it to subscribe for Ordinary 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 the Joint Bookrunners that:

(a) in agreeing to subscribe for Ordinary Shares under the Placing, 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 Ordinary Shares or the Placing. It agrees that none of the Company, the Investment Adviser, the Joint Bookrunners 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 Ordinary Shares under the Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the Company, the Investment Adviser, the Joint Bookrunners or the Registrar or any of their respective officers, agents, employees or affiliates acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing;

(c) it has carefully read and understands this document in its entirety and acknowledges that it is acquiring Ordinary Shares on the terms and subject to the conditions set out in this Appendix 1 and the Articles as in force at the date of Admission;

(d) it has not relied on the Joint Bookrunners or any person affiliated with the Joint Bookrunners in connection with any investigation of the accuracy of any information contained in this document;

(e) it acknowledges that the content of this document is exclusively the responsibility of the Company and its Directors and neither the Joint Bookrunners nor any person acting on their behalf nor any of their respective 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 the Placing 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 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 the Joint Bookrunners, 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 Ordinary Shares have been or will be registered under the laws of any Excluded Territory. Accordingly, the Ordinary Shares may not be offered, sold, issued or delivered, directly or indirectly, within any Excluded Territory unless an exemption from any registration requirement is available;

(i) 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 Ordinary 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 Ordinary Shares may be lawfully offered under that other jurisdiction's laws and regulations;

(j) 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) of the Prospectus Directive (Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU, to the extent implemented in the Relevant Member State)); and (b) if that Relevant Member State has implemented the AIFM Directive, that it is a person to whom the Ordinary Shares may be lawfully marketed under the AIFM Directive or under the applicable implementing legislation (if any) of that Relevant Member State;

(k) in the case of any Ordinary 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 Ordinary Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to,

persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Joint Bookrunners has been given to the offer or resale; or (ii) where Ordinary Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Ordinary Shares to it is not treated under the Prospectus Directive as having been made to such persons;

(l) if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Ordinary Shares pursuant to the Placing 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 Ordinary 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;

(m) 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 Ordinary Shares and it is not acting on a non-discretionary basis for any such person;

(n) if the investor is a natural person, such investor is not under the age of majority (18 years of age in the United Kingdom) on the date of such investor's agreement to subscribe for Ordinary Shares under the Placing and will not be any such person on the date any such Placing is accepted;

(o) it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other offering materials concerning the Issue or the Ordinary Shares to any persons within the United States or to any US Persons, nor will it do any of the foregoing;

(p) it acknowledges that none of the Joint Bookrunners nor any of their respective 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 or providing any advice in relation to the Placing and its participation in the Placing is on the basis that it is not and will not be a client of any of the Joint Bookrunners and that the Joint Bookrunners do not have any duties or responsibilities to it for providing protection afforded to their respective clients or for providing advice in relation to the Placing nor, if applicable, in respect of any representations, warranties, undertaking or indemnities contained in the Placing Letter;

(q) that, save in the event of fraud on the part of the Joint Bookrunners, none of the Joint Bookrunners, their respective 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, respectively, Goldman Sach's role as sponsor, global coordinator and bookrunner or Numis' and UBS's role as joint bookrunners or otherwise in connection with the Placing and that where any such responsibility or liability nevertheless arises as a matter of law the Placee and, if relevant, its clients, will immediately waive any claim against any of such persons which the Placee or any of its clients may have in respect thereof;

(r) it acknowledges that where it is subscribing for Ordinary Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the Ordinary Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this Appendix 1; and (iii) to receive on behalf of each such account any documentation relating to the Placing in the form provided by the Company and/or the Joint Bookrunners. It agrees that the provision of this paragraph shall survive any resale of the Ordinary Shares by or on behalf of any such account;

(s) it irrevocably appoints any Director of the Company and any director of any of the Joint Bookrunners 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 Ordinary Shares for which it has given a commitment under the Placing, in the event of its own failure to do so;

(t) it accepts that if the Placing does not proceed or the conditions to the Placing Agreement are not satisfied or the Ordinary 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 the Joint Bookrunners 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;

(u) in connection with its participation in the Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering (**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;

(v) it acknowledges that due to anti-money laundering requirements, the Joint Bookrunners 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, the Joint Bookrunners and the Company may refuse to accept the application and the subscription monies relating thereto. It holds harmless and will indemnify the Joint Bookrunners 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;

(w) 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 Ordinary 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);

(x) that it is aware of, has complied with and will at all times comply with its obligations in connection with money laundering under the Proceeds of Crime Act 2002;

(y) 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 Ordinary 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 Ordinary 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 Ordinary 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, the Joint Bookrunners 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.

(z) 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 (y) 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;

(aa) the Joint Bookrunners and the Company are entitled to exercise any of their rights under the Placing Agreement or any other right in their absolute discretion without any liability whatsoever to them;

(bb) the representations, undertakings and warranties contained in this document are irrevocable. It acknowledges that the Joint Bookrunners, the Company, the Investment Adviser and the Registrar 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 Ordinary Shares are no longer accurate, it shall promptly notify the Joint Bookrunners and the Company;

(cc) where it or any person acting on behalf of it is dealing with any of the Joint Bookrunners, any money held in an account with a Joint Bookrunner 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 such Joint Bookrunner to segregate such money, as that money will be held by the Joint Bookrunner under a banking relationship and not as trustee;

(dd) any of its clients, whether or not identified to the Joint Bookrunners, will remain its sole responsibility and will not become clients of the Joint Bookrunners for the purposes of the rules of the Financial Conduct Authority or for the purposes of any other statutory or regulatory provision;

(ee) it accepts that the allocation of Ordinary Shares shall be determined by the Joint Bookrunners 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;

(ff) time shall be of the essence as regards its obligations to settle payment for the Ordinary Shares and to comply with its other obligations under the Placing; and

(gg) authorises the Joint Bookrunners to deduct from the total amount subscribed under the Placing the aggregate commission (calculated at the rate agreed with the Placee) payable on the number of Ordinary Shares allocated under the Placing.

5. UNITED STATES PURCHASE AND TRANSFER RESTRICTIONS

By participating in the Placing, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for Ordinary 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, the Joint Bookrunners and the Registrar that:

(a) it and the prospective beneficial owner of the Ordinary Shares is, and at the time the Ordinary Shares are acquired will be either (i) outside the United States, not a US Person and acquiring the Ordinary Shares in an offshore transaction as defined in, and in accordance with, Regulation S under the US Securities Act and it is not acquiring the Ordinary Shares for the

account or benefit of a US Person; or (ii) if it is inside the United States or a US Person, a QIB and a QP which has duly executed a US Investor's Letter in the form provided in this document and delivered the same to one of the Joint Bookrunners or its affiliates;

(b) it acknowledges that the Ordinary Shares have not been and will not be registered under the US 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 US Securities Act;

(c) it acknowledges that the Company has not registered under the US 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 US 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 Ordinary 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 Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

(e) that if any Ordinary Shares offered and sold 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 EUROPEAN SOLAR FUND LIMITED (THE "COMPANY") HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "US 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 "US 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 US SECURITIES ACT OR AN EXEMPTION THEREFROM AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE US 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 Ordinary Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act and under circumstances which will not require the Company to register under the US 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 Ordinary 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 Ordinary Shares in

any manner that would violate the US Securities Act, the US 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 Ordinary 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 Ordinary 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 Ordinary 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 Ordinary Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the Investment Adviser, the Joint Bookrunners or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Issue or its acceptance of participation in the Placing;

(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 Ordinary 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 Ordinary Shares as a fiduciary or agent for one or more accounts, the investor 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 the Joint Bookrunners, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for Ordinary Shares under the Placing, such Placee must promptly disclose it to them.

7. MISCELLANEOUS

The rights and remedies of the Joint Bookrunners, 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 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 Ordinary Shares, which the Placee has agreed to subscribe for pursuant to the Placing, have been acquired by the Placee. The contract to subscribe for Ordinary Shares under the Placing 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 the Joint Bookrunners, 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 Ordinary Shares under the Placing, references to a **Placee** in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

The Joint Bookrunners and the Company expressly reserve the right to modify the Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined. The Placing is subject to the satisfaction of the conditions contained in the Placing Agreement and the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained in paragraph 5 of Part VIII of this document.

APPENDIX 2

TERMS AND CONDITIONS OF THE OFFER FOR SUBSCRIPTION

1. INTRODUCTION

If you apply for Ordinary Shares under the Offer, you will be agreeing with the Company, the Registrar and the Receiving Agent to the Terms and Conditions of Application set out below.

2. OFFER TO ACQUIRE ORDINARY SHARES

Your application must be made on the Application Form attached at the end of this document or as may be otherwise published by the Company. By completing and delivering an Application Form, you, as the applicant, and, if you sign the Application Form on behalf of another person or a corporation, that person or corporation:

(a) offer to subscribe for such number of Ordinary Shares at €1.00 per Ordinary Share as may be purchased by the subscription amount specified in Box 1 on your Application Form (being a minimum of €1,000 or any smaller number for which such application is accepted at €1.00 per Ordinary Share on the terms, and subject to the conditions, set out in this document, including these Terms and Conditions of Application and the Articles;

(b) agree that, in consideration of the Company agreeing that it will not, prior to the date of Admission, offer for subscription any Ordinary Shares to any person other than by means of the procedures referred to in this document, your application may not be revoked and that this paragraph shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to, or in the case of delivery by hand, on receipt by the Receiving Agent of, your Application Form;

(c) undertake to pay the amount specified in Box 1 on your Application Form in full on application and warrant that the remittance accompanying your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured you will not be entitled to receive the share certificates for the Ordinary Shares applied for in certificated form or be entitled to commence dealing in the Ordinary Shares applied for in uncertificated form or to enjoy or receive any rights in respect of such Ordinary Shares unless and until you make payment in cleared funds for such Ordinary Shares and such payment is accepted by the Receiving Agent (which acceptance shall be in its absolute discretion and on the basis that you indemnify the Receiving Agent and the Company against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) void the agreement to allot the Ordinary Shares and may allot them to some other person, in which case you will not be entitled to any refund or payment in respect thereof (other than the refund by way of a cheque, in your favour, at your risk, for an amount equal to the proceeds of the remittance which accompanied your Application Form, without interest);

(d) agree that where on your Application Form a request is made for Ordinary Shares to be deposited into a CREST Account: (i) the Receiving Agent may in its absolute discretion amend the form so that such Ordinary Shares may be issued in certificated form registered in the name(s) of the holders specified in your Application Form (and recognise that the Receiving Agent will so amend the form if there is any delay in satisfying the identity of the applicant or the owner of the CREST Account or in receiving your remittance in cleared funds); and (ii) the Receiving Agent or the Company may authorise your financial adviser or whoever he or she may direct to send a document of title for or credit your CREST account in respect of the number of Ordinary Shares for which your application is accepted, and/or a crossed cheque for any monies returnable, by post at your risk to your address set out on your Application Form;

(e) agree, in respect of applications for Ordinary Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph 2(d) above to issue Ordinary

Shares in certificated form), that any share certificate to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled or pursuant to paragraph 2(d) above (and any monies returnable to you) may be retained by the Receiving Agent:

(i) pending clearance of your remittance;

(ii) pending investigation of any suspected breach of the warranties contained in paragraph 6 below or any other suspected breach of these Terms and Conditions of Application; or

(iii) pending any verification of identity which is, or which the Receiving Agent considers may be, required for the purpose of The Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999 (as amended), and the 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) (the **Guernsey AML Requirements**); and

(iv) any interest accruing on such retained monies shall accrue to and for the benefit of the Company;

(f) agree, on the request of the Receiving Agent, to disclose promptly in writing to it such information as the Receiving Agent may request in connection with your application and authorise the Receiving Agent to disclose any information relating to your application which it may consider appropriate;

(g) agree that, if evidence of identity satisfactory to the Receiving Agent is not provided to the Receiving Agent within a reasonable time (in the opinion of the Company) following a request therefor, the Company or the Receiving Agent may terminate the agreement with you to allot Ordinary Shares and, in such case, the Ordinary Shares which would otherwise have been allotted to you may be reallotted or sold to some other party and the lesser of your application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned to the bank account on which the payment accompanying the application was first drawn without interest and at your risk;

(h) agree that you are not applying on behalf of a person engaged in money laundering, drug trafficking or terrorism;

(i) undertake to ensure that, in the case of an Application Form signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) is enclosed with your Application Form together with full identity documents for the person so signing;

(j) undertake to pay interest at the rate described in paragraph 3(c) below if the remittance accompanying your Application Form is not honoured on first presentation;

(k) authorise the Receiving Agent to procure that there be sent to you definitive certificates in respect of the number of Ordinary Shares for which your application is accepted or if you have completed Box 6 on your Application Form, but subject to paragraph 2(d) above, to deliver the number of Ordinary Shares for which your application is accepted into CREST, and/or to return any monies returnable by cheque in your favour without interest and at your risk;

(l) confirm that you have read and complied with paragraph 8 of this Appendix 2;

(m) agree that all subscription cheques and payments will be processed through a bank account (the Acceptance Account) in the name of "Capita Registrars re: BESF LTD OFS A/C opened with the Receiving Agent;

(n) acknowledge and agree that information provided by you to the Company, Receiving Agent, Registrar or Administrator will be stored on the Registrar's and the Administrator's computer system and manually. You acknowledge and agree 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 your personal data (including sensitive personal data) as required by or in connection with its holding of Ordinary Shares, including processing personal data in connection with credit and money laundering checks on you;

(ii) communicate with you as necessary in connection with your affairs and generally in connection with your holding of Ordinary Shares;

(iii) provide personal data to such third parties as the Administrator or Registrar may consider necessary in connection with your affairs and generally in connection with your holding of Ordinary 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, the Joint Bookrunners 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 your personal data for the Administrator's internal administration;

(o) agree that your Application Form is addressed to the Company and the Receiving Agent; and

(p) acknowledge that the Issue will not proceed if the Minimum Net Proceeds would be less than €200 million.

Any application may be rejected in whole or in part at the sole discretion of the Company.

3. ACCEPTANCE OF YOUR OFFER

(a) The Receiving Agent may, on behalf of the Company, accept your offer to subscribe (if your application is received, valid (or treated as valid), processed and not rejected) by notifying acceptance to the Receiving Agent.

(b) The basis of allocation will be determined by the Joint Bookrunners in consultation with the Company. The right is reserved notwithstanding the basis as so determined to reject in whole or in part and/or scale back any application. The right is reserved to treat as valid any application not complying fully with these Terms and Conditions of Application or not in all respects completed or delivered in accordance with the instructions accompanying the Application Form. In particular, but without limitation, the Company may accept an application made otherwise than by completion of an Application Form where you have agreed with the Company in some other manner to apply in accordance with these Terms and Conditions of Application. The Company and Receiving Agent reserves the right (but shall not be obliged) to accept Application Forms and accompanying remittances which are received otherwise than in accordance with these Terms and Conditions of Application.

(c) The Receiving Agent will present all cheques and bankers' drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful applicants' payment. The Receiving Agent may, as agent of the Company, require you to pay interest or its other resulting costs (or both) if the payment accompanying your application is not honoured on first presentation. If you are required to pay interest you will be obliged to pay the amount determined by the Receiving Agent, to be the interest on the amount of the payment from the date on which all payments in cleared funds are due to be received until the date of receipt of cleared funds. The rate of interest will be the then published bank base rate of a clearing bank selected by the Receiving Agent plus 2 per cent. per annum. The right is also reserved to reject in whole or in part, or to scale down or limit, any application.

(d) The Company reserves the right in its absolute discretion (but shall not be obliged) to accept applications for less than the minimum subscription of €1,000.

4. CONDITIONS

(a) The contracts created by the acceptance of applications (in whole or in part) under the Offer will be conditional upon:

(i) Admission occurring by not later than 8.00 a.m. on 5 August 2015 (or such later time or date, not being later than 28 August 2015, as the Company, the Investment Adviser and the Joint Bookrunners may agree);

(ii) the Placing Agreement becoming otherwise unconditional in all respects, and not being terminated in accordance with its terms before Admission becomes effective; and

(iii) the Minimum Net Proceeds having been raised.

(b) You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other right you may have.

5. RETURN OF APPLICATION MONIES

Where application monies have been banked and/or received, if any application is not accepted in whole, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest and after the deduction of any applicable bank charges by returning your cheque, or by crossed cheque in your favour, by post at the risk of the person(s) entitled thereto. In the meantime, application monies will be retained by the Receiving Agent in a separate account.

6. WARRANTIES

By completing an Application Form, you:

(a) warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person and that such other person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions of Application and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;

(b) warrant that you are a resident of, and are located for the purposes of the Offer in the United Kingdom and no other jurisdiction;

(c) warrant that you are not a US Person, you are not located within the United States, you are acquiring the Ordinary Shares in an offshore transaction meeting the requirements of Regulation S and are not acquiring the Ordinary Shares for the account or benefit of a US Person;

(d) warrant, if the laws of any territory or jurisdiction outside the United Kingdom are applicable to your application, that you have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company, the Joint Bookrunners or the Receiving Agent, or any of their respective officers, agents, employees or affiliates, acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside Guernsey or the United Kingdom in connection with the Offer in respect of your application;

(e) confirm that in making an application you are not relying on any information or representations in relation to the Company other than those contained in this document and any supplementary prospectus published by the Company prior to Admission (on the basis of which alone your application is made) and accordingly you agree that no person responsible solely or jointly for this document, any supplementary prospectus or any part thereof shall have any liability for any such other information or representation;

(f) agree that, having had the opportunity to read this document, you shall be deemed to have had notice of all information and representations contained therein;

(g) acknowledge that no person is authorised in connection with the Offer to give any information or make any representation other than as contained in this document and any supplementary prospectus published by the Company prior to Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the Joint Bookrunners or the Receiving Agent;

(h) warrant that you are not under the age of 18 on the date of your application;

(i) agree that all documents and monies sent by post to, by or on behalf of the Company, or the Receiving Agent, will be sent at your risk and, in the case of documents and returned application cheques and payments to be sent to you, may be sent to you at your address (or, in the case of joint holders, the address of the first-named holder) as set out in your Application Form;

(j) confirm that you have reviewed the restrictions contained in paragraph 8 of this Appendix 2 below and warrant, to the extent relevant, that you (and any person on whose behalf you apply) comply or have complied with the provisions therein;

(k) agree that, in respect of those Ordinary Shares for which your Application Form has been received and processed and not rejected, acceptance of your Application Form shall be constituted by the Company instructing the Registrar to enter your name on the register of members of the Company;

(l) agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer (including any non-contractual obligations arising under or in connection therewith) shall be governed by and construed in accordance with English Law and that you submit to the jurisdiction of the English Courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;

(m) irrevocably authorise the Company, or the Receiving Agent or any other person authorised by any of them, as your agent, to do all things necessary to effect registration of any Ordinary Shares subscribed by or issued to you into your name and authorise any representatives of the Company and/or the Receiving Agent to execute any documents required therefor and to enter your name on the register of members of the Company;

(n) agree to provide the Company and Receiving Agent with any information which they may request in connection with your application or to comply with any other relevant legislation (as the same may be amended from time to time) including without limitation satisfactory evidence of identity to ensure compliance with the Guernsey AML Requirements;

(o) agree that the Receiving Agent is acting for the Company in connection with the Offer and for no-one else and that it will not treat you as its customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of Ordinary Shares or concerning the suitability of Ordinary Shares for you or be responsible to you for providing the protections afforded to its customers;

(p) unless otherwise agreed in writing with the Company, no portion of the assets used to purchase, and no portion of the assets used to hold, the Ordinary 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 Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

(q) warrant that you are not subscribing for the Ordinary Shares using a loan which would not have been given to you or any associate or not given to you on such favourable terms, if you had not been proposing to subscribe for the Ordinary Shares;

(r) warrant that the information contained in your Application Form is true and accurate; and

(s) agree that if you request that Ordinary Shares are issued to you on a date other than Admission and such Ordinary Shares are not issued on such date that the Company and its agents and Directors will have no liability to you arising from the issue of such Ordinary Shares on a different date.

7. MONEY LAUNDERING

(a) You agree that, in order to ensure compliance with the UK Money Laundering Regulations 2007 (where applicable) and the Guernsey AML Requirements, the Receiving Agent or the Administrator may respectively at their absolute discretion require verification of identity from any person lodging an Application Form.

(b) The Receiving Agent may undertake electronic searches for the purposes of verifying your identity. To do so the Receiving Agent may verify the details against your identity, but may also request further proof of your identity. The Receiving Agent reserves the right to withhold any entitlement (including any refund cheque) until such verification of identity is completed to its satisfaction.

(c) Except as provided in paragraphs 7(d) and 7(e) below, payments must be made by cheque or banker's draft in euros drawn on a United Kingdom branch of a bank or building society. Cheques, which must be drawn on your personal account where you have sole or joint title to the funds, should be made payable to "Capita Registrars re: BESF LTD OFS A/C and crossed "A/C payee". Third party cheques will not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque/banker's draft by following the instructions in paragraph 7(h) below.

(d) For applicants sending subscription monies by electronic bank transfer (CHAPs), payment must be made for value by 11.00 a.m. on 28 July 2015 directly into the bank account detailed below. The payment instruction must also include a unique reference comprising your name and a contact telephone number which should be entered in the reference field on the payment instruction (for example: MJ SMITH 01234 567 8910).

Bank: Royal Bank of Scotland

Sort Code: 15-10-00

A/C No: CAP REG04 – EURA

A/C Name: Capita Registrars Ltd re: BESF LTD OFS A/C

The Receiving Agent cannot take responsibility for identifying payments without a unique reference nor where a payment has been received but without an accompanying application form.

(e) Where you appear to the Receiving Agent to be acting on behalf of some other person certifications of identity of any persons on whose behalf you appear to be acting may be required.

(f) Failure to provide the necessary evidence of identity may result in application(s) being rejected or delays in the dispatch of documents.

(g) In all circumstances, verification of the identity of applicants will be required. If you use a building society cheque, banker's draft or money order you should ensure that the bank or building society enters the name, address and account number of the person whose account is being debited on the reverse of the cheque, banker's draft or money order and adds its

stamp. The name on the bank account must be the same as that stated on the Application Form.

(h) You should endeavour to have the certificate contained in Box 8 of the Application Form signed by an appropriate firm as described in that Box.

8. OVERSEAS INVESTORS

The attention of investors who are not resident in, or who are not citizens of the United Kingdom is drawn to paragraphs 8(a) to 8(e) below:

(a) The offer of Ordinary Shares under the Offer is only being made in the UK. Persons who are resident in, or citizens of, countries other than the United Kingdom (**Overseas Investors**) who wish to subscribe for Ordinary Shares under the Offer may be affected by the law of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to subscribe for Ordinary Shares under the Offer. It is the responsibility of all Overseas Investors receiving this document and/or wishing to subscribe for the Ordinary Shares under the Offer, to satisfy themselves as to full observance of the laws of any relevant territory or jurisdiction in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities requiring to be observed and paying any issue, transfer or other taxes due in such territory.

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

(c) The Ordinary Shares have not been and they will not be registered under the US 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 US Investment Company Act, and investors will not be entitled to the benefits of the US Investment Company Act.

(d) None of the Ordinary Shares have been or will be registered under the laws of Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa or other political subdivision of Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa. Accordingly, unless an exemption under such Act or laws is applicable, the Ordinary Shares may not be offered, sold or delivered, directly or indirectly, within Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa (as the case may be). If you subscribe for Ordinary Shares you will, unless the Company agrees otherwise in writing, be deemed to represent and warrant to the Company that you are not a resident of Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa or a corporation, partnership or other entity organised under the laws of Australia or Canada (or any political subdivision of any of them), Japan, the Republic of Ireland or the Republic of South Africa and that you are not subscribing for such Ordinary Shares for the account of any resident of Australia, Canada, Japan, Australia, the Republic of Ireland or the Republic of South Africa and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the Ordinary Shares in or into Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa or to any resident in Australia, Canada, Japan, the Republic of Ireland 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 Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa.

(e) 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, Canada, Australia, Japan, the Republic of Ireland and South Africa or their respective territories of possessions or any other jurisdictions where to do so would or might contravene local securities laws or regulations.

(f) The Company reserves the right to treat as invalid any agreement to subscribe for Ordinary Shares pursuant to the Offer if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

9. THE DATA PROTECTION (BAILIWICK OF GUERNSEY) LAW 2001

(a) Pursuant to The Data Protection (Bailiwick of Guernsey) Law 2001, (the **DP Law**) the Company and/or the Registrar may hold personal data (as defined in the DP Law) relating to past and present Shareholders.

(b) Such personal data held is used by the Registrar to maintain a register of the Shareholders and mailing lists and this may include sharing such data with third parties in one or more of the countries mentioned below when: (a) effecting the payment of dividends to Shareholders (in each case, where applicable) and, if applicable, the payment of commissions to third parties; and (b) filing returns of Shareholders and their respective transactions in shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used.

(c) The countries referred to above include, but need not be limited to, those in the European Economic Area or the European Union and any of their respective dependent territories overseas, Argentina, Australia, Brazil, Canada, Hong Kong, Hungary, Japan, New Zealand, Singapore, South Africa, Switzerland and the United States.

(d) By becoming registered as a holder of Ordinary Shares in the Company a person becomes a data subject (as defined in the DP Law) and is deemed to have consented to the processing by the Company or its Registrar of any personal data relating to them in the manner described above.

10. MISCELLANEOUS

(a) To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise (including, without limitation, pre-contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the Ordinary Shares and the Offer.

(b) The rights and remedies of the Company and the Receiving Agent under these Terms and Conditions of Application are in addition to any rights and remedies which would otherwise be available to any of them and the exercise or partial exercise of one will not prevent the exercise of others.

(c) The Company reserves the right to shorten or extend the closing time of the Offer from 11.00 a.m. on 28 July 2015 (provided that if the closing time is extended this document remains valid at the closing time as extended) by giving notice to the London Stock Exchange. The Company will notify investors via an RIS and any other manner, having regard to the requirements of the London Stock Exchange.

(d) The Company may terminate the Offer in its absolute discretion at any time prior to Admission. If such right is exercised, the Offer will lapse and any monies will be returned as indicated without interest.

(e) The dates and times referred to in these Terms and Conditions of Application may be altered by the Company so as to be consistent with the Placing Agreement (as the same may be altered from time to time in accordance with its terms).

(f) Save where the context requires otherwise, terms used in these Terms and Conditions of the Offer for Subscription bear the same meaning as use elsewhere in this document.

APPLICATION FORM

Bluefield European Solar Fund Limited

APPLICATION FORM FOR THE OFFER FOR SUBSCRIPTION

If you wish to apply for Ordinary Shares, please complete, sign and return this Application Form, by post or (during normal business hours only) by hand to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received by no later than 11.00 a.m. on 28 July 2015.

IMPORTANT: Before completing this Application Form, you should read the notes set out under the section entitled "Notes on how to complete the Application Form" at the back of this Application Form. All applicants must complete Boxes 1 to 3. Joint applicants should also complete Box 4.

If you have a query concerning completion of this Application Form, please contact Capita Asset Services on 0371 664 0321 from within the UK or on + 44 20 8639 3399 if calling from outside the UK. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of an investment in the Ordinary Shares nor give any financial, legal or tax advice.

To: The Directors,

Bluefield European Solar Fund Limited (the **Company**)

1. APPLICATION

I/We offer to subscribe for such number of Ordinary Shares of €1.00 as may be purchased by the subscription amount set out in the box immediately below (the minimum being €1,000 and thereafter multiples of €100), fully paid subject to the Terms and Conditions of Application under the Offer set out in Appendix 2 to the prospectus published by the Company dated 14 July 2015 and subject to the Memorandum and Articles.

Subscription Amount	

2. PERSONAL DETAILS (PLEASE USE BLOCK CAPITALS)

Mr, Mrs, Ms or Title:	Forenames (in full):
Surname:	
Address (in full):	
Postcode:	

3. SIGNATURE

Dated:	Signature:

4. JOINT APPLICANTS (PLEASE USE BLOCK CAPITALS)

1.	Mr, Mrs, Ms or Title:	
	Forenames (in full):	
	Surname:	
	Signature:	
2.	Mr, Mrs, Ms or Title:	
	Forenames (in full):	
	Surname:	
	Signature:	
3.	Mr, Mrs, Ms or Title:	
	Forenames (in full):	
	Surname:	
	Signature:	

5. CREST DETAILS (ONLY COMPLETE THIS SECTION IF YOU WISH TO REGISTER YOUR APPLICATION DIRECTLY INTO YOUR CREST ACCOUNT WHICH SHOULD BE IN THE SAME NAME(S) AS THE APPLICANTS IN BOXES 2 AND 4 ABOVE)

CREST Participant ID:	

CREST Member Account ID:	

6. SETTLEMENT

(a) **Cheque/Banker's Draft**

If you are subscribing for Ordinary Shares and paying by cheque or banker's draft, pin or staple to this form your cheque or banker's draft for the exact amount shown in Box 1 made payable to Capita Registrars re: BESF OFS A/C. Cheques and bankers payments must be drawn in euro on an account at a bank branch in the UK and must bear a UK bank sort code number in the top right hand corner.

(b) **Electronic Bank Transfer**

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 28 July 2015. Please see section 7(d) on page 156 of the Prospectus for further information.

CREST Settlement

If you choose to settle your application within CREST, that is DVP, you or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares to be made against payment at the Issue Price per Ordinary Shares via a Many to Many (**MTM**) message.

Applicants will still need to complete and submit a valid Application Form to be received by no later than 11.00 a.m. on 28 July 2015.

If you require a share certificate you should not use this facility.

Following share allocations being determined, applicants will receive a credit of the Interim Stock Line to their appropriate CREST account(s), as stated on the Application Form, representing the number of Ordinary Shares to which they have been successfully allocated. This credit will appear as a registrar adjustment message (**REG**) from CREST Participant R017A.

The Interim Stock Line is expected to be enabled for settlement as soon as practicable after 8.00 a.m. on 5 August 2015.

Once received, applicants must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an MTM Instruction to Euroclear UK that, on its settlement, will have the following effect:

(a) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with the number of Interim Stock Line shares to be taken up;

(b) the creation of a settlement bank payment obligation, in favour of the Receiving Agent in euros in respect of the full amount payable on acceptance in respect of the Interim Stock Line shares;

(c) the crediting of Ordinary Shares of no par value to the stock account of the accepting CREST member from which the Interim Stock Line shares are to be debited on settlement of the MTM Instruction.

Valid Acceptance

MTM Instructions can be input from 12.00 noon on 31 July 3015 and, in any event, must be input and available for settlement by no later than 12.00 noon on 5 August 2015 (or such later date that is determined by the Company).

The right is reserved to issue and/or transfer your Ordinary Shares in certificated form (that is, not in CREST) should the Company consider this to be necessary or desirable. This right is only likely to be exercised in normal circumstances in the event of any interruption, failure or breakdown of CREST or any part of CREST or on the part of the facilities and/or system operated by the Company's registrars in connection with CREST.

To ensure that you fulfil this requirement it is essential that you or your settlement agent/custodian follow the CREST settlement criteria set out below:

Trade Date:	5 August 2015
Settlement Date:	5 August 2015
Company:	Bluefield European Solar Fund Limited
Security Description:	BESF Interim Stock
ISIN code:	GG00BYN85Z84
CREST Instruction Type:	MTM (MANY to MANY)

Contents of MTM Instructions

The MTM Instruction must be properly authenticated in accordance with Euroclear UK's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

(a) the number of Interim Stock Line Shares to which the allocation relates; this being the total number of shares allocated to you by Capita on 31 July 2015 via the REG message;

(b) the participant ID of the applicable CREST member;

(c) the member account ID of the applicable CREST member from which the Interim Stock Line Shares are to be debited;

(d) the participant ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 9RA01;

(e) the member account ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 28602INT;

(f) the number of Ordinary Shares that the CREST member is expecting to receive on settlement of the MTM Instruction. This must be the same as the number of Interim Stock Line Shares to which the application relates;

(g) the amount payable by means of the CREST assured payment arrangements on settlement of the MTM Instruction. This must be the full amount payable on application in respect of the number of Interim Stock Line Shares;

(h) the intended settlement date. This must be by 12.00 noon on 5 August 2015;

(i) the Interim Stock Line Shares ISIN, which is GG00BYN85Z84;

(j) the Ordinary Shares ISIN, which is GG00BYM15141;

(k) the Corporate Action Number for the Offer for Subscription. This will be available by viewing the relevant corporate action details in CREST;

(l) a contact name and telephone number in the shared note field; and

(m) priority of at least 80.

Should you have any queries about CREST please contact Euroclear UK & Ireland Limited on 08459 645 648.

7. IDENTITY INFORMATION

In accordance with internationally recognised standards for the prevention of money laundering the under mentioned documents and information must be provided.

7.1 For each holder being an individual enclose:

7.1.1 a certified clear photocopy of one of the following identification documents which bear both a photograph and the signature of the person: current passport – Government or Armed Forces identity card – driving licence; and

7.1.2 certified copies of at least two of the following documents which purport to confirm that the address given in section 2 is that person's residential address: a recent gas, electricity, water or telephone (not mobile) bill, a recent bank statement, council rates bill or similar document issued by a recognised authority; and

7.1.3 if none of the above documents show their date and place of birth, enclose a note of such information; and

7.1.4 details of the name and address of their personal bankers from which Receiving Agent may request a reference, if necessary.

7.2 For each holder being a company (a **holder company**) enclose:

7.2.1 a certified copy of the certificate of incorporation of the holder company; and

7.2.2 the name and address of the holder company's principal bankers from which the Receiving Agent may request a reference, if necessary; and

7.2.3 a statement as to the nature of the holder company's business, signed by a director; and

7.2.4 a list of the names and residential addresses of each director of the holder company; and

7.2.5 for each director provide documents and information similar to that mentioned in 7.1.1 to 7.1.4 above; and

7.2.6 a copy of the authorised signatory list for the holder company; and

7.2.7 a list of the names and residential/registered address of each ultimate beneficial owner interested in more than 5 per cent. of the issued share capital of the holder company and, where a person is named, also complete 7.3 below and, if another company is named (hereinafter a **beneficiary company**), also complete 7.4 below. If the beneficial owner(s) named do not directly own the holder company but do so indirectly via

nominee(s) or intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder company.

7.3 For each person named in 7.2.7 as a beneficial owner of a holder company enclose for each such person documents and information similar to that mentioned in 7.1.1 to 7.1.4.

7.4 For each beneficiary company named in 7.2.7 as a beneficial owner of a holder company enclose:

7.4.1 a certified copy of the certificate of incorporation of that beneficiary company; and

7.4.2 a statement as to the nature of that beneficiary company's business signed by a director; and

7.4.3 the name and address of that beneficiary company's principal bankers from which the Receiving Agent may request a reference, if necessary; and

7.4.4 enclose a list of the names and residential/ registered address of each beneficial owner owning more than 5 per cent. of the issued share capital of that beneficiary company.

7.5 If the payor is not a holder and is not a bank providing its own cheque or banker's payment on the reverse of which is shown details of the account being debited with such payment (see note 5 on how to complete this form) enclose:

7.5.1 if the payor is a person, for that person the documents mentioned in 7.1.1 to 7.1.4; or

7.5.2 if the payor is a company, for that company the documents mentioned in 7.2.1 to 7.2.7; and

7.5.3 an explanation of the relationship between the payor and the holder(s).

The Company and/or the Receiving Agent reserve the right to ask for additional documents and information.

8. RELIABLE INTRODUCER CERTIFICATE

Completion and signing of this certificate by a suitable person or institution may avoid presentation being requested of the identity documents. The certificate below may only be signed by a person or institution (such as a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the firm) which is itself subject in its own country of operation to "know your customer" and anti-money laundering regulations no less stringent than those which prevail in the United Kingdom. Acceptable countries include Austria, Belgium, Canada, Denmark, Finland, France, Germany, Gibraltar, Greece, Guernsey, Hong Kong, Iceland, Ireland, Isle of Man, Italy, Japan, Jersey, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Singapore, South Africa, Spain, Sweden, Switzerland, the United Kingdom and the United States.

CERTIFICATE: To the Company and the Receiving Agent

By completing and stamping Box 8 below you are deemed to have given the warranties and undertakings set out in paragraph 6 of the accompanying Terms and Conditions of Application under the Offer.

IFA STAMP

Name of Firm	
FCA Number	
Signature	
Print Name	
Position	
Date	
Telephone No	
Email	

9. CONTACT DETAILS

To ensure the efficient and timely processing of this Application Form please enter below the contact details of a person that the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the person signing in Box 3 on behalf of the first named holder. If no details are entered here and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact name:
Telephone no:
Fax no:
Email address:
Contact address:

Signature of Applicant

Signed .....Date 2015

Authorised Signatory

Notes on how to complete the Application Form

Applications should be returned so as to be received no later than 11.00 a.m. on 28 July 2015.

If you have a query concerning completion of the Application Form please contact Capita Asset Services on 0371 664 0321 from within the UK or on + 44 20 8639 3399 if calling from outside the UK. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of an investment in the Ordinary Shares nor give any financial, legal or tax advice.

1. APPLICATION

Fill in Box 1 with the amount of money being subscribed for Ordinary Shares. The amount being subscribed must be for a minimum of €1,000. Financial intermediaries who are investing on behalf of clients should make separate applications or, if making a single application for more than one client, provide details of all clients in respect of whom the application is made in order to benefit most favourably from the scaling back process should this be required.

2. PERSONAL DETAILS

Fill in (in block capitals) the full name(s) and address of the sole first applicant. Applications may only be made by persons aged 18 or over. In the case of joint holders only the first named may bear a designation reference. A maximum of four joint holders is permitted. All holders named must sign the Application Form in Boxes 3 and 4 (where applicable).

3. SIGNATURE

All holders named in Boxes 2 and 4 (where applicable) must sign Boxes 3 and 4 (where applicable) and insert the date. The Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor or a bank) must be enclosed for inspection (which originals will be returned by post at the addressee's risk). A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

4. SETTLEMENT

(a) **Cheque/Banker's draft**

All payments by cheque or banker's draft must accompany your Application Form and be for the exact amount inserted in Box 1 of your Application Form. Applications accompanied by a post-dated cheque will not be accepted. Your payment must relate solely to the Application. No receipt will be issued. Your cheque or banker's draft must be made payable to Capita Registrars Limited re: BESF LTD OFS A/C in respect of an Application and crossed "A/C Payee Only". The cheque or banker's draft must be drawn in euro on an account at a bank branch in the United Kingdom which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and bankers' drafts to be cleared through the facilities provided by any of those companies or committees, and must bear a United Kingdom bank sort code number in the top right hand corner. If you use a banker's draft or a building society cheque you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the banker's draft or cheque and adds its stamp. Cheques should be drawn on the personal account to which you have sole or joint title to the funds. Third party cheques will not be accepted with the exception of building society cheques or bankers' drafts where the bank or building society has confirmed the name of the account holder by stamping and endorsing the cheque to such effect.

(b) **Electronic Bank Transfers**

For applicants under the Offer for Subscription who wish to send their subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 28 July 2015. Please see section 7(d) on page 156 of the Prospectus for further information.

(c) **CREST settlement**

Following share allocations being determined, applicants will receive a credit of the Interim Stock Line to their appropriate CREST account(s), as stated on the Application Form, representing the number of Ordinary Shares to which they have been successfully allocated. This credit will appear as a registrar adjustment message (**REG**) from CREST Participant R017A.

The Interim Stock Line is expected to be enabled for settlement as soon as practicable after 8.00 a.m. on 5 August 2015.

Once received, applicants must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an MTM Instruction to Euroclear UK that, on its settlement, will have the following effect:

(a) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with the number of Interim Stock Line shares to be taken up;

(b) the creation of a settlement bank payment obligation, in favour of the Receiving Agent in euros in respect of the full amount payable on acceptance in respect of the Interim Stock Line shares.

(c) the crediting of Ordinary Shares of no par value to the stock account of the accepting CREST member from which the Interim Stock Line shares are to be debited on settlement of the MTM Instruction.

Valid Acceptance

MTM Instructions can be input from 12.00 noon on 31 July 2015 and, in any event, must be input and available for settlement by no later than 12.00 noon on 5 August 2015 (or such later date that is determined by the Company).

The right is reserved to issue and/or transfer your Ordinary Shares in certificated form (that is, not in CREST) should the Company consider this to be necessary or desirable. This right is only likely to be exercised in normal circumstances in the event of any interruption, failure or breakdown of CREST or any part of CREST or on the part of the facilities and/or system operated by the Company's registrars in connection with CREST.

To ensure that you fulfil this requirement it is essential that you or your settlement agent/custodian follow the CREST settlement criteria set out below:

Trade Date:	5 August 2015
Settlement Date:	5 August 2015
Company:	Bluefield European Solar Fund Limited
Security Description:	BESF Interim Stock
ISIN code:	GG00BYN85Z84
CREST Instruction Type:	MTM (MANY to MANY)

To ensure that you fulfil this requirement it is essential that you or your settlement agent/custodian follow the CREST settlement criteria set out below:

Contents of MTM Instructions

The MTM Instruction must be properly authenticated in accordance with Euroclear UK's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

(a) the number of Interim Stock Line Shares to which the allocation relates; this being the total number of shares allocated to you by Capita on 31 July 2015 via the REG message;

(b) the participant ID of the applicable CREST member;

(c) the member account ID of the applicable CREST member from which the Interim Stock Line Shares are to be debited;

(d) the participant ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 9RA01;

(e) the member account ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 28602INT;

(f) the number of Ordinary Shares that the CREST member is expecting to receive on settlement of the MTM Instruction. This must be the same as the number of Interim Stock Line Shares to which the application relates;

(g) the amount payable by means of the CREST assured payment arrangements on settlement of the MTM Instruction. This must be the full amount payable on application in respect of the number of Interim Stock Line Shares;

(h) the intended settlement date. This must be by 12.00 noon on 5 August 2015;

(i) the Interim Stock Line Shares ISIN, which is GG00BYN85Z84;

(j) the Ordinary Shares ISIN, which is GG00BYM15141;

(k) the Corporate Action Number for the Offer for Subscription. This will be available by viewing the relevant corporate action details in CREST;

(l) a contact name and telephone number in the shared note field; and

(m) priority of at least 80.

Should you have any queries about CREST please contact Euroclear UK & Ireland Limited on 08459 645 648.

5. IDENTITY INFORMATION

Applicants need only consider Box 6 of the Application Form if the declaration in Box 8 cannot be completed. Notwithstanding that the declaration in Box 8 has been completed and signed, the Receiving Agent reserves the right to request of you the identity documents listed in section 6 and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time your application might be rejected or revoked. Where certified copies of documents are requested in section 6, such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

6. RELIABLE INTRODUCER CERTIFICATE

Applications will be subject to Guernsey anti-money laundering requirements. This will involve you providing the verification of identity documents listed in section 6 of the Application Form UNLESS you can have the certificate provided at section 8 of the Application Form given and signed by a firm acceptable to the Receiving Agent. In order to ensure your application is processed timely and efficiently all applicants are strongly advised to have the certificate provided in Box 8 of the Application Form completed and signed by a suitable firm.

7. CONTACT DETAILS

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person the Receiving Agent may contact with all enquiries concerning your application. Ordinarily this contact person should be the person signing in Box 3 on behalf of the first named holder. If no details are entered here and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Instructions for delivery of completed Application Forms

Completed Application Forms should be returned, by post or by hand (during normal business hours), to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Kent BR3 4TU so as to be received by no later than 11.00 a.m. on 28 July 2015, together in each case with payment by cheque or duly endorsed banker's draft in full in respect of the Application except where payment is being made by electronic bank transfer or by CREST settlement. If you post your Application Form, you are recommended to use first class post and to allow at least two days for delivery. Application Forms received after this date may be returned.

US INVESTOR'S LETTER

To:

Bluefield European Solar Fund Limited
Royal Plaza
1 Royal Avenue
St Peter Port
Guernsey GY1 2HL
(the **Company**)

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB

Numis Securities Limited
The London Stock Exchange Building
10 Paternoster Square
London EC4M 7LT

UBS Limited
1 Finsbury Avenue
London EC2M 2PP
(the **Joint Bookrunners**)

Ladies and Gentlemen:

This letter (a **US Investor's Letter**) relates to the proposed acquisition of ordinary shares (the **Securities**) of Bluefield European Solar Fund Limited. This letter is delivered on behalf of the person acquiring beneficial ownership of the Securities by the investor named below (the **Investor**) and/or the accounts listed on the attachment hereto. Unless otherwise stated, or the context otherwise requires, capitalised terms in this letter shall have the same meaning as is given to them in the prospectus relating to the offering of the Securities described therein published by the Company on 14 July 2015 (the **Prospectus**).

The Investor agrees, acknowledges, represents and warrants, on its own behalf or on behalf of each account for which it is acting, that:

1. the Investor has received a copy of the Prospectus and understands and agrees that the Prospectus speaks only as of its date and that the information contained therein may not be correct or complete as of any time subsequent to that date;
2. the Investor is a qualified institutional buyer (**Qualified Institutional Buyer**) as defined in Rule 144A (**Rule 144A**) under the US Securities Act of 1933, as amended (the **US Securities Act**), and a qualified purchaser (**Qualified Purchaser**) as defined in section 2(a)(51) of the US Investment Company Act of 1940, as amended (the **US Investment Company Act**), and the related rules thereunder;
3. the Investor was not formed for the purpose of investing in the Company;
4. the Investor is not purchasing or otherwise acquiring the Securities with a view to, or for offer or sale in connection with, any distribution thereof (within the meaning of the US Securities Act) that would be in violation of the securities laws of the United States or any state thereof;
5. the party signing this US Investor's Letter is acquiring the Securities for its own account or for the account of one or more Investors (each of which is both a Qualified Institutional Buyer and a Qualified Purchaser) on whose behalf the party signing this US Investor's Letter is authorised to make, and does make, the acknowledgments, representations and warranties, and enter into the agreements, contained in this US Investor's Letter;

6. the Securities are being offered in a transaction not involving any public offering within the United States within the meaning of the US Securities Act and the Securities have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States;

7. the Investor is aware, and any person on whose behalf the Investor is acquiring Securities has been advised, that the sale of Securities to it is being made in reliance on Rule 144A or another exemption from the registration requirements of the US Securities Act;

8. the Securities (whether in physical, certificated form or in uncertificated form held in CREST) are **restricted securities** within the meaning of Rule 144(a)(3) under the US Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of the Securities;

9. if in the future the Investor decides to offer, resell, pledge or otherwise transfer any Securities, it will offer, resell, transfer, assign, pledge or otherwise dispose of the Securities only: (i) outside the United States in an offshore transaction complying with the provisions of Regulation S under the US Securities Act (**Regulation S**) to a person outside the United States and not known by the transferor to be a US Person as defined in Regulation S, by prearrangement or otherwise and under circumstances that will not require the Company to register under the US Investment Company Act, in each case in accordance with all applicable securities laws, upon surrender of the Securities and delivery to the Company of an Offshore Transaction Letter in the form of the Appendix hereto (or in a form otherwise acceptable to the Company); or (ii) to the Company or a subsidiary thereof;

10. the Securities may not be deposited into any unrestricted depositary receipt facility in respect of the Company's securities, established or maintained by a depositary bank;

11. the Investor is knowledgeable, sophisticated and experienced in business and financial matters and it fully understands the limitations on ownership and transfer and the restrictions on sales of the Securities;

12. the Investor is able to bear the economic risk of its investment in the Securities and is currently able to afford the complete loss of such investment and the Investor is aware that there are substantial risks incidental to the purchase of the Securities, including those summarised under "Risk Factors" in the Prospectus;

13. the Investor has made its own assessment and has satisfied itself concerning the relevant tax, legal, currency and other economic considerations relevant to its investment in the Securities.

14. the Company has not been and will not be registered as an investment company under the US Investment Company Act. As such the Investor will not be afforded the protections provided to investors in registered investment companies under the US Investment Company Act;

15. the Investor is not, and is not acting on behalf of: (i) (a) an employee benefit plan (as defined in Section 3(3) of the US Employee Retirement Income Security Act of 1974, as amended (**ERISA**)) subject to Title I of ERISA; (b) a plan described in section 4975(e)(1) of the US Internal Revenue Code of 1986, as amended (the **Code**) to which section 4975 of the Code applies; or (c) any other entity whose underlying assets could be deemed to include plan assets by reason of an employee benefit plan's or a plan's investment in the entity within the meaning of the US Department of Labor regulation 29 C.F.R. Section 2510.3-101 (as modified by section 3(42) of ERISA) (the **Plan Asset Regulations**) or otherwise (a **Benefit Plan Investor**) or; (ii) any person (other than a Benefit Plan Investor) 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 an "affiliate" (within the meaning of the Plan Asset Regulations) of such a person (a **Controlling Person**) unless, in the case of a Benefit Plan Investor, it acquires the Securities on or prior to Admission with the written consent of the Company, and, in the case of a Controlling Person, it acquires the Securities with the written consent of the Company.

16. (i) if the Investor is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Securities does not and will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code; and (ii) if the Investor is a governmental, church, non-US or other plan which is subject to any federal, state, local or non-US law that is similar to the prohibited transaction provisions of section 406 of ERISA and/or section 4975 of the Code (**Similar Law**): (a) it is not, and for so long as it holds such Securities or interest therein will not be, subject to any federal, state, local, non-US or other laws or regulations that could cause the underlying assets of the Company to be treated as assets of a shareholder by virtue of the Investor's interest in the Securities and thereby subject the Company (or any persons responsible for the investment and operation of the Company's assets) to laws or regulations that are substantially similar to the prohibited transaction provisions of section 406 of ERISA or section 4975 of the Code; and (b) its acquisition, holding and disposition of such Securities will not constitute or result in a non-exempt violation of any Similar Law;

17. the Investor understands and acknowledges the Company will not be required to accept for registration of transfer any Securities in favour of any person to whom a sale or transfer, or whose direct, indirect or beneficial ownership of Securities, would or might: (i) cause the Company's assets to be deemed "plan assets" for the purposes of the Plan Asset Regulations or the Internal Revenue Code; (ii) cause the Company to be required to register as an "investment company" under the US Investment Company Act (including because the holder of the shares is not a Qualified Purchaser) or to lose an exemption or status thereunder to which it might otherwise be entitled; (iii) cause the Company to register under the US Exchange Act, the US Securities Act or any similar legislation; (iv) cause the Company to not be considered a "foreign private issuer" as such term is defined in rule 3b-4(c) under the US Exchange Act; (v) result in a person holding Securities 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, (vii) cause the Company to suffer any pecuniary disadvantage (including any excise tax, penalties or liabilities under ERISA or the Internal Revenue Code); or (viii) result in any Securities being owned, directly or indirectly, by any person who is deemed to be a Non-Qualified Holder as a result of failing to provide information to the Board upon request with respect to the above in accordance with its Articles (any such person a **Non-Qualified Holder**).

18. the Investor understands and acknowledges that if it comes to the notice of the Company that any Securities are owned directly, indirectly or beneficially by any Non-Qualified Holder, the Board may serve a notice upon such Non-Qualified Holder requiring such Non-Qualified Holder to transfer the Securities to an eligible transferee within 30 days of such notice; and, if the obligation to transfer is not met, the Non-Qualified Holder will be deemed to have forfeited his Securities;

19. the Investor became aware of the offering of the Securities by the Company and the Securities were offered to the Investor: (i) solely by means of the Prospectus; (ii) by direct contact between the Investor and the Company; or (iii) by direct contact between the Investor and one or both of the Joint Bookrunners. The Investor did not become aware of, nor were the Securities offered to the Investor by, any other means, including, in each case, by any form of general solicitation or general advertising, and in making the decision to purchase or otherwise acquire the Securities, the Investor relied solely on the information set forth in the Prospectus;

20. (i) none of the Joint Bookrunners or their affiliates have made or will make any representation or warranty as to the accuracy or completeness of the information in the Prospectus; (ii) the Investor has not relied upon and will not rely upon any investigation by any Joint Bookrunner, its affiliates or any person acting on its or their behalf with respect to the Company, or the Securities; and (iii) none of the Joint Bookrunners or the Company makes any representation as to the availability of an exemption from the US Securities Act for the transfer of the Securities;

21. upon a proposed transfer of the Securities, the Investor will notify any purchaser of such Securities or the executing broker, as applicable, of any transfer restrictions that are applicable to the Securities being sold;

22. any Securities delivered to the Investor in certificated form, unless otherwise determined by the Company in accordance with applicable law, will bear a legend to the following effect:

    THE SECURITY EVIDENCED HEREBY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE **US SECURITIES ACT**) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT AS PERMITTED BY THIS LEGEND. THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS SECURITY, REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY EXCEPT: (1) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT (INCLUDING, FOR THE AVOIDANCE OF DOUBT, A BONA FIDE SALE ON THE LONDON STOCK EXCHANGE'S MAIN MARKET FOR LISTED SECURITIES), UPON DELIVERY OF AN OFFSHORE INVESTOR LETTER AND ALL OTHER CERTIFICATIONS, OPINIONS AND OTHER DOCUMENTS THAT THE COMPANY MAY REQUIRE; OR (2) TO THE COMPANY OR A SUBSIDIARY THEREOF. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THIS SECURITY MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF SECURITIES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK; AND

23. each of the Joint Bookrunners, the Company and their respective affiliates are irrevocably authorised to produce this US Investor's Letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

The Investor hereby consents to the actions of each of the Joint Bookrunners, and hereby waives any and all claims, actions, liabilities, damages or demands it may have against any Joint Bookrunner or such Joint Bookrunner's affiliates in connection with any alleged conflict of interest arising from the engagement of any of the Joint Bookrunners with respect to the sale by the applicable Joint Bookrunner of the Securities to the Investor.

The Investor acknowledges that each of the Joint Bookrunners, the Company and their respective affiliates and others will rely on the acknowledgments, representations and warranties contained in this US Investor's Letter as a basis for exemption of the sale of the Securities under the US Securities Act, the US Investment Company Act, under the securities laws of all applicable states and for other purposes. The party signing this US Investor's Letter agrees to promptly notify the Company and the Joint Bookrunners if any of the acknowledgments, representations or warranties set forth herein are no longer accurate.

This US Investor's Letter shall be governed by and construed in accordance with the laws of the State of New York.

Where there are joint applicants, each must sign this US Investor's Letter. Applications from a corporation must be signed by an authorised officer or be completed otherwise in accordance with such corporation's constitution (evidence of such authority may be required).

Very truly yours.

NAME OF INVESTOR:

By:
Name:
Title:
Address:
Date:

APPENDIX TO US INVESTOR'S LETTER

To:

Bluefield European Solar Fund Limited
Royal Plaza
1 Royal Avenue
St Peter Port
Guernsey GY1 2HL

Ladies and Gentlemen:

This letter (an **Offshore Transaction Letter**) relates to the sale or other transfer by us of Ordinary Shares (the **Securities**) of Bluefield European Solar Fund Limited (the **Company**) in an offshore transaction pursuant to Regulation S (**Regulation S**) under the US Securities Act of 1933, as amended (the **US Securities Act**). Terms used in this Offshore Transaction Letter are used as defined in Regulation S, except as otherwise stated herein.

The undersigned acknowledges (or if the undersigned is acting for the account of another person, such person has confirmed that it acknowledges) that the Securities have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and that the Company has not registered and will not register as an investment company under the US Investment Company Act of 1940, as amended (the **US Investment Company Act**).

The undersigned hereby certifies that:

1. The offer and sale of the Securities was not and will not be made to a person in the United States or to a person known by us to be a US Person.

2. Either: (a) at the time the buy order for the Securities was originated, the buyer was outside the United States or the undersigned and any person acting on the undersigned's behalf reasonably believed that the buyer was outside the United States; or (b) the transaction in the Securities was executed in, on or through the facilities of a designated offshore securities market as defined in Regulation S (including, for the avoidance of doubt, a bona fide sale on the London Stock Exchange's main market for listed securities), and neither the undersigned nor any person acting on the undersigned's behalf knows that the transaction was pre-arranged with a buyer in the United States.

3. Neither the undersigned, nor any of the undersigned's affiliates, nor any person acting on the undersigned's or their behalf has made any directed selling efforts in the United States with respect to the Securities.

4. The proposed transfer of the Securities is not part of a plan or scheme to evade the registration requirements of the US Securities Act or the US Investment Company Act.

5. Neither the Company nor any of its agents participated in the sale of the Securities.

6. The undersigned confirms that, prior to the sale of the Securities, the undersigned notified the purchaser of such Securities or the executing broker, as applicable, of any transfer restrictions that are applicable to the Securities being sold.

This letter is governed by and shall be construed in accordance with the laws of the State of New York. Where there are joint transferors, each must sign this Offshore Transaction Letter. An Offshore Transaction Letter of a corporation must be signed by an authorised officer or be completed otherwise in accordance with such corporation's constitution (evidence of such authority may be required).

The undersigned agrees that the Company and its agents and their respective affiliates may rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

Very truly yours,

NAME OF TRANSFEROR:

By:
Name:
Title:
Address:
Date:

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