THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from your stockbroker, bank, solicitor, accountant or other independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (the "FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

This Prospectus comprises a prospectus relating to Ranger Direct Lending Fund plc (the "**Company**") in connection with the issue of Shares, prepared in accordance with the Prospectus Rules of the Financial Conduct Authority made pursuant to section 73A of FSMA. This Prospectus has been approved by the Financial Conduct Authority and has been filed with the Financial Conduct Authority in accordance with Rule 3.2 of the Prospectus Rules.

The Shares are only suitable for investors: (i) who understand and are willing to assume the potential risks of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in the 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. The Company's investments are principally denominated in US Dollars. If you are in any doubt about the contents of this Prospectus, you should consult your accountant, legal or professional adviser or financial adviser.

The Company and each of the Directors, whose names appear on page 47 of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Prospective investors should read the entire Prospectus and, in particular, the section headed "Risk Factors" beginning on page 18 when considering an investment in the Company.

RANGER DIRECT LENDING FUND PLC

(Incorporated in England and Wales with company number 9510201 and registered as an investment company under section 833 of the Companies Act 2006)

Open Offer and Initial Placing of up to 4 million C Shares in each case at an Issue Price of £10 per C Share

and

Placing Programme for Ordinary Shares and/or C Shares for an aggregate issue price (together with the Open Offer and the Initial Placing) not to exceed £200 million

and

Admission of Ordinary Shares and/or C Shares to the premium segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange's Main Market for listed securities

Investment Manager

RANGER ALTERNATIVE MANAGEMENT II, LP

Sponsor and Joint Bookrunner

LIBERUM CAPITAL LIMITED

Joint Bookrunner

FIDANTE CAPITAL

Placing Agent

STONE MOUNTAIN CAPITAL LTD

Application will be made for the 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 Initial Admission will become effective and that dealings in the C Shares issued pursuant to the Issue will commence at 8.00 a.m. on 16 December 2016 in respect of the Issue. Dealings on the London Stock Exchange before Initial Admission will only be settled if Initial Admission takes place. The Shares are not and/or will not be dealt in on any other recognised investment exchange and no other such applications have been made or are currently expected.

This Prospectus may not be distributed or transmitted by any means or media, directly or indirectly, in whole or in part, in or into the United States. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy securities in the United States. The Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Shares 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 under the Securities Act ("**Regulation S**")), except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the Securities Act. The Shares are being offered and sold only in "offshore transactions" to non-US-persons as defined in pursuant to Regulation S. The Company has not been, and will not be, registered under the Investment Company Act, and investors

will not be entitled to the benefit of that Act. No offer, purchase, sale or transfer of the Shares may be made except under circumstances which will not result in the Company being required to register as an investment company under the Investment Company Act.

The Shares have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of Shares or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

Each of Liberum Capital Limited ("**Liberum**"), Fidante Partners Europe Limited trading as Fidante Capital ("**Fidante Capital**") and Stone Mountain Capital Ltd ("**Stone Mountain**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority (Stone Mountain as an appointed representative), is acting exclusively for the Company and for no one else in relation to the Initial Admission, the Placing Programme and/or any Programme Admission and the other arrangements referred to in this Prospectus. Neither Liberum, Fidante Capital nor Stone Mountain will regard any other person (whether or not a recipient of this Prospectus) as its client in relation to the Initial Admission, the Placing Programme and/or any Programme Admission and the other arrangements referred to in this Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing any advice in relation to the Initial Admission, the Placing Programme, and/or any Programme Admission, the contents of this Prospectus or any transaction or arrangement referred to in this Prospectus. Apart from the responsibilities and liabilities, if any, which may be imposed on Liberum and/or Fidante Capital and/or Stone Mountain by FSMA or the regulatory regime established thereunder, neither Liberum, Fidante Capital nor Stone Mountain make any representation express or implied in relation to, nor accepts any responsibility whatsoever for, the contents of this Prospectus or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares, the Initial Admission, the Placing Programme and/or any Programme Admission. Each of Liberum, Fidante Capital and Stone Mountain (and each of their respective affiliates) accordingly, to the fullest extent permissible by law, disclaims all and any responsibility or liability (save for any statutory liability) whether arising in tort, contract or otherwise which it might have in respect of the contents of this Prospectus or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares, the Initial Admission, the Placing Programme and/or any Programme Admission.

This Prospectus is dated 21 November 2016.

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 securities and issuer. Some Elements are not required to be addressed which means 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 securities 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 Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	**Subsequent resale of securities or final placement of securities through financial intermediaries**	Not applicable. The Company has not given its consent to the use of this Prospectus for the resale or final placement of the Shares by financial intermediaries.

Section B – Issuer		
Element	*Disclosure Requirement*	*Disclosure*
B.1	**Legal and commercial name**	Ranger Direct Lending Fund plc
B.2	**Domicile and legal form**	The Company was incorporated in England and Wales on 25 March 2015 with registered number 9510201 as a public company limited by shares under the Act. The principal legislation under which the Company operates is the Act.
B.5	**Group description**	The Company has one wholly owned subsidiary, Ranger Direct Lending ZDP plc ("**Ranger ZDP**"), which was incorporated on 23 June 2016 by the Company for the sole purpose of issuing ZDP Shares. The Company is also the sole beneficiary of Ranger Direct Lending Fund Trust, a Delaware trust established on 22 April 2015 pursuant to a declaration of trust and trust agreement made between the Company (as depositor and managing holder) and Delaware Trust Company (as Delaware Trustee).

B.6	**Major shareholders**	As at the date of this Prospectus insofar as known to the Company, based on notifications made to it pursuant to the Disclosure Guidance and Transparency Rules, as at the Latest Practicable Date the following persons held, directly or indirectly, three per cent. or more of the Company's voting rights. *Name* — *Number of voting rights held* — *% voting rights* Invesco Ltd — 5,179,918 — 34.88 Bank of Montreal — 1,881,662 — 12.67 Aviva plc and its subsidiaries — 786,250 — 5.82 City Financial Investment Company Ltd — 671,500 — 4.97 Artemis Investment Management LLP — 611,150 — 4.53 All Shareholders have the same voting rights in respect of the share capital of the Company. The Company and the Directors are not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.
B.7	**Key financial information**	The key audited figures that summarise the Company's financial condition in respect of the period from incorporation to 9 April 2015 and from 10 April 2015 to 31 December 2015, which have been extracted without material adjustment from the audited financial statements of the Company, are set out in the table below: *9 April 2015 (USD)* — *31 December 2015 (USD)* Total non-current assets — – — 196,356,603 Total current assets — 74,500 — 35,023,644 Creditors: Amounts falling due within one year — – — 2,535,783 Net assets — 74,500 — 228,844,464

		The key unaudited figures that summarise the Group's financial condition in respect of the six month period from 1 January 2016 to 30 June 2016 which have been extracted without material adjustment from the Company's unaudited half-yearly financial statements for that periods are set out in the table below: *(Unaudited) 30 June 2016 (USD)* **ASSETS** **Non-current assets** Financial assets at fair value through profit or loss 55,640,028 Loans held at amortised cost 168,460,525 224,100,553 **Current assets** Derivative assets 745,919 Cash and cash equivalents 8,934,034 Advances to/funds receivable from direct lending platforms 1,123,194 Prepayments and other receivables 676,654 **TOTAL ASSETS** 235,580,354 **EQUITY AND LIABILITIES** **Capital and reserves** Called-up share capital 228,201 Share premium account 20,989,992 Other reserves 204,225,570 Revenue reserves 3,893,437 Realised capital profits 2,487,638 Unrealised capital losses (526,579) **TOTAL SHAREHOLDERS' EQUITY** 231,298,259 **Current liabilities** Derivative liabilities 193,875 Funds payable to direct lending platforms 1,006,900 Accrued expenses and other liabilities 3,081,320 **TOTAL CURRENT LIABILITIES** 4,282,095 **TOTAL EQUITY AND LIABILITIES** 235,580,354 NAV per Ordinary Share (in GBP Sterling) £11.74 NAV per Ordinary Share (in USD) USD15.58 Save as set out below, there has been no significant change in the financial condition and operating results of the Company during or since the end of the period covered by the historical information set out above and since 30 June 2016 (being the period in respect of which the Company's unaudited half-yearly financial statements have been prepared): (i) On 1 August 2016 Ranger ZDP issued 30 million ZDP Shares pursuant to the First ZDP Issue, the net proceeds of which were loaned to the Company pursuant to the Loan Agreement. (ii) On 10 August 2016 the Company declared the payment of an interim dividend of 26.87 pence per Ordinary Share. (iii) On 4 November 2016 Ranger ZDP issued 23 million ZDP Shares pursuant to the Second ZDP Issue, the net proceeds of which were loaned to the Company pursuant to the Loan Agreement. (iv) On 9 November 2016 the Company declared the payment of an interim dividend of 27.67 pence per Ordinary Share.
B.8	**Key pro forma financial information**	Not applicable. No pro forma financial information is included in this Prospectus.
B.9	**Profit forecast**	Not applicable. No profit forecast or estimate is made in this Prospectus.

B.10	**Description of the nature of any qualifications in the audit report on the historical financial information**	Not applicable. The accountant's report on the historical financial information contained in this Prospectus is not qualified.
B.11	**Insufficiency of working capital**	Not applicable. In the opinion of the Company, the working capital available to the Group is sufficient for its present requirements, namely for at least 12 months from the date of this Prospectus.
B.34	**Investment objective and policy**	The Company's investment objective is to provide Shareholders with an attractive return, principally in the form of quarterly income distributions. The Company's investment policy is to invest, directly or indirectly, in a portfolio of Debt Instruments originated or issued by Direct Lending Platforms. A "Debt Instrument" is a debt obligation which will include (without limitation) a loan, invoice receivables and asset financing arrangements. A "Direct Lending Platform" is a business that serves as an originator and/or distributor of Debt Instruments and which is not a traditional retail or investment bank. The Company acquires Debt Instruments from Direct Lending Platforms which consist of debt obligations within a range of asset class sub-categories including, but not limited to, SME loans (including alternative loan structures providing for the advance against and/or acquisition of future corporate trade receivables of the borrower), real estate loans, consumer loans, invoice factoring, asset financing, speciality financing and medical financing. The Company purchases Debt Instruments directly from Direct Lending Platforms. The Company also indirectly participates in Debt Instruments via: (i) the acquisition of notes or other financial instruments that reference the returns of an identified Debt Instrument or pool of Debt Instruments (or fractions thereof), in each case issued or originated by a Direct Lending Platform; (ii) a syndicate investment alongside the Direct Lending Platform or other investors where the Direct Lending Platform serves as lead creditor; and (iii) pooled investment vehicles or investment funds which invest in Debt Instruments originated or issued by Direct Lending Platforms and which are managed by the Investment Manager (or its affiliates), a Direct Lending Platform or a third party, in each case that the Company deems suitable with a view to enhancing Shareholder returns and providing diversification of the Company's assets; and (iv) master loan and security agreements ("**MLSAs**") whereby the Company lends capital to a Direct Lending Platform for a fixed interest rate (which is calculated and agreed by reference to the Investment Managers assessment of the pool of Debt Instruments securing the note referenced to the MLSA which is issued to the Company in return for the capital loaned to the Direct Lending Platform, less any fees payable to the Direct Lending Platform). The Company may also invest up to 10 per cent. of Gross Assets (in aggregate at the time of investment) in listed or unlisted securities issued by a Direct Lending Platform, a Direct Lending Platform's controlling entity or other organisations serving the direct lending industry which relate to the equity value or revenue of that entity and is not, for the avoidance of doubt, a security issued for the purpose of providing an exposure to Debt Instruments ("**Direct Lending Company Equity**"). The Company may also invest in Direct Lending Company Equity indirectly via other investment funds (including those managed by the Investment Manager or its affiliates). The Company invests in Debt Instruments in a manner that ensures diversification of underlying borrowers and seeks to mitigate concentration risks.
B.35	**Borrowing limits**	The Company may borrow (through bank or other facilities), whether directly or through an investment fund in which it invests or through a subsidiary SPV, up to 50 per cent. of Net Asset Value, in aggregate (calculated at the time of draw down). Borrowings may be used for investment purposes. Save for its entering into the Loan Agreement with Ranger ZDP the Company has not yet exercised such borrowing powers.

		Pursuant to the Undertaking, the Company may not incur Bank Borrowings (other than any currency hedging facilities, or facilities incurred in connection with the repayment of the Loan or meeting the Company's obligations under the Undertaking) if, following such borrowing, its aggregate Bank Borrowings would thereby exceed an amount equal to the sum of: (a) (i) $46,627,120.60 (being 20 per cent. of the Net Asset Value attributable to the Ordinary Shares in issue as at 1 August 2016); plus (ii) an amount equal to 50 per cent. of the net proceeds of any issue of C shares or Ordinary Shares completed on or after 2 August 2016; less (b) £23.805 million plus the gross proceeds of any further issue of ZDP Shares by Ranger ZDP. The Board has also entered into hedging arrangements in respect of the Loan.
B.36	**Regulatory status**	As an investment trust, the Company is not regulated as a collective investment scheme by the Financial Conduct Authority. However, it is subject to the Listing Rules, Prospectus Rules and the Disclosure Guidance and Transparency Rules and the rules of the London Stock Exchange.
B.37	**Typical investor**	The Shares issued pursuant to the Issue and/or the Placing Programme are designed to be suitable for institutional investors and professionally-advised private investors seeking exposure to alternative finance investments and related instruments, including Debt Instruments issued or originated by Direct Lending Platforms. The Shares may also be suitable for other private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in Shares in the Issue and/or Placing Programme.
B.38	**Investment of 20 per cent. or more of gross assets in single underlying asset or collective investment undertaking**	Not applicable. The Company will not invest more than 20 per cent. of its gross assets in a single underlying asset or in one or more collective investment undertakings which may in turn invest more than 20 per cent. of gross assets in other collective investment undertakings.
B.39	**Investment of 40 per cent. or more of gross assets in another collective investment undertaking**	Not applicable. The Company will not invest more than 40 per cent. of its gross assets in another collective investment undertaking.
B.40	**Applicant's service providers**	*Investment Manager* The Company's investment manager is Ranger Alternative Management II, LP. The Investment Manager is responsible for the management of the assets of the Company in accordance with the terms of the Investment Management Agreement. Under the terms of the Investment Management Agreement, the Investment Manager is entitled to a management fee and a performance fee together with reimbursement of reasonable expenses incurred by it in the performance of its duties. *Management Fee* The management fee is payable monthly in arrear and is at the rate of 1/12 of 1.0 per cent. per month of Net Asset Value of the Ordinary Shares and 1/12 of 1.0 per cent. per month of the Net Asset Value of the C Shares (the "**Management Fee**"). The Investment Manager also retains the discretion to charge a fee based on a percentage of Gross Assets of the Ordinary Shares and also on a percentage of Gross Assets of any tranche of C Shares in issue (in each case, such percentage not to exceed 1.0 per cent. and provided that the aggregate Management Fee payable by the Company shall not exceed an amount equal to 1.0 per cent. of the total Gross Assets of the Company or its group in aggregate (as applicable)) to any

		entity which is within the Company's group (including the Company), provided that such entity employs leverage for the purpose of its investment policy or strategy. In addition, to seek to avoid fee layering, if at any time the Company invests in or through any other investment fund or special purpose vehicle and a management fee or advisory fee is charged to such investment fund or special purpose vehicle by the Investment Manager or any of its affiliates and not waived, the value of such investment will be excluded from the calculation of Net Asset Value of the Ordinary Shares and the Net Asset Value of any tranche of C Shares in issue (as applicable) for the purposes of determining the Management Fee. As such, there will be no fee layering or other additional indirect costs to investors as a result of an investment by the Company in any investment fund or special purpose vehicle managed or advised by the Investment Manager or any of its affiliates. *Performance fee* The Investment Manager is also entitled to a performance fee calculated by reference to the movements in the Adjusted Net Asset Value of the Ordinary Shares or the Adjusted Net Asset Value of the C Shares since the end of the Calculation Period (as defined below) in respect of which a performance fee was last earned or the date of admission of the relevant class of Shares if no performance fee has yet been earned (the Adjusted Net Asset Value at such earlier date being the "**High Water Mark**"). The performance fee will be a sum equal to 10 per cent. of the amount by which the Adjusted Net Asset Value at the end of a Calculation Period exceeds the High Water Mark. The performance fee will be calculated in respect of each twelve month period starting on 1 January and ending on 31 December in each calendar year (a "**Calculation Period**"), save that the first Calculation Period (i) was, in respect of the Ordinary Shares currently in issue, the period commencing from First Admission and ending on 31 December 2015; and (ii) shall be, in respect of any tranche of C Shares admitted prior to 1 January 2017, the period commencing on the admission of such shares to the Official List and to trading on the Main Market of the London Stock Exchange, and ending on 31 December 2016, and in respect of any tranche of C Shares so admitted on or after 1 January 2017, from that date to 31 December 2017, and the last Calculation Period shall end on the date that the Investment Management Agreement is terminated or, where the Investment Management Agreement has not previously been terminated, the Business Day prior to the date on which the Company enters into liquidation. If at the end of what would otherwise be a Calculation Period no performance fee has been earned in respect of that period, the Calculation Period shall carry on for the next 12 month period and shall be deemed to be the same Calculation Period and this process shall continue until a performance fee is next earned at the end of the relevant period. A Calculation Period in respect of C Shares shall be deemed to end on the applicable Conversion Date. The Management Fee and any performance fee payable to the Investment Manager will be calculated and paid in US Dollars. *Sponsor* Liberum has agreed to act as sponsor to the Issue and the Placing Programme. *Joint Bookrunners and Placing Agent* Each of Liberum, Fidante Capital and Stone Mountain has agreed to use its reasonable endeavours to procure subscribers for Shares pursuant to the Initial Placing and, subject to the satisfaction of certain conditions, the Placing Programme. In consideration for its services in relation to the Initial Placing and the Placing Programme and conditional upon completion of the Initial Placing or the applicable Subsequent Placing, each of Liberum, Fidante Capital and Stone Mountain will be paid a customary placing commission calculated by reference to the relevant Gross Issue Proceeds. *Administrator* Sanne Fiduciary Services Limited has been appointed as the administrator of the Company. The Administrator is responsible for the Company's general

		administrative functions, such as the calculation of the Net Asset Value and maintenance of the Company's accounting records. Under the terms of the Accounting and Administration Services Agreement, the Administrator was entitled to an initial set-up fee of £30,000 and an annual fee in respect of the administration and accounting services it provides of £15,000 plus an additional amount equal to 6 basis points of the NAV of the Company in respect of the valuation, investor reporting and financial reporting services it provides (subject to a minimum fee of £100,000). In addition, a further fee of £25,000 (plus a variable amount based on the number of reports) per annum is payable in respect of the tax reporting services provided by the Administrator. The Administrator is, in addition, entitled to recover third party expenses and disbursements. *Company Secretary* Capita Company Secretarial Services Limited has been appointed as the company secretary of the Company. The Company Secretary provides the general secretarial functions required by the Companies Act and is responsible for the maintenance of the Company's statutory records. Under the terms of the Company Secretarial Agreement, the Company Secretary is entitled to an annual fee of £50,000, plus VAT and disbursements. The Company Secretary is also entitled to a fee of £7,500 plus VAT and disbursements in respect of services provided in connection with the Issue and the Placing Programme. *Registrar* Capita Asset Services has been appointed as the Company's registrar to provide share registration services. Under the terms of the Registrar Agreement, the Registrar is entitled to an annual maintenance fee, subject to a minimum fee of £2,500 per annum (exclusive of VAT). *Custodian* Merrill Lynch, Pierce, Fenner & Smith Incorporated has been appointed custodian pursuant to the Custodian Agreement to provide custody services to the Company, including setting up and maintaining securities records and cash accounts, keeping safe custody of the Company's investments, processing corporate actions and shareholder votes and collecting and processing the Company's income. Under the terms of the Custodian Agreement, the Custodian is entitled to a fee of between US$180 and US$500 per annum per holding of securities in an entity (depending on the type of entity). In addition, the custodian is entitled to a fee of up to US$300 per annum per account (but subsequent fees will be charged at US$150 per account annually). The Custodian is also entitled to reimbursement of all reasonable out-of-pocket expenses incurred in connection with its duties. *Broker* Liberum has been appointed as corporate broker to the Company. The ongoing fees and expenses of Ranger ZDP (including, without limitation, fees and expenses incurred on any further offer and/or issuance of ZDP Shares) are also payable by the Company.
B.41	**Regulatory status of investment manager and depositary**	The Investment Manager is registered with the US Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940, as amended. The Custodian is regulated by the US Securities and Exchange Commission as a qualified custodian under the Investment Advisers Act of 1940, as amended.
B.42	**Calculation and publication of Net Asset Value**	The unaudited Net Asset Value per Ordinary Share and Net Asset Value per C Share will be calculated by the Administrator (on the basis of information provided by the Investment Manager) on a monthly basis. These figures will be published through a Regulatory Information Service and is available through the Company's website.
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	**No financial statements have been made up**	The Company was incorporated on 25 March 2015 and commenced trading on 1 May 2015. The audited financial statements of the Company for the period from (i) incorporation to 9 April 2015 and (ii) 10 April 2015 to 31 December 2015 and the unaudited interim report of the Company for the period from 1 January 2016 to 30 June 2016 are each incorporated by reference into this Prospectus.
B.45	**Portfolio**	As at the Latest Practicable Date (being 5 p.m. London time on 16 November 2016), the Company had deployed the net proceeds of the First Placing, the Tap Placing and the First ZDP Issue and 14.2 per cent. of the net proceeds of the Second ZDP Issue in, primarily, US Debt Instruments with the balance being held as cash and other assets in accordance with the Company's investment policy. The table below illustrates the portfolio composition by Direct Lending Platform as at the Latest Practicable Date, and has been produced from unaudited Investment Manager management accounts. ***Portfolio composition by Direct Lending Platform as at the Latest Practicable Date (excluding cash)*** *Direct Lending Platform through which Debt Instrument is held* — *% Net Assets* The Consumer Loans Platform — 20.1 The Second Consumer Loans Platform — 3.8 The Invoice Factoring Platform — 0.2 The Second Invoice Factoring Platform — 0.7 The Equipment Loans Platform — 1.7 The SME Loans Platform — 10.9 The Real Estate Loans Platform — 22.2 The MCA Platform — 7.2 The SME Credit Line Platform — 18.3 The Vehicle Service Contract Platform — 2.4 The International SME Lending Platform — 2.4 The SME Loans and Business Cash Advance Platform — 3.6 The Secured Consumer Platform — 1.7 Other — 0.9 The portfolio composition data as at the Latest Practicable Date as set out above does not include principal payments received after 31 October 2016 nor accruals for income or expenses in respect of Debt Instruments acquired by the Company after 31 October 2016.
B.46	**Net Asset Value**	As at 31 October 2016 the Net Asset Value per Ordinary Share (cum-income) was $15.70 (£12.84). On Initial Admission the Net Asset Value per C Share is expected to be £9.83, assuming Gross Issue Proceeds of £40 million and the costs and expenses of the Issue that are payable by the Company being equal to 1.7 per cent., of the Gross Issue Proceeds.

Section C – Securities		
Element	*Disclosure Requirement*	*Disclosure*
C.1	**Type and class of securities**	The Company intends to issue up to 4 million C Shares under the Open Offer and the Initial Placing, in each case with a nominal value of £0.10 per C Share and at an Issue Price of £10. The Company intends to issue Ordinary Shares and/or C Shares (the Ordinary Shares having a nominal value of £0.01 each), pursuant to the Placing Programme. The issue price of the C Shares will be £10; the issue price of the Ordinary Shares issued pursuant to the Placing Programme will be determined by the Directors and the Placing Agents by reference to the prevailing cum-income NAV per Ordinary Share and a premium to cover the costs of the relevant Subsequent Placing and having regard to prevailing market conditions. The ISIN of the Ordinary Shares is GB00BW4NPD65. The SEDOL of the Ordinary Shares is BW4NPD6. The ticker for the Ordinary Shares is RDL.

		The ISIN of the C Shares to be issued pursuant to the Initial Placing is GB00BYZKH015. The SEDOL of the C Shares is BYZKH01. The ISIN for entitlements relating to C Shares under the Open Offer is GB00BYVGLH80 and the ISIN for entitlements relating to Excess Shares under the Excess Application Facility is GB00BYVGLX49. The ticker for the C Shares is RDLC.
C.2	**Currency denomination of Shares**	Ordinary Shares and C Shares shall both be denominated in Sterling.
C.3	**Details of share capital**	Set out below is the issued share capital of the Company as at the date of this Prospectus: *Nominal value (£)* — *Number* Ordinary Shares — 148,486.50 — 14,848,650
C.4	**Rights attaching to the C Shares and Ordinary Shares**	The holders of the C Shares and Ordinary Shares shall only be entitled to receive, and to participate in, any dividends declared in relation to the relevant class of securities they hold. On a winding-up or a return of capital by the Company, the holders of C Shares shall be entitled to all of the Company's net assets attributable to the C Shares in issue. The holders of Ordinary Shares shall be entitled to all of the Company's remaining net assets after taking into account the net assets attributable to the C Shares. The C Shares and the Ordinary Shares shall each carry the right to receive notice of, attend and vote at general meetings of the Company. The consent of either the holders of C Shares or the holders of Ordinary Shares will be required for the variation of any rights attached to such C Shares or Ordinary Shares (as applicable). The Company has no fixed life but, pursuant to the Articles, an ordinary resolution for the continuation of the Company will be proposed at the annual general meeting of the Company to be held in 2020 and, if passed, every five years thereafter. Upon any such resolution not being passed, proposals will be put forward to the effect that the Company be wound up, liquidated, reconstructed or unitised.
C.5	**Restrictions on the free transferability of the securities**	There are no restrictions on the free transferability of the C Shares or the Ordinary Shares, subject to compliance with applicable securities laws.
C.6	**Admission**	Application will be made to the UK Listing Authority and the London Stock Exchange for all of the C Shares now being offered to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Initial Admission will become effective and that dealings for normal settlement in the C Shares will commence on 16 December 2016. Application will be made to the UK Listing Authority and the London Stock Exchange for any Shares to be issued under the Placing Programme to be admitted to the premium segment of the Official List and to the London Stock Exchange's Main Market for listed securities. It is expected that the first Programme Admission will become effective and that dealings in the Placing Programme Shares will commence during the period from 21 November 2016 to 20 November 2017.
C.7	**Dividend policy**	The Company intends to distribute at least 85 per cent. of its distributable income earned in each financial year by way of dividends. The Shareholders approved the Company's policy of paying quarterly interim dividends at its annual general meeting held in May 2016. Whilst not forming part of its investment policy, once the net proceeds of any issue are fully invested in accordance with the Company's investment policy and the Company is levered, the Company will target the payment of dividends which equate to a yield of ten per cent. per annum based on an issue price of £10 per Share payable in quarterly instalments (the "**Target Dividend**").

		The Target Dividend is a target only and not a profit forecast. There can be no assurance that the Target Dividend can or will be achieved from time to time and it shall not be seen as an indication of the Company's expected or actual results or returns. In particular, the Target Dividend assumes that the Company (or a member of its group) will be able to agree terms for the provision of leverage in connection with the investments it makes and also assumes that investors will hold their Shares as a long-term investment. Accordingly, investors should not place any reliance on the Target Dividend in deciding whether to invest in the Shares or assume that the Company will make any distributions as all.
C.22	**Information about the Shares**	Following Conversion, the investments which were attributable to the C Shares will be merged with the Company's existing portfolio of investments. The new Ordinary Shares arising on Conversion of the C Shares will rank *pari passu* with the Ordinary Shares then in issue. The Ordinary Shares carry the right to receive all dividends declared by the Company or the Directors, subject to the rights of any C Shares in issue. On a winding-up, provided the Company has satisfied all of its liabilities (including, without limitation, pursuant to the Loan and the Undertaking) and subject to the rights conferred by any C Shares in issue at that time to participate in the winding-up, the holders of Ordinary Shares are entitled to all of the surplus assets of the Company. Holders of Ordinary Shares are entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Ordinary Share held. The nominal value of the Ordinary Shares is £0.01 per Ordinary Share. The Ordinary Shares are in registered form, have been admitted to the premium listing segment of the Official List and are traded on the London Stock Exchange's Main Market for listed securities. The Company will use its reasonable endeavours to procure that, upon Conversion, the new Ordinary Shares are admitted to the premium listing segment of the Official List and admitted to trading on the London Stock Exchange's Main Market for listed securities. There are no restrictions on the free transferability of the Ordinary Shares, subject to compliance with applicable securities laws.

Section D – Risks		
Element	*Disclosure Requirement*	*Disclosure*
D.1	**Key information on the key risks that are specific to the Company and its industry**	Market conditions may delay or prevent the Company from making appropriate investments that generate attractive returns and thereby cause "cash drag" on the Company's performance. Adverse market conditions and their consequences may have a material adverse effect on the Company's investment portfolio default rate, yield on investment and, therefore, cash flows. To the extent that there is a delay in making investments, the Company's returns will be reduced. The Company's performance may be adversely affected by competition for investments in the direct lending industry and the impact of the development of Direct Lending Platforms and there can be no guarantee that the Company will be able to secure terms in relation to the deployment of its capital through Debt Instruments originated or issued by any one set of Direct Lending Platforms. In the event that the number of Direct Lending Platforms increase and/or regulation of the direct lending industry (and the associated costs for the Direct Lending Platforms of complying with such regulation) increases, the yields on Debt Instruments originated or issued by the Direct Lending Platforms may be reduced as a result of increased competition from other platforms and/or overheads of the Direct Lending Platform. In such an event, the Company may not be able to source Debt Instruments that result in it meeting its target return. The Direct Lending Platforms that have entered into Platform Agreements with the Company have not guaranteed to provide a minimum number or amount of Debt Instruments. Accordingly, where there are insufficient Debt Instruments available or where the volume of available and suitable Debt Instruments falls, the Company may be forced to invest in cash, cash equivalents or Debt Instruments that fall

		within its investment policy but do not offer net yields which the Investment Manager is targeting. The Company may be delayed or restricted from making investments in certain jurisdictions by regulatory requirements. The Company may acquire different contractual rights depending on the way in which it invests in Debt Instruments. The Debt Instruments may also be subject to different laws and regulation dependent on the jurisdiction of the borrower or the issuer of the Debt Instruments. The Company is dependent on the continued presence of the Direct Lending Platforms and compliance with the terms of the Platform Agreements by the Direct Lending Platforms. The loan industry in the US is highly regulated. Actual or alleged violations of applicable laws could result in proceedings against US Direct Lending Platforms and in some cases against the Company itself. In a number of states, US Direct Lending Platforms need licences to broker, originate, service and/or collect US Debt Instruments, and the Company may also need certain state licences to acquire US Debt Instruments. The market price of the Ordinary Shares and C Shares may fluctuate widely in response to different factors and there can be no assurance that the Ordinary Shares or C Shares of the Company will be repurchased by the Company, even if they trade materially below their Net Asset Value. It is the intention of the Directors to conduct the affairs of the Company so as to satisfy the conditions under section 1158 of the CTA 2010 and the Investment Trust Regulations 2011 for it to be approved by HMRC as an investment trust. In respect of each accounting period for which the Company is an approved investment trust, the Company will be exempt from UK corporation tax on its chargeable gains. There is a risk that the Company does not receive approval of its investment trust status from HMRC or, having received such approval, the Company fails to maintain its status as an investment trust. In such circumstances, the Company would be subject to the normal rates of corporation tax on chargeable gains arising on the transfer or disposal of investments and other assets, which could adversely affect the Company's financial performance, its ability to provide returns to its Shareholders or the post-tax returns received by its Shareholders.
D.3	**Key information on the key risks that are specific to the C Shares and the Ordinary Shares**	The value of the C Shares and the Ordinary Shares and the income derived from them (if any) can fluctuate and may go down as well as up. Both the C Shares and the Ordinary Shares may trade at a discount to NAV. It may be difficult for Shareholders to realise their investment and there may not be a liquid market in either the C Shares or the Ordinary Shares. If the Directors decide to issue further C Shares or Ordinary Shares, the proportions of the voting rights held by Shareholders may be diluted. Dividend payments on the Ordinary Shares and C Shares are not guaranteed. Changes in tax law may reduce any return for investors in the Company.

Section E – Offer		
Element	*Disclosure Requirement*	*Disclosure*
E.1	**Proceeds and expenses of the issue**	The Net Proceeds of the Issue are dependent on the level of subscriptions received pursuant to the Issue but, assuming the Issue is fully subscribed, the estimated Net Proceeds of the Issue will be £39,320,160 and the costs and expenses of the Issue, Initial Admission and the establishment of the Placing Programme are expected to be £679,840. The net proceeds of the Subsequent Placings made pursuant to the Placing Programme are dependent on: (i) the aggregate number of Ordinary Shares and/or C Shares issued pursuant to the Placing Programme; and (ii) the applicable Placing

		Programme Price at which any Ordinary Shares are issued pursuant to the Placing Programme. Any C Shares issued pursuant to the Placing Programme will be issued at a fixed price of £10 per C Share. Under the Placing Programme, each Ordinary Share will be made available to investors at a price calculated by reference to the estimated cum income Net Asset Value of each existing Ordinary Share together with a premium intended to cover the costs and expenses of the relevant placing pursuant to the Placing Programme (including without limitation, any placing commissions) and the initial investment of the amounts raised.
E.2.a	**Reasons for the issue, use of proceeds and estimated net amount of proceeds**	The Board, as advised by the Investment Manager, believes that there are attractive opportunities for the Company to deliver value for Shareholders through exposure to Debt Instruments originated or issued by Direct Lending Platforms. Taken together with the prevailing rating of the Ordinary Shares, the Board believes it is appropriate to seek to increase the size of the Company. The estimated Net Proceeds of the Issue are £39,320,160, assuming that the Gross Issue Proceeds of £40 million are raised and the costs and expenses of the Issue, Initial Admission and the establishment of the Placing Programme are £679,840. The net proceeds of the Placing Programme are dependent, among other things, on: (i) the Directors determining to proceed with an issue of Shares under the Placing Programme; (ii) the level of subscriptions received; and (iii) the Placing Programme Price determined in respect of each Subsequent Placing. The Company's principal use of cash (including the Net Proceeds of the Issue and the Placing Programme), after paying the expenses (including the issue commissions) of the Issue and the Placing Programme, will be to fund investments in Debt Instruments and Direct Lending Company Equity in accordance with the Company's investment policy as well as to fund the Company's operational expenses. Such expenses include: (i) acquisition costs and expenses (such as due diligence costs, legal, tax advice and taxes); (ii) the Management Fee; (iii) Directors' fees; and (iv) other operational costs and expenses. Suitable acquisition opportunities may not be immediately available. It is likely, therefore, that for a period following Initial Admission, any Programme Admission and at certain other times, the Company will have surplus cash. The amount of fees and expenses payable by the Company to a Direct Lending Platform varies depending on the amount of Debt Instruments acquired from a particular platform, and in certain cases, the performance of the Debt Instruments acquired from that platform. Generally, fees payable to a Direct Lending Platform consist of some or all of: (i) an acquisition cost spread that reflects a premium to the outstanding principal value of the relevant Debt Instrument; (ii) a servicing fee; (iii) a variable platform fee that is calculated by reference to the performance of Debt Instruments originated or issued by that platform; and (iv) in respect of pooled investment vehicle investments only, management and performance fees.
E.3	**Terms and conditions of the Issue and the Placing Programme**	The C Shares are being made available under the Issue at the Issue Price. Under the Open Offer, up to 2,474,775 C Shares will be made available to holders of Ordinary Shares on the register of members of the Company as at close of business on 18 November 2016 (the "**Record Date**"), *pro rata* to their holdings of Ordinary Shares on the basis of 1 C Share for every 6 Ordinary Shares held at the Record Date. Existing Shareholders who take up all of their entitlements under the Open Offer may also apply for additional C Shares under an excess application facility (the "**Excess Application Facility**"). The Directors may also, at their sole discretion,

		make additional C Shares available under the Excess Application Facility by re-allocating C Shares from the Initial Placing in favour of the Excess Application Facility. To the extent that Existing Shareholders do not take up their entitlements under the Open Offer and such entitlements are not taken up under the Excess Application Facility, the Directors may, at their sole discretion, re-allocate C Shares from the Open Offer and Excess Application Facility to the Initial Placing. The latest time and date for receipt by the Company of application and payment in full in respect of the Open Offer will be 11.00 a.m. on 12 December 2016. The latest time and date for receipt by the Company of placing commitments under the Initial Placing will be 11.00 a.m. on 12 December 2016. Applications under the Initial Placing must be for C Shares with a minimum subscription amount of £1,000. The Issue is conditional upon, *inter alia*, (a) the Placing Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms prior to Initial Admission; and (b) Initial Admission occurring by 8.00 a.m. on 16 December 2016 (or such later time and date as may be agreed between Liberum, Fidante Capital, the Company and the Investment Manager, being not later than 8.00 a.m. (London time) on 23 December 2016). Following completion of the Issue, the Directors may implement the Placing Programme to enable the Company to raise additional capital in the period from 21 November 2016 to 20 November 2017. Under the Placing Programme, the Company is proposing to issue Ordinary Shares and/or C Shares, as the case may be, provided that the Company shall not raise more than £200 million worth of Ordinary Shares and/or C Shares pursuant to the Issue and the Placing Programme in aggregate. Under the Placing Programme, each of the Placing Agents has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers for Ordinary Shares and/or C Shares at the applicable Placing Programme Price. Neither the Issue nor the Placing Programme is being underwritten. Each Subsequent Placing is conditional on amongst other things: ● the Placing Agreement remaining in full force and effect and not having been terminated in accordance with their terms before the relevant Programme Admission becomes effective; and ● completion of the relevant Programme Admission. In the circumstances in which these conditions are not fully met or waived, the relevant Subsequent Placing will not take place and no Ordinary Shares or C Shares will be issued under that Subsequent Placing.
E.4	**Material interests**	Not applicable. There are no interests that are material to the Issue and no conflicting interests.
E.5	**Name of person selling securities**	Not applicable. No person or entity is offering to sell Ordinary Shares as part of the Issue or the Placing Programme.
E.6	**Dilution**	The C Shares issued pursuant to the Issue will convert into Ordinary Shares. The number of Ordinary Shares into which each C Share will convert will be determined by the Net Asset Value per C Share relative to the Net Asset Value per Ordinary Share at the Conversion Date. As a result of Conversion, the percentage of the total number of Ordinary Shares held by each existing holder of Ordinary Shares will be reduced to the extent that Shareholders do not acquire a sufficient number of C Shares under the Issue. If 20 million C Shares (being the maximum number of C Shares available under the Issue and the Placing Programme) are issued pursuant to the Issue and the Placing Programme, there would be a dilution of approximately 57 per cent. in the voting control of existing Shareholders.

E.7	**Estimated expenses charged to the investor by the issuer**	The costs and expenses (including irrecoverable VAT) of, and incidental to, the Issue, Initial Admission and the establishment of the Placing Programme payable by the Company are estimated to be £679,840 (assuming that the Gross Issue Proceeds of £40 million are raised). Other than in respect of expenses of, or incidental to, Initial Admission, each Programme Admission, the Issue and each Subsequent Placing which the Company intends to pay out of the proceeds of the Issue or a Subsequent Placing (as applicable), there are no commissions, fees or expenses to be charged to investors by the Company under the Issue. The costs and expenses of the Placing Programme will depend on subscriptions received.

RISK FACTORS

Investment in the Company should not be regarded as short-term in nature and involves a high degree of risk. Accordingly, investors should consider carefully all of the information set out in this Prospectus and the risks attaching to an investment in the Company, including, in particular, the risks described below.

The Directors believe that the risks described below are the material risks relating to the Shares at the date of this Prospectus. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem immaterial at the date of this Prospectus, may also have an adverse effect on the performance of the Company and the value of the Shares. Investors should review this Prospectus carefully and in its entirety and consult with their professional advisers before making an application to participate in the Issue and the Placing Programme.

Prospective investors should note that the risks relating to the Company, its industry and the Ordinary Shares summarised in the section of this Prospectus headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the 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 Prospectus headed "Summary" but also, among other things, the risks and uncertainties described below.

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

Risks relating to the Company

The Company has a limited operating history

The Company was incorporated on 25 March 2015 and commenced trading on 1 May 2015, and invests primarily in a portfolio of Debt Instruments sourced through Direct Lending Platforms. An investment in the Company is subject to all the risks and uncertainties associated with a recently established business, including the risk that the Company will not achieve its investment objective and that the value of an investment in the Company could decline substantially as a consequence.

Political instability may impact on the share price and/or the Net Asset Value of the Company

The current political instability following the result of the United Kingdom's referendum on whether to leave the European Union, the potential for a second referendum in Scotland on whether to leave the United Kingdom and the result of the presidential elections in the United States may, individually or collectively, give rise to a period of prolonged economic uncertainty and damage investors' confidence. This in turn could: (i) cause the share price of the Company to fall; (ii) affect the Net Asset Value of the Company; or (iii) expose the Company to major currency movements, heightened by the fact that the Net Asset Value of the Company is presented in Sterling but based on an underlying portfolio of debt instruments predominantly denominated in US Dollars.

In addition, certain rights and obligations applicable to the Company, such as the AIFM Directive and its EU passporting regime, may no longer be available to it following the United Kingdom's exit from the European Union. This may affect the ability of the Company to raise funds in the future and may increase compliance and ongoing expenses.

While the Company is monitoring and assessing the potential impacts of this political instability, the situation is expected to remain uncertain for the foreseeable future.

Delays in deployment of the proceeds of the Issue and any Subsequent Placing may have an impact on the performance of the Company's portfolio and cash flows

Pending investment of the Net Proceeds in Debt Instruments and/or Direct Lending Company Equity, the Company intends to invest them in cash deposits, gilts and money market funds. Interim cash management

is likely to yield lower returns than the expected returns from investments in Debt Instruments. There can be no assurance as to how long it will take for the Company to invest all of the Net Proceeds, and the longer the period the greater the likelihood that the Company's results of operations will be materially adversely affected, which will in turn impact on the Net Asset Value.

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

The Company may not achieve its investment objective. Meeting that objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met. The Company will be dependent upon the Investment Manager's successful implementation of the Company's investment policy and its investment strategies, and ultimately on its ability to create an investment portfolio capable of generating attractive returns. This implementation in turn will be subject to a number of factors, including market conditions and the timing of investments relative to market cycles, many of which are beyond the control of the Company and difficult to predict. There can be no assurance that the Company will be successful in sourcing suitable Debt Instruments.

The Company's investment objective includes the aim of providing Shareholders with a dividend income. There is no guarantee that any dividends will be paid in respect of any financial year or period. The ability to pay dividends is dependent on a number of factors including the level of income returns from the Company's portfolio of investments attributable to each class of Shares. There can be no guarantee that the Company's portfolio of investments will achieve the target rates of return referred to in this Prospectus or that it will not sustain any capital losses through its investments. Without limitation to the generality of the foregoing, the achievement of the target return will require the Company to incur leverage and there is no guarantee that the Company will be able to do so. Further, even if the Company is able to agree the provision of leverage, it may not be possible to maintain or refinance such leverage which may impair the ability of the Company to pay dividends and/or require the Company to dispose of its assets at a discount to their principal value.

Market conditions may delay or prevent the Company from making appropriate investments that generate attractive returns

The Company's investment objective requires it to invest in instruments which may be both illiquid and scarce. Market conditions may increase illiquidity and scarcity and have a generally negative impact on the Investment Manager's ability to identify and execute investments in suitable Debt Instruments that might generate acceptable returns. Market conditions may also restrict the supply of suitable Debt Instruments that may generate acceptable returns and thereby cause "cash drag" on the Company's performance. Adverse market conditions and their consequences may have a material adverse effect on the Company's investment portfolio default rate, yield on investment and, therefore, cash flows. To the extent that there is a delay in making investments, the returns attributable to the Shares will be reduced.

The Company has and may continue to borrow in connection with its investment activities which subjects it to interest rate risk and additional losses when the value of its investments fall

Borrowings (which, for this purpose include the issuance of ZDP Shares by the Company's wholly owned subsidiary Ranger ZDP) may be employed at the level of the Company and at the level of any investee entity (including any other investment fund in which the Company invests or any SPV that may be established or utilised by the Company in connection with obtaining leverage against any of its assets).

The Company itself may borrow (through bank or other facilities) up to 50 per cent. of Net Asset Value (calculated by reference to both the C Shares and the Ordinary Shares at the time of draw down under any facility that the Company has entered into). In addition, the terms of the Undertaking further restrict the Company's borrowing powers. Pursuant to the Undertaking, the Company may not incur Bank Borrowings if, following such borrowing, its aggregate Bank Borrowings would thereby exceed an amount equal to the sum of: (a) (i) $46,627,120.60 (£35,362,008.30) (being 20 per cent. of the Net Asset Value attributable to the Ordinary Shares in issue as at 1 August 2016 (using the US Dollar Sterling exchange rate as at that date)); plus (ii) an amount equal to 50 per cent. of the net proceeds of any issue of C shares or Ordinary Shares completed on or after 2 August 2016; less (b) £23.805 million plus the gross proceeds of any further issue of ZDP Shares by Ranger ZDP.

Prospective investors should be aware that, whilst the use of borrowings should enhance the Net Asset Value of each class of Shares when the value of the Company's underlying assets is rising, it will, however,

have the opposite effect where the underlying asset value is falling. In addition, in the event that the Company's income falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net revenue of the Company and accordingly will have an adverse effect on the Company's ability to pay dividends to Shareholders.

The Company (and/or any future subsidiary of it that incurs borrowings) will pay interest on any borrowing it incurs. As such, the Company is exposed to interest rate risk due to fluctuations in the prevailing market rates. Interest rate movements may affect the level of income receivable on cash deposits and the interest payable on the Company's variable rate cash borrowings. In the event that interest rate movements lower the level of income receivable on cash deposits or raise the interest required to be paid by the Company, returns to investors will be reduced.

There is no guarantee that any borrowings of the Company (or any future subsidiary of it that incurs borrowings, if applicable) will be refinanced on their maturity either on terms that are acceptable to the Company or at all.

The Company may also invest in other investment funds that employ leverage with the aim of enhancing returns to investors. Where an investment fund employs leverage, shares, limited partnership interests or units in such investment funds will rank after such borrowings and should these investment funds' assets fall in value, their ability to pay their investors may be affected.

The Company is not constrained to investing in diversified sectors

The Company may invest up to 25 per cent. of Gross Assets in Debt Instruments that are in a single asset class sub-category. This may lead to the Company having significant exposure to Debt Instruments referenced to certain asset class sub-categories from time to time, albeit exposures that are within the limitations set out in the Company's investment policy. Greater concentration of Debt Instruments in any one asset class sub-category may result in greater volatility in the value of the Company's investments and consequently its NAV and may materially and adversely affect the performance of the Company and returns to its Shareholders.

The Company's Shares will be denominated in Sterling while a significant part of its portfolio of investments is denominated in US Dollars meaning the Company is subject to the risk of movements in exchange rates (including the Sterling/US Dollar rate) and, to the extent undertaken, attempts to hedge currency exposures may not be successful

The assets of the Company will be invested in Debt Instruments and Direct Lending Company Equity which are denominated in US Dollars, Euros, Sterling, Australian Dollars, Canadian Dollars or other currencies. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates. In addition, the Company's borrowings may be denominated in US Dollars, further exposing the Company to fluctuations in currency rates.

Save as described below, the Company does not currently hedge currency exposure between Sterling and any other currency in which the Company's assets may be denominated (in particular US Dollars), however, it does hedge its currency exposure between US Dollars (being the currency in which the Company accounts) and any other currency (including Sterling, Euros, Australian Dollars and Canadian Dollars) in which the Company's assets may be denominated. The Company also currently puts in place hedging arrangements in respect of US Dollar exposure against Sterling on any dividend amounts that are declared during the period from declaration to payment to ensure that the amount of any declared dividend is not subject to exchange rate risk in respect of US Dollar to Sterling foreign exchange rates. Notwithstanding such hedging, there can be no assurances or guarantees that the Company will successfully hedge against such risks and adverse movements in currency exchange rates will have a material adverse impact on be exposed to currency movements.

In addition, since the Loan is denominated in Sterling, the Company is also exposed to currency movements between Sterling and the currencies in which the proceeds of the Loan are invested by the Company. While the Company hedges the principal amount of the Loan and the interest that accrues on the Loan on a monthly basis, there can be no assurances or guarantees that the Company will successfully hedge against such risks and adverse movements in currency exchange rates will have a material adverse impact on the Company's ability to achieve its target return and/or achieve the Target Dividend and/or comply with its

obligations under the Loan Agreement and the Undertaking. In particular, an increase in the value of Sterling against the US Dollar could, as a result of the hedging put in place by the Company, reduce the Cover.

There is no reliable liquid market available for the purposes of valuing the Company's investments

The Company's current investments are (and those investments proposed to be acquired using the Net Proceeds are intended to be) largely unquoted Debt Instruments or financial instruments that have their value derived from unquoted Debt Instruments. There is no reliable liquid market for Debt Instruments and the valuation of such investments involves the Investment Manager exercising judgement. There can be no guarantee that the basis of calculation of the value of the Company's investments used in the valuation process will reflect the actual value on realisation of those investments. The Investment Manager is entitled to receive a management fee and performance fee for its services to the Company which is based, in part, on the value of the Company's investments. This creates a potential conflict of interest as the Investment Manager is involved in the valuation of the Company's investments.

Risks related to the Company's investment objective and strategy

The Company's performance may be adversely affected by competition for investments in the direct lending industry and the impact of the development of Direct Lending Platforms

The direct lending market in which the Company participates is competitive and rapidly changing. The Company has entered into agreements with a number of Direct Lending Platforms in relation to the deployment of the Company's capital. However, there can be no guarantee that the Company will be able to secure terms in relation to the deployment of the Net Proceeds through Debt Instruments or issued any other Direct Lending Platforms.

The Company may face increasing competition for access to Debt Instruments as the direct lending industry continues to evolve. The Company may face competition from other institutional lenders such as asset managers and other fund vehicles that are substantially larger and have considerably greater financial, technical and marketing resources than the Company. In the US, there are a number of private funds and managed accounts which have already deployed capital in the direct lending industry. Other institutional sources of capital may enter the market in both the US and Europe. These potential competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships than the Investment Manager is able to on behalf of the Company. There can be no assurance that the competitive pressures the Company faces will not erode the Company's ability to deploy capital and thus impact the financial condition and results of the Company.

In the event that the number of Direct Lending Platforms which issue or originate Debt Instruments that the Company invests in were to be limited in number, whether due to termination of existing agreements or failure to secure terms with other Direct Lending Platforms, the Company may be subject to certain risks associated with the concentration of its portfolio. A smaller universe of Direct Lending Platforms which originate or issue Debt Instruments increases the risks associated with those Direct Lending Platforms changing their arrangements with respect to, *inter alia*, their underwriting and credit models, borrower acquisition channels and quality of debt collection procedures in such a way as to make them unsuitable for investment by the Company. In any event, material portfolio concentration risks related to asset class, geography or risk tolerances will be mitigated through diversification of investments in accordance with the Company's stated investment policy.

In addition, in the event that the number of Direct Lending Platforms increase and/or regulation of the direct lending industry (and the associated costs for the Direct Lending Platforms of complying with such regulation) increases, the yields on Debt Instruments originated or issued by the Direct Lending Platforms may be reduced as a result of increased competition from other platforms and/or overheads of the Direct Lending Platform. In such an event, the Company may not be able to source Debt Instruments that result in it meeting its target return.

The Direct Lending Platforms that have entered into Platform Agreements with the Company have not guaranteed to provide a minimum number of Debt Instruments

There can be no guarantee that the rapid origination growth experienced by Direct Lending Platforms in recent periods will continue.

The Company intends to continue to build relationships with and enter into agreements with additional Direct Lending Platforms but there is no guarantee that it will be able to do so.

Further, if there are not sufficient qualified loan requests through any Direct Lending Platform that has entered into a Platform Agreement with the Company, the Company may be unable to deploy the Net Proceeds in a timely or efficient manner. Any information regarding the Debt Instruments that have been made available by each Direct Lending Platform and the investment capacity for investment tentatively anticipated by the Company with respect to each Direct Lending Platform is not a guaranteed number or amount of Debt Instruments that will be issued or originated by each Direct Lending Platform. Investment capacities within each Direct Lending Platform are subject to the good faith efforts of such Direct Lending Platform and the Company will only be able to acquire Debt Instruments originated or issued by such Direct Lending Platforms to the extent that a sufficient number of loan applications are received by Direct Lending Platforms from underlying borrowers which satisfy both the relevant underwriting parameters of such Direct Lending Platform and the Company's Debt Instrument selection criteria. Estimates of a particular platform's expected lending volume provided to the Company by a Direct Lending Platform are estimates based on the relevant platform's management expectations for the coming year and are not able to be independently verified. As such, there can be no expectation that such estimated lending volumes will be achieved and failure to achieve such lending volumes by one or more Direct Lending Platforms may have a material adverse impact on the Company's ability to achieve its investment objective.

Where there are insufficient Debt Instruments available or where the volume of available and suitable Debt Instruments falls, the Company may be forced to invest in cash, cash equivalents or Debt Instruments that fall within its investment policy but do not offer net yields which the Investment Manager is targeting. In such circumstances, the investments made will generally be expected to offer lower returns than the Company's target returns from investments in Debt Instruments.

The Company may be delayed or restricted from making investments in certain jurisdictions by regulatory requirements

The direct lending industry is becoming the subject of increasing regulation in a number of jurisdictions. To the extent that the Company wishes to make investments in certain jurisdictions, it may be delayed in making those investments until it is in a position to comply with applicable law and regulation and the cost of such compliance may be significant.

By way of example, the regulation of consumer lending in the United Kingdom now requires lenders to become authorised in the United Kingdom prior to undertaking certain regulated activities. It is possible that if the Company were to acquire consumer loan Debt Instruments in the United Kingdom, it would require authorisation and failure to secure such authorisation may have a material adverse effect on the returns from the Company's investment portfolio.

Risks relating to the Company's direct or indirect investment in Debt Instruments and the issue or origination of Debt Instruments by Direct Lending Platforms

The failure by underlying borrowers to make repayments under the terms of the Debt Instruments will have an adverse effect on the Company's performance

Regardless of the form that an investment in a Debt Instrument takes, the ability of the Company to earn revenue is completely dependent upon payments being made by the underlying borrowers of the Debt Instruments acquired, directly or indirectly, by the Company from a Direct Lending Platform in a timely and complete manner. The Company or relevant member of its group only receives payments under any Debt Instruments it acquires if the underlying borrower sourced through a Direct Lending Platform makes payments on the relevant loan or, where the borrower does default, the security granted in respect of the loan (where security is given) is sufficient to cover the outstanding payments.

Where an underlying borrower to a Debt Instrument defaults, the Company must rely on the collection efforts of the Direct Lending Platforms and their designated collection agencies and, in certain circumstances, will have no direct recourse against underlying borrowers. Some Direct Lending Platforms may charge fees and expenses to the Company in connection with an attempt collect outstanding amounts on Debt Instruments which are defaulted on, thereby reducing the amount which the Company may recover in the event of a partial or complete collection.

In circumstances where the Company does not acquire a Debt Instrument itself but instead acquires a Note or other financial instrument providing performance linked returns to Debt Instruments or invests in a pool of Debt Instruments through a pooled investment vehicle, the Direct Lending Platform may retain from the funds received from the relevant borrower and otherwise available for payment to the Company an amount sufficient to cover any insufficient payment fees and the amounts of any attorney's fees or collection fees it, a third party service provider or collection agency imposes in connection with such collection efforts. In addition, a Direct Lending Platform may under certain circumstances retain a portion or all of such collection proceeds whether or not the applicable Debt Instrument has been written off by the Direct Lending Platform or the Company.

Borrowers may not view the lending obligations facilitated through a Direct Lending Platform as having the same significance as other credit obligations arising under more traditional circumstances, such as loans from banks. If an underlying borrower neglects its payment obligations on a Debt Instrument or chooses not to repay its Debt Instrument entirely, the Company may not be able to recover any portion of its outstanding principal and interest under such Debt Instrument.

Where an underlying borrower is an individual, if such a borrower with outstanding obligations under a Debt Instrument dies while the loan is outstanding, the borrower's estate may not contain sufficient assets to repay the Debt Instrument or the executor of the borrower's estate may prioritise repayment of other creditors. Numerous other events could impact a borrower's ability or willingness to repay a Debt Instrument acquired directly or indirectly by the Company, including divorce or sudden significant expenses, such as uninsured healthcare costs.

Identity fraud may occur and adversely affect the Company's ability to receive the principal and interest payments that it expects to receive on Debt Instruments. A Direct Lending Platform may have the exclusive right and ability to investigate claims of identity theft and this may create a conflict of interest between the Company and such Direct Lending Platform. If a Direct Lending Platform determines that verifiable identity theft has occurred, that Direct Lending Platform may be required to repurchase the relevant Debt Instrument (or Note or pooled investment interest where applicable) or indemnify the Company and in the alternative, if the Direct Lending Platform denies a claim under any identify theft guarantee, the Direct Lending Platform would be saved from its repurchase or indemnification obligations.

The Company will not be protected from any losses it may incur from its investments in any Debt Instruments which result from borrower default by any insurance-type product operated by any of the Direct Lending Platforms through which it invests.

Risk of fraud or misrepresentation by borrowers or Direct Lending Platforms

The value of the investments made by the Company in Debt Instruments may be affected by fraud, misrepresentation or omission on the part of the borrower to which the Debt Instrument relates, by parties related to the borrower or by other parties to the Debt Instrument (or related collateral and security arrangements), including the Direct Lending Platforms themselves. Although the Company's agreements with Direct Lending Platforms will often have provisions which require the platform to repurchase Debt Instruments which were originated or issued on the basis of fraud, misrepresentation, or omission ("**Fraudulent Activity**") by a borrower, such provisions are not universal. Likewise, such provisions do not protect the Company from insolvency of, or Fraudulent Activity undertaken by, a Direct Lending Platform itself. As such, Fraudulent Activity may adversely affect the value of the collateral underlying the Debt Instrument in question (in circumstances where collateral has been pledged) or may adversely affect the Company's or Direct Lending Platform's ability to enforce its contractual rights under the Debt Instrument or for the borrower of the Debt Instrument to repay the Debt Instrument or interest on it or its other debts.

Risk of borrower default in respect of secured Debt Instruments

A substantial component of the Investment Manager's analysis of the desirability of acquiring a secured Debt Instrument relates to the estimated residual or recovery value of such investments in the event of the insolvency of the borrower. This residual or recovery value is driven primarily, where the Debt Instrument is secured or guaranteed, by the value of the underlying assets constituting the collateral for such investment. Collateral represents security taken over some or all of the assets of a borrower. Such security may be taken in a number of different ways depending on the nature of the asset being secured. The value of collateral can, however, be extremely difficult to predict as in certain circumstances market quotations and third party

pricing information may not be available, can diminish over the term of the Debt Instrument, be misappropriated or destroyed and, in certain market circumstances, there could be little, if any, market for such assets. Moreover, depending upon the status of these assets at the time of a borrower's default, they may be substantially worthless. The types of collateral owned by the borrowers who are a counterparty in Debt Instruments will vary widely, but are expected primarily to be receivables, inventory, bank accounts, property, plant and equipment. During times of recession and economic contraction, there may be little or no ability to realise value on any of these assets, or the value which can be realised in liquidation or otherwise may be substantially below the assessed value of the collateral. A default that results in the Company holding collateral may materially adversely affect the performance of the Company's investments and the value of its Shares.

Whilst the Company invests in secured Debt Instruments, the collateral and security arrangements in relation to such Debt Instruments is subject to such security or collateral having been correctly created and perfected and any applicable legal or regulatory requirements which may restrict the giving of collateral or security by a borrower under a Debt Instrument, such as, for example, thin capitalisation, over-indebtedness, financial assistance and corporate benefit requirements. If the Debt Instruments in which the Company invests do not benefit from the expected collateral or security arrangements this may affect the value of the investments made by the Company.

If a default were to occur in relation to a Debt Instrument in which the Company has invested, and the Direct Lending Platform or Company (as applicable) exercises its rights to enforce the collateral or security arrangements that support the Debt Instrument, the value of recoveries under those arrangements may be smaller than the value of the Company's investment in the Debt Instrument, (whether due to external factors such as changes in the market for the assets to which the security or collateral relates, general economic conditions or otherwise).

Risk of borrower default in respect of unsecured Debt Instruments

Part of the portfolio of Debt Instruments acquired by the Company is not, and will not be, secured or subject to a personal guarantee. Unsecured Debt Instruments are not secured by any collateral, not guaranteed or insured by any third party and not backed by any governmental authority in any way. The Direct Lending Platforms that originate or issue such Debt Instruments and their designated third party collection agencies may be limited in their ability to collect on Debt Instruments and if an underlying borrower defaults on its obligations, the ability of the Direct Lending Platform and therefore the Company to collect any portion of the Debt Instrument is unlikely.

All Debt Instruments are credit obligations of individual borrowers (be it an individual or a business) and the terms of the Debt Instrument may not restrict a borrower from incurring additional debt. If a borrower incurs additional debt after obtaining a loan through a Direct Lending Platform, that additional debt may adversely affect the borrower's creditworthiness generally, and could result in the financial distress, insolvency or bankruptcy of the borrower. This circumstance could ultimately impair the ability of that borrower to make payments on its Debt Instrument and the Company's ability to receive the principal and interest payments that it expects to receive on the relevant Debt Instruments. To the extent borrowers incur other indebtedness that is secured, such as a mortgage, the ability of the secured creditors to exercise remedies against the assets of that borrower may impair the borrower's ability to repay its loan or it may impair the Direct Lending Platform's ability to collect on the Debt Instrument if it goes unpaid. In respect of consumer loans that are unsecured, borrowers may choose to repay obligations under other indebtedness before repaying loans facilitated through a Direct Lending Platform because the borrowers have no collateral at risk. The Company will not be made aware of any additional debt incurred by a borrower, or whether such debt is secured.

If a borrower files for bankruptcy in any of the jurisdictions in which the Company may invest, a stay may go into effect that will automatically put any pending collection actions on hold and prevent further collection action absent court approval. It is possible that the borrower's personal liability on its loan will be discharged in bankruptcy. In most cases involving the bankruptcy of a borrower with an unsecured loan, unsecured creditors, including the Company, will receive only a fraction of any amount outstanding on the amount owing to them, if anything.

Debt Instrument default rates may be affected by a number of factors outside the Company's control and actual default rates may vary significantly from historical observations

General economic factors and conditions in the United States or worldwide, including the general interest rate environment, unemployment rates and residential collateral asset values, may affect borrower willingness to seek loans and investor ability and desire to invest in loans.

The default history for Debt Instruments originated via or issued by Direct Lending Platforms is limited and actual defaults over a full market cycle may be greater than indicated by historical data and the timing of defaults may vary significantly from historical observations.

The Company acquires different contractual rights depending on the way in which it invests in Debt Instruments

The contractual rights of the Company in relation to the interests in Debt Instruments that it acquires depend on the way in which the Company acquires the Debt Instruments.

The contractual rights acquired by the Company may vary considerably. A purchase by way of transfer or assignment of a whole loan Debt Instrument will typically result in the Company effectively acquiring all the rights and obligations of the Direct Lending Platform and becoming a lender under the relevant credit agreement (although its rights can be more restricted than those of the Direct Lending Platform) and, subject to servicing agreements maintained by the Direct Lending Platforms, having a direct contractual relationship with the borrower. Subject to the representations, warranties and covenants the Company is able to negotiate with an individual Direct Lending Platform, acquisition of a Note or other investment that provides an economic exposure to the whole or part of a Debt Instrument may only provide for a contractual relationship with the Direct Lending Platform (or bankruptcy remote special purpose vehicle that issues the Note or other financial instrument) rather than with the borrower which may impair the Company's ability to enforce the terms of the loan that is referenced by the relevant Debt Instrument.

The Company may also invest in Debt Instruments in a number of jurisdictions, including the United States, and such investments are or may be subject to different laws and regulation dependent on the jurisdiction in which the borrower under, or issuer of, the Debt Instrument is incorporated. In order to invest in such Debt Instruments, the Company may be required to adopt particular contractual arrangements and structures in order to satisfy the legal and regulatory requirements of a particular jurisdiction. This may affect the contractual rights acquired by the Company.

Prepayment risk

Underlying borrowers may decide to prepay all or a portion of the remaining principal amount due under a Debt Instrument at any time, and with respect to some loans, without penalty. The degree to which borrowers prepay loans, whether as a contractual requirement or at their election, may be affected by general business conditions, market interest rates, the borrower's financial condition and competitive conditions among lenders. In the event of a prepayment of the entire remaining unpaid principal amount of a Debt Instrument acquired by the Company, the Company will receive such prepayment (or the relevant part thereof) but further interest may not accrue on such Debt Instrument after the date of the prepayment. If the borrower prepays a portion of the remaining unpaid principal balance interest may cease to accrue on the prepaid portion, and the Company may not receive all of the interest payments that it expected to receive.

The Company may invest in Debt Instruments made to small or less well established companies

The Company may invest in Debt Instruments made to small and/or less well established companies. Whilst loans made to smaller and/or less well established companies may fall within the relevant underwriting criteria of the Direct Lending Platform and Company at the time the Debt Instrument is entered into, a smaller or less well established company will be more susceptible to market volatility and adverse changes in its trading conditions which will in turn impact its financial condition and may mean that it is unable to comply with its payment obligations under the terms of the relevant Debt Instrument. To the extent that a small or less well established company is unable to meet its obligations pursuant to a Debt Instrument, the value of the Company's investment in such a Debt Instrument will fall which may have an adverse impact on the Company's financial performance.

Risks of investment in Debt Instruments that have underlying borrowers with poor credit ratings or histories

The Company may invest a portion of its assets in Debt Instruments linked to underlying borrowers who have low or sub-prime credit bureau risk scores (commonly known as "**FICO**" scores) (referred to for this purpose as "**High Yield Investments**"). Such High Yield Investments may be considered speculative with respect to the borrower's continuing ability to make principal and interest payments under the terms of the Debt Instrument. High Yield Investments have a higher risk of default, and as such pose a significant risk to the Company with respect to the loss of principal and interest. Moreover, High Yield Investments have material sensitivity to macro-economic downturns and other factors outside of the Company's control. Such macro-economic downturns may be outside of the Investment Manager's foresight and/or unexpectedly occur during the term of a Debt Instrument.

Some of the High Yield Investments may be linked to underlying borrowers who have "subprime" credit ratings. A "subprime" credit rating is traditionally defined as a FICO score below 640. Most of these underlying borrowers are people who have had difficulty obtaining loans from other sources, including banks and other financial institutions, on favourable terms, or on any terms at all, due to credit problems, limited credit histories, adverse financial circumstances, or high debt-to-income ratios.

The Company expects Debt Instruments which are High Yield Investments to have a substantial rate of default, but may notwithstanding such default rate significantly invest in Debt Instruments which are High Yield Investments (some of which may be linked to subprime borrowers) in circumstances where it believes that the relationship between interest rates and default will produce noteworthy returns on a net basis.

However, no assurance can be given that the expected default rates of Debt Instruments which are High Yield Investments will not materially exceed historical or expected levels, thereby materially and negatively impacting the returns of investments of the Company and, therefore, the Net Asset Value of the Company.

The value of the Company's investments may be subject to jurisdiction-specific insolvency regimes

The value of the Debt Instruments acquired by the Company may be impacted by various laws enacted for the protection of creditors in the jurisdictions of incorporation of the obligors thereunder and, if different, the jurisdictions from which the obligors conduct their business and in which they hold their assets, which may adversely affect such obligors' abilities to make payment on a full or timely basis.

In particular, it should be noted that a number of continental European and emerging market jurisdictions operate "debtor-friendly" insolvency regimes which could result in delays in payments where obligations, debtors or assets thereunder are subject to such regimes. The different insolvency regimes applicable in the different European jurisdictions result in a corresponding variability of recovery rates for debt obligations entered into or issued in such jurisdictions.

With regards to the United States, bankruptcy judges have a broad discretion as to how they deal with the claims of different creditors, and the claims of secured creditors may not, despite their legal entitlement, always be respected as a matter of policy, for example political or social factors may be taken into account in larger or high profile bankruptcies which may adversely affect the ability of the Company to effectively enforce its rights as a secured creditor.

Jurisdiction-specific insolvency regimes may negatively impact a borrowers' ability to make payments to the Company or the Direct Lending Platform (as applicable), or the Company's or Direct Lending Platform's recovery in a restructuring or insolvency, which may adversely affect the Company's business, financial condition and results of operations.

Risks associated with a limited secondary market and liquidity for Debt Instruments

Direct lending loans generally, but not exclusively, have a maturity between 6 months to 5 years. Investors acquiring Debt Instruments originated or issued by Direct Lending Platforms and hoping to recoup their entire principal must generally hold their Debt Instruments through to maturity. In the US, a rudimentary secondary exchange is currently in place for fractional consumer loans through FOLIOfn, Inc. but this system is at present inefficient. There is also currently no formal secondary market operated by any of the Direct Lending Platforms through which the Company will be able to participate in relation to the sale of whole

loans Debt Instruments. Trade receivables and trade finance loans typically have short durations of 30 to 180 days and the Company intends to purchase these Debt Instruments to hold to maturity. There is currently very limited liquidity in the secondary trading of these investments. Direct lending loans are not at present listed on any national or international securities exchange.

Until an active secondary market develops, the Company will primarily adhere to a "lend and hold" strategy and will not necessarily be able to access significant liquidity. In the event of adverse economic conditions in which it would be preferable for the Company to sell certain of its Debt Instruments, the Company may not be able to sell a sufficient proportion of its portfolio as a result of liquidity constraints. In such circumstances, the overall returns to the Company from its investments may be adversely affected.

The Company is dependent on the continued presence of Direct Lending Platforms and compliance with the terms of the Platform Agreements by the Direct Lending Platforms

The Company is extremely dependant on the Direct Lending Platforms in pursuing its investment objective. If a material number of platforms were to cease or materially alter their operations, become bankrupt, liquidate or otherwise cease originating Debt Instruments, the ability of the Company to invest in accordance with its investment objective may be materially impacted.

Likewise, the Company is dependent on the Direct Lending Platforms' continued ability to manage their operations and reduce risk to the investors in Debt Instruments. For example, a Direct Lending Platform may be vulnerable to network issues, technological failure, cyber attacks, physical or electronic break ins and other vulnerabilities which may impact either its operations or the security of an investment in a Debt Instrument. In the event that a Direct Lending Platform is unable to effectively manage such vulnerabilities, the Company as an investor in Debt Instruments, could be severely impacted, including without limitation, with respect to such Direct Lending Platform's ability to offer additional Debt Instruments for investment, manage and service existing Debt Instruments and/or collect amounts due from underlying borrowers, any one of which may have a material adverse effect on the Company's portfolio and its Net Asset Value.

The Company also generally depends on the Direct Lending Platforms to verify the identity of borrowers under the Debt Instruments, their credit histories, the value of any applicable collateral and in some cases, their employment status and income. Neither the Company nor the Investment Manager will be in a position to monitor those verification procedures and thus the Company is subject to the risk that those procedures are, or over time become, inadequate to prevent fraud. To the extent that the rate of fraud increases, the returns on the Company's portfolio could be adversely affected which would in turn has an adverse effect on the Net Asset Value.

The Investment Manager and its TruSight Technology is also reliant on information provided by the Direct Lending Platforms in selecting investments for the Company. However, the Investment Manager is unable to confirm the accuracy, comprehensiveness or quality of the information provided by such Direct Lending Platforms. If such information proves to be inaccurate, incomplete or of generally poor quality and/or if a Direct Lending Platform ceases to provide such information, the Company's investment programme may be adversely affected. In addition, the Administrator may be unable to accurately value the Company's Debt Instruments.

Risks associated with the Direct Lending Platforms' and the Investment Manager's credit scoring or investment models

A prospective borrower may be assigned a loan grade or preferential ranking by a Direct Lending Platform based on a number of factors within their proprietary underwriting model, including, without limitation, the borrower's credit score and credit history. Credit scores are produced by third-party credit reporting agencies based on a borrower's credit profile, including credit balances, available credit, timeliness of payments, average payments, delinquencies and account duration. This data is furnished to the credit reporting agencies by the creditors. A credit score or loan grade/ranking assigned to a borrower by a Direct Lending Platform may not reflect that borrower's actual creditworthiness because the credit score may be based on outdated, incomplete or inaccurate reporting data or misinterpretation by the Direct Lending Platform. The Direct Lending Platforms seek to verify the majority, but not all, of the information obtained from most of their borrower applicants, including with respect to the underlying value of collateral.

Additionally, it is possible that, following the date of any credit information received, a borrower applicant may have defaulted on a pre-existing debt obligation, taken on additional debt or sustained other adverse financial or life events.

The Investment Manager is reliant on the borrower credit information and underlying collateral valuation provided to it by the Direct Lending Platforms which may be out of date or inaccurate. In addition, for consumer loan Debt Instruments, the Investment Manager may not have access to consolidated financial statements or other financial information about the borrowers and the information supplied by borrowers may be inaccurate or intentionally false. Unlike traditional lending, the Investment Manager may not able to perform any independent follow-up verification with respect to a borrower applicant, as the borrower applicant's name, address and other contact details may remain confidential and/or there may not be sufficient time for the Investment Manager to parallel the underwriting efforts of a Direct Lending Platform given the market driven time constraints generally surrounding an investment in or through a Direct Lending Platform.

Because of these factors, the Investment Manager may make investment decisions based on outdated, inaccurate or incomplete information.

Changes in a Direct Lending Platform's policies may adversely impact the Company's investments

While the Investment Manager will review the policies and procedures of the Direct Lending Platforms that the Company invests through, there can be no assurances that the Direct Lending Platforms will continue to adhere to such investment and risk management strategies. The Investment Manager will have differing levels of transparency with respect to Debt Instruments originated or issued by various Direct Lending Platforms, and no assurances can be given that the Investment Manager will detect changes in a Direct Lending Platform's policies and procedures in a timely manner or at all and any such changes to the policies and procedures may result in the Company's portfolio being materially adversely affected.

Lack of Direct Lending Platform operating history

The Direct Lending Platforms that originate and/or issue the Debt Instruments the Company will invest in generally have a limited operating history and track record, often shorter than a full market cycle, upon which the Company and the Investment Manager may base an evaluation of the Direct Lending Platforms' operations, the historical default rates and/or performance of Debt Instruments or categories of underlying borrowers. The TruSight Technology utilised by the Investment Manager in its investment process is reliant on such historical information to select investment candidates, and no assurances can be given that the amount of data available to the TruSight Technology is sufficient for it to function appropriately in context to market cycles or long term developments. As such, there can be no assurance that the Company will be able to achieve its investment objectives.

Bankruptcy of Direct Lending Platforms

The Company invests in certain Debt Instruments that take the form of Notes or other financial instruments issued by Direct Lending Platforms or bankruptcy remote special purpose vehicles established by the Direct Lending Platform that provide an economic exposure to the returns on Debt Instruments. Such Notes or other financial instruments will be unsecured obligations of the Direct Lending Platform or special purpose vehicle (as applicable). Those investments are subject to the risks of the platform's or special purpose vehicle's bankruptcy. Although, the Company actively seeks Direct Lending Platforms that use bankruptcy remote vehicles to issue such notes, the Company may invest in Direct Lending Platforms that do not employ bankruptcy remote vehicles. To the extent certain Direct Lending Platforms that do not employ bankruptcy remote vehicles enter into voluntary or involuntary bankruptcy, the Company may be materially negatively impacted.

Risks related to the Company's investment in trade receivables

There may be a limited origination of suitable trade receivable investments

The Company invests in trade receivables Debt Instruments originated or issued by Direct Lending Platforms and is, therefore, subject to the Direct Lending Platforms' ability to sufficiently source deals that fall within the Company's investment and risk parameters. Limited origination or issuance of suitable trade receivables

through the Direct Lending Platforms could have a negative impact on the Company's ability to deploy its capital and therefore impact the Company's expected returns.

The investment in trade receivables is subject to fraud and misrepresentation by the borrower

The Company is subject to the Direct Lending Platforms' ability to monitor and curtail factoring fraud which typically stems from the falsification of invoice documents. False invoices can easily be created online to look like they have been issued by legitimate debtors or are otherwise created by legitimate debtors at inflated values. The Company's investment in trade receivables Debt Instruments through Direct Lending Platforms is therefore reliant on the Direct Lending Platforms' ability to carry out appropriate due diligence on all parties involved such that no losses occur due to fraudulent activity. Further, the Company is also reliant on the Direct Lending Platform itself not undertaking any fraudulent activity in performing its obligations under the relevant Platform Agreement.

The Company and the Investment Manager are reliant on the internal credit ratings and checks by the Direct Lending Platform but may in unusual circumstances seek to carry out independent credit checks, where available, in relation to either the creditor or debtor. In the event of insolvency of any debtor where invoices have been purchased by the Company, the Company may only rank as unsecured creditor. Where invoices have been advanced, in the case of insolvency by the creditor, the debtor is made aware that the invoice has been advanced and is obliged to make payment to the Company. However, the Company is subject to the risk of payment being delayed or not made.

The due diligence carried out in respect of trade receivable investments is limited and subject to certain inherent limitations

Direct Lending Platforms that lend to companies conduct due diligence but some Direct Lending Platforms may not always conduct on-site visits to verify that (i) the business exists and is in good standing and/or (ii) if applicable, that the security for such loan exists and stands as represented. For this reason, the risk of fraud may be greater with factoring trade receivables or providing loans to companies.

The Direct Lending Platforms seek to validate that the debtor has received the goods or services and is willing to pay the creditor before making the receivables available for investment. There can, however, be no assurance that the debtor will not subsequently dispute the quality or price of the goods or services and elect to withhold payments. Fraud, delays or write-offs associated with such disputes could directly impact the earnings of the Company on its investments in trade receivables Debt Instruments.

Risks related to the Company's investments in Direct Lending Company Equity

Many Direct Lending Platforms are small, newly established businesses

Direct Lending Platforms and their controlling entities or organisations which the Company may invest in are primarily smaller companies. Smaller companies, in comparison to larger companies, often have a more restricted depth of management and higher risk profiles. Investors should not expect that the Company will necessarily be able to realise, within a period which they would otherwise regard as reasonable, its investments in or through such Direct Lending Platforms serving the direct lending industry and any such realisations that may be achieved may be at considerably lower yields than expected.

The Company may invest in the listed or unlisted securities of any Direct Lending Platforms, a Direct Lending Platform's controlling entity or other organisations servicing the direct lending industry. Investments in unlisted securities, by their nature, involve a higher degree of valuation and performance uncertainties and liquidity risks than investments in listed securities and therefore may be more difficult to realise.

In comparison with listed and quoted investments, unlisted companies are subject to further particular risks, including that they:

(a) may have shorter operating histories and smaller market shares, rendering them more vulnerable to competitors' actions and market conditions, as well as general economic downturns;

(b) often operate at a financial loss;

(c) are more likely to depend on the management talents and efforts of a founder or small group of persons and, if any such persons were to cease to be involved in the management or support of such

companies, this could have a material adverse impact on their business and prospects and the investment in them made by the Company; and

(d) generally have less predictable operating results and may require significant additional capital to support their operations, expansion or competitive position.

Investments which are unlisted at the time of acquisition may remain unlisted and may therefore be difficult to value and/or realise.

Risks related to the Company's investment in other fund vehicles

The Company is likely to be exposed to additional costs and additional leverage where it invests in Debt Instruments and/or Direct Lending Company Equity through other investment funds

The Company invests in Debt Instruments and/or may invest in Direct Lending Company Equity via other investment funds, including those managed by the Investment Manager or its affiliates. As a participant in any such vehicle, the Company will bear, along with other participants, its *pro rata* share of the fees and expenses of that vehicle. These expenses and fees may be in addition to the fees and expenses which the Company bears directly in connection with its own operations. The existence of such additional fees and expenses may result in reduced returns to investors.

Any fund vehicles in which the Company invests may employ leverage. Accordingly, the Company will be subject to the risks associated with leverage in connection with such investments. Whilst leverage should enhance returns where the value of a fund's underlying assets is rising; it will have the opposite effect and enhance losses where the value of the underlying assets is falling.

Risks relating to compliance and regulation of direct lending participants in the US

The loan industry in the US is highly regulated. Actual or alleged violations of applicable laws could result in proceedings against US Direct Lending Platforms and in some cases against the Company itself

The loan industry in the US is highly regulated and the Debt Instruments originated through the US Direct Lending Platforms are subject to extensive, complex and sometimes unclear statutes and regulations adopted by various federal and state (and sometimes local) government authorities. Laws applicable to US Debt Instruments may govern the terms of such instruments, including permitted rates, fees, loan amounts and payment schedules; marketing practices; disclosures required to be made in connection with the origination, servicing and collection of such instruments; electronic fund transfers; debt collection practices; privacy and data security; credit reporting; rights upon default; and licenses, registrations and notifications required for originators, servicers and purchasers. Many of such laws are highly technical. Other laws broadly prohibit discriminatory practices (and practices giving rise to discriminatory effects or disparate impacts, in the opinion of various regulatory authorities) and/or unfair, deceptive or abusive acts and practices ("**UDAAP**"). The state of the law is in some flux, particularly as the US Consumer Financial Protection Bureau ("**CFPB**") increasingly exercises its authority to bring enforcement actions against companies deemed to engage in UDAAP violations and to adopt rules and guidance defining UDAAP violations. Moreover, the applicability of usury, licensing, disclosure and other laws to various US Debt Instruments and activities is not always clear.

In the event they perceive violations of applicable law, federal or state regulatory authorities, including among others the CFPB, the US Federal Trade Commission (the "**FTC**"), the US Department of Justice ("**DOJ**") and state attorneys general and/or loan and banking authorities have the power to bring (or threaten) enforcement proceedings or lawsuits against those persons or entities under their respective authority. Additionally, borrowers may often have a right to bring private actions, including in some cases class actions, alleging violations of these laws. Proceedings of this kind could be initiated against US Direct Lending Platforms doing business with the Company and in some cases against the Company itself. These proceedings could potentially impact the financial health of any US Direct Lending Platform accused of serious legal violations and in some cases could affect whether US Debt Instruments are enforceable in accordance with their terms.

In a number of states, US Direct Lending Platforms need licenses to broker, originate, service and/or collect US Debt Instruments, and the Company may also need certain state licenses to acquire US Debt Instruments

In a number of states, US Direct Lending Platforms need licenses to broker, originate, service and/or collect US Debt Instruments. Additionally, one or more states could take the position that entities such as the Company acquiring US Debt Instruments from US Direct Lending Platforms are required to be licensed. To the extent that a license is required for the Company to acquire Debt Instruments in certain states, the Company could be limited in its business activity until a license is obtained. Once obtained, a license could subject the Company to a greater level of regulatory oversight than would otherwise be the case. The Company will also incur costs to obtain and maintain a license in a particular state.

Licensed entities are subject to supervision and examination by the state regulatory authorities that administer the state lending laws. The licensing statutes vary from state to state and variously may prescribe or impose record keeping requirements; restrictions on loan origination and servicing practices, including limits on finance charges and the type, amount and manner of charging fees; disclosure requirements; requirements that licensees submit to periodic examination; surety bond and minimum specified net worth requirements; periodic financial reporting requirements; notification requirements for changes in principal officers, direct and indirect ownership or corporate control; restrictions on advertising; and requirements that loan forms be submitted for review.

Regarding a US Debt Instrument originated in the name of a bank or savings association, it could be argued in some cases that (i) a nonbank Direct Lending Platform is the "true lender" and, accordingly, that such US Debt Instrument and/or the manner of its origination do not comply with applicable state law; or (ii) the interest rate charged by the bank or savings association at the creation of a loan may not be charged by a nonbank acquirer of the loan if such interest rate exceeds the maximum rate permitted under otherwise applicable state usury laws

Under US federal law, a bank or savings institution has power to charge interest on an interstate basis at the rate allowed by the laws of the state where it is located, without regard to the law of any other state.

Additionally, a federally chartered bank or savings institution is generally exempt from state licensing (and some substantive) requirements as a matter of federal law and both a federally chartered or state chartered bank or savings institution (with limited exceptions) is exempt from licensure (and some substantive) requirements under the laws of many states.

Some US Direct Lending Platforms have established relationships with banks or savings institutions designed to take advantage of the special powers afforded such entities. Typically, these arrangements involve: (i) the bank or savings institution entering into the US Debt Instrument in its own name; and (ii) a US Direct Lending Platform performing substantial or turnkey marketing, origination, servicing and/or collection activities in connection with such US Debt Instrument and then acquiring or designating a third party to acquire such US Debt Instrument from the bank or savings institution originator shortly after origination.

Under US law, it is not entirely clear whether and when the desired benefits of these "bank-model" programs will be recognised by US courts. In connection with bank-model programs, litigation of the issue has been limited, arising most commonly (but not exclusively) in connection with extremely high-rate "payday loans" and judicial decisions have been mixed. Some courts have accepted the form of the transaction while other courts have concluded or suggested that the nonbank company should be treated as the "true lender" and, accordingly, the legality of the underlying US Debt Instrument should be determined on that basis, without regard to the participation of the bank or savings institution in the transaction. Additionally, the logic of *Madden v. Midland Funding, LLC*, a Second Circuit U.S. Court of Appeals decision for which review was denied by the US Supreme Court, which did not directly involve a bank-model program, calls into question whether a non-bank purchaser of a loan originated by a bank or savings association enjoys the same protection from state usury laws as that enjoyed by the originating bank or savings association lender.

"True Lender" Issue: In the past, a number of state authorities have challenged the lawfulness of payday or other extremely high-interest loans made under bank-model programs. In appropriate circumstances, US federal or state banking or law enforcement authorities, the CFPB and/or the FTC could potentially attack a bank-model program that is not a high-rate consumer lending program, including a program of a US Direct Lending Platform selling US Debt Instruments to the Company. In the event of a "true lender" attack on a bank-model program, the government could seek a variety of remedies. Depending upon the identity of the

governmental entity initiating the challenge, remedies could include monetary relief against the US Direct Lending Platform involved (including fines, restitution, disgorgement of profits or payment of other amounts); injunctions or cease and desist orders, including injunctions and orders mandating affirmative relief; and declarations that some or all interest or principal is uncollectable. In certain limited circumstances, a US Debt Instrument is void as a matter of law or voidable at the election of the borrower when originated or held by an entity that is not licensed or exempt from licensure. Accordingly, some of these potential remedies could impair the Company's ability to enforce in accordance with their terms certain US Debt Instruments it acquires. Additionally, proceedings of this type could have a material adverse effect on the lending model utilised by the US direct lending industry and, consequently, the ability of the Company to pursue a significant part of its investment strategy in the US.

Borrowers, too, have also challenged bank-model programs in the past, including bank-model programs that did not involve payday loans. Accordingly, in addition to the possible initiation of proceedings by governmental authorities, borrowers could also challenge the legality of bank-model lending programs in which U.S. Direct Lending Platforms engage. One such challenge is pending (*Bethune v. Lending Club Corporation et al.*). The severity of the risks associated with this possibility depends substantially upon whether the borrower is in a position to assert claims on a class basis.

State Usury Protection: In May 2015, the U.S. Court of Appeals for the Second Circuit (which encompasses New York, Connecticut and Vermont) held in *Madden v. Midland Funding, LLC* that a purchaser of charged-off debts from a nationally chartered bank was not entitled to assert the pre-emption of state usury laws available to national banks under U.S. federal law. While the *Madden* case arguably conflicts with a prior decision from the U.S. Court of Appeals for the Eighth Circuit (*Krispin v. May Department Stores*), which held that federal, not state, interest rate law applied to charges imposed by a non-bank after it acquired credit card receivables from its affiliated national bank, *Madden* nevertheless serves to undermine (especially but not solely in New York, Connecticut and Vermont) the presumption that a US Direct Lending Platform can avail itself of the same pre-emptive protection from state usury law that the national bank or savings institution enjoyed when it originated the loans subsequently acquired by the US Direct Lending Platform. If the *Madden* case is adopted by other courts, it may result in a finding that some or all "bank-model" programs are unlawful and/or in a material shift in how "bank-model" programs are structured going forward.

CFPB rule-making, judicial decisions or amendments to the US Federal Arbitration Act (the "FAA") could render illegal or unenforceable, in whole or in part, arbitration agreements used by US Direct Lending Platforms

Many if not most of the US Direct Lending Platforms include pre-dispute arbitration provisions in their US Debt Instruments or related documents. These provisions are designed to allow the US Direct Lending Platform and/or holders of its US Debt Instruments to resolve customer disputes through individual arbitration rather than class action or individual lawsuits in court. Well-crafted arbitration provisions explicitly provide that all arbitrations will be conducted on an individual and not on a class basis. Thus, arbitration agreements, if enforced, have the effect of shielding the US Direct Lending Platform and purchasers of US Debt Instruments from class action liability. They do not have any impact on regulatory enforcement proceedings.

In the past, a number of courts (including the California Supreme Court) concluded that arbitration agreements with class action waivers are "unconscionable" and hence unenforceable, particularly where a small dollar amount is in controversy on an individual basis. However, in April 2011, the U.S. Supreme Court ruled in a 5-4 decision in *AT&T Mobility v. Concepcion* that the FAA preempts state laws that would otherwise invalidate consumer arbitration agreements that contain class action waivers. Both before and after *Concepcion*, commercial arbitration agreements generally have been regarded as less vulnerable to attack than consumer agreements.

From time to time, Congress has considered legislation that would generally limit or prohibit mandatory predispute arbitration in consumer contracts, and it has adopted such prohibitions with respect to certain mortgage loans and certain consumer loans to active-duty members of the military and their dependents. Also, the U.S. Dodd-Frank Act directs the CFPB to study consumer arbitration and report to Congress, and it authorises the CFPB to adopt rules limiting or prohibiting consumer arbitration, consistent with the results of its study. In March 2015, the CFPB issued a report critical of pre-dispute consumer arbitration. In October 2015, as part of the CFPB's process for formal rulemaking in this area, the CFPB published an outline of its proposals for rules under consideration which among other restrictions, would prohibit companies from including arbitration clauses that would block class action lawsuits in their consumer financial services

contracts. The proposal does not ban arbitration clauses in their entirety, as arbitration could still be offered or utilized as an option for individual disputes/cases, subject to additional CFPB proposed disclosure and reporting requirements to be placed on such companies. The process has continued most recently with the May 2016 issuance by the CFPB of proposed arbitration rules and request for comment. The CFPB's proposed rules are consistent with its earlier outline proposal in prohibiting providers of certain consumer products and services from including arbitration clauses in their agreement with the consumer that would prevent the consumer from filing or participating in class action lawsuits with respect to such product or service in new contracts. Further, while companies could still offer arbitration clauses in their contracts as an option for individual disputes/cases, such clauses would also have to include an express, specifically worded statement that they cannot be used to stop consumers from being part of a class action in court. Companies continuing to utilise arbitration clauses would, under the proposed rule, be required to submit to the CFPB for monitoring purposes certain information regarding claims, awards, and other arbitral records.

Practically speaking, the Company believes that the CFPB will work to adopt final anti-arbitration rules, though the CFPB's direction in this regard could potentially shift due to a change in CFPB leadership and/or governance structure, or as a result of the newly elected Presidential administration. If finally enacted as proposed, these rules will preclude financial services companies from using arbitration to eliminate their exposure to consumer class actions but will not apply to business loans. Under the Dodd-Frank Act, they would apply solely to arbitration agreements entered into more than 180 days after the rules are finally adopted (and not to any then-existing arbitration agreements). These rules might be subject to constitutional challenge on the ground that Congress could not delegate to the CFPB the power to override by rule-making the FAA, a federal statute. Nevertheless, adoption of a CFPB rule of this nature could expose US Direct Lending Platforms and the Company to a much greater risk of class action litigation than at present, at least as to US Debt Instruments involving consumer transactions entered into more than 180 days after the effective date of such rule.

Risks related to the Investment Manager

The Company is reliant on the performance and retention of key personnel

The Company relies on key individuals at the Investment Manager to identify and select investment opportunities and to manage the day-to-day affairs of the Company. There can be no assurance as to the continued service of these key individuals at the Investment Manager. The death or departure of any of these from the Investment Manager without adequate replacement may have a material adverse effect on the Company's business prospects and results of operations. Accordingly, the ability of the Company to achieve its investment objective depends heavily on the experience of the Investment Manager's team, and more generally on the ability of the Investment Manager to attract and retain suitable staff. The Board has broad discretion to monitor the performance of the Investment Manager or to appoint a replacement, but the performance of the Investment Manager or that of any replacement cannot be guaranteed.

The Company is reliant on IT systems to facilitate the Debt Instrument acquisition process

The Investment Manager has developed the TruSight Technology to provide portfolio management and Debt Instrument selection functions to the Company. The Company is reliant on the functionality of the TruSight Technology. Any failure of the IT systems developed and maintained by the Investment Manager could have a material adverse effect on the ability to acquire and realise investments and therefore impact the Company's results of operations.

In the event the Investment Manager is unable to use the TruSight Technology in its intended manner, such a failure may pose significant risk to the Company's investment programme and Debt Instrument selection process. Specific risks of such a failure may include: (i) the risk that the number of Direct Lending Platforms which are both appropriate for the Company's investment programme and suitable for evaluation using the TruSight Technology are few in number; (ii) the risk that the TruSight Technology may malfunction, due to programming, development, operational or other errors by the Investment Manager or third parties; (iii) the risk that the Investment Manager is unable to employ the TruSight Technology due to successful or pending legal claims by third parties that the TruSight Technology infringes on third party intellectual property; (iv) the risk that the TruSight Technology does not function as desired or anticipated by the Investment Manager; (v) the risk that the TruSight Technology is not correctly developed to function within changing operational conditions of the Direct Lending Platforms, thereby rendering the TruSight Technology obsolete and; (vi) the loss of key programming and development personnel, such that future developments or maintenance of the TruSight Technology other unforeseen risks relating to the development, use, or obsolescence of the

TruSight Technology which would render the Company's investment programme materially disadvantaged with respect to its objectives and goals.

The Investment Manager is reliant upon attaining data feeds directly from the Direct Lending Platforms. Any delays or failures could impact operational controls and the valuation of the portfolio. While the Investment Manager has in place systems to continually monitor the performance of these IT systems, there can be no guarantee that issues will not arise that may require attention from a specific Direct Lending Platform. Any such issues may result in processing delays. To seek to mitigate this risk the Investment Manager has put in place, with each Direct Lending Platform through which the Company will invest, a defined process and communication standard to support the exchange of data. The Investment Manager will also seek to put such agreements in place with any other Direct Lending Platforms through which the Company may in future invest.

The IT systems of the Direct Lending Platforms are outside the control of the Investment Manager and the Company. Technology complications associated with lost or broken data fields as a result of Direct Lending Platform-level changes to connectivity protocols may impact the Company's ability to receive and process the data received from the Direct Lending Platforms. Moreover, Direct Lending Platforms may not integrate connectivity protocols with the Investment Manager, causing delay in the deployment of lending capital and investment returns.

The Company's due diligence may not identify all risks and liabilities in respect of an investment

Prior to investing in a Debt Instrument or Direct Lending Company Equity, the Investment Manager will, where practicable, perform due diligence on the proposed Direct Lending Platform and/or investment. In doing so, it would typically rely on information provided by the Direct Lending Platforms themselves and, indirectly, on information from third parties (including credit ratings agencies) as a part of this due diligence.

To the extent that the Investment Manager, the Direct Lending Platform or other third parties underestimate or fail to identify risks and liabilities associated with the investment in question, this may impact on the profitability of the investment.

Risks related to the Shares

The market price of the Shares may fluctuate widely in response to different factors and there can be no assurance that the C Shares or Ordinary Shares of the Company will be repurchased by the Company even if they trade materially below their Net Asset Value

The market price of the Shares may not reflect the value of the underlying investments of the Company and may be subject to wide fluctuations in response to many factors, including, amongst other things, additional issuances or future sales of the Company's Shares or other securities exchangeable for, or convertible into, its Shares in the future, the addition or departure of Board members or key individuals at the Investment Manager, divergence in financial results from stock market expectations, changes in stock market analyst recommendations regarding the Company or any of its assets, the investment trust sector as a whole or the direct lending industry, a perception that other market sectors may have higher growth prospects, general economic conditions, prevailing interest rates, legislative changes affecting investment trusts or investments in Debt Instruments and/or Direct Lending Company Equity and other events and factors within or outside the Company's control. Stock markets experience extreme price and volume volatility from time to time, and this, in addition to general economic, political and other conditions, may materially adversely affect the market price for the Shares. The market value of the Shares may vary considerably from the underlying Net Asset Value of the assets attributable to the relevant class of Shares. There can be no assurance, express or implied, that Shareholders will receive back the amount of their investment in the Shares.

The Company has Shareholder approval, to make market purchases of up to 14.99 per cent. of the Ordinary Shares of the currently allotted and fully paid up share capital of the Company and subject to the requirements of the Listing Rules, the Companies Act, the Articles and other applicable legislation, the Company may thus purchase Ordinary Shares in the market with the intention of, amongst other things, enhancing the Net Asset Value per Ordinary Share. The Company may decide to make any such purchases (and the timing of such purchases), however, at the absolute discretion of the Directors. There can be no assurance that any purchases will take place or that any purchases will have the effect of narrowing any discount to Net Asset Value at which the Company's Shares may trade.

A liquid market for the Shares may fail to develop or cease to continue

Initial Admission should not be taken as implying that there will be a liquid market for the C Shares issued. Prior to Initial Admission, there has been no public market for the C Shares and there is no guarantee that an active trading market will develop or be sustained after Initial Admission of the C Shares (or the Ordinary Shares into which they will convert). If an active trading market is not developed or maintained, the liquidity and trading price of the C Shares may be adversely affected. Even if an active trading market develops, the market price of the C Shares may not reflect the Net Asset Value per C Share. Further, there is no guarantee of an active trading market developing or continuing in respect of the Ordinary Shares and the market price of the Ordinary Shares may not reflect the value of the underlying investments of the Company.

The C Shares issued pursuant to the Issue and/or any Subsequent Placing will convert into Ordinary Shares and, together with any Ordinary Shares issued pursuant to any Subsequent Placing, may dilute existing holders of Ordinary Shares

Pursuant to Conversion, the C Shares issued pursuant to the Issue and/or any Subsequent Placing will convert into Ordinary Shares. The number of Ordinary Shares into which each C Share converts will be determined by the relative Net Asset Value per C Share and Net Asset Value per Ordinary Share at the Conversion Date. As a result of Conversion, the percentage of the total number of issued Ordinary Shares held by each existing holder of Ordinary Shares will be reduced to the extent that Shareholders do not acquire a sufficient number of C Shares. Further any Ordinary Shares issued pursuant to the Placing Programme will be issued on a non-pre-emptive basis so existing holders of Ordinary Shares will experience dilution in their ownership and voting interests as a result.

The Company may in the future issue new Ordinary Shares or C Shares, which may dilute Shareholders' equity

Further issues of Ordinary Shares or C Shares may, subject to compliance with the relevant provisions of the Companies Act and the Articles, be made on a non-pre-emptive basis. Existing holders of Ordinary Shares or C Shares may, depending on the level of their participation in the relevant share issue, have the percentage of voting rights they hold in the Company diluted.

Sales of Ordinary Shares or C Shares by members of the Board or the possibility of such sales, may affect the market price of the Ordinary Shares

Sales of Ordinary Shares or C Shares or interests in Ordinary Shares or C Shares by the Board could cause the market price of the Ordinary Shares or C Shares to decline. Whilst the Directors may sell their Ordinary Shares or C Shares in the market, a substantial amount of Shares being sold, or the perception that sales of this type could occur, could cause the market price of the Ordinary Shares or C Shares to decline. This may make it more difficult for Shareholders to sell their Shares at a time and price that they deem appropriate.

The Company's ability to pay dividends is dependent upon its ability to generate sufficient earnings and certain legal and regulatory restrictions

Subject to the requirement to make distributions in order to maintain investment trust status, any dividends and other distributions paid by the Company will be made at the discretion of the Board. The payment of any such dividends or other distributions will, in general, depend on the Company's ability to generate realised profits, which, in turn, will depend on the Company's ability to acquire investments which pay dividends, its financial condition, its current and anticipated cash needs, its costs and net proceeds on sale of its investments, legal and regulatory restrictions and such other factors as the Board may deem relevant from time to time. As such, investors should have no expectation as to the amount of dividends or distributions that will be paid by the Company or that dividends or distributions will be paid at all.

Both the C Shares and the Ordinary Shares are subject to certain provisions that may cause the Board to refuse to register, or require the transfer of, C Shares or Ordinary Shares

Although the C Shares and the Ordinary Shares are freely transferable, there are certain circumstances in which the Board may, under the Articles and subject to certain conditions, compulsorily require the transfer of the C Shares or the Ordinary Shares.

These circumstances include where a transfer of C Shares or Ordinary Shares would cause, or is likely to cause: (i) the assets of the Company to be considered "plan assets" under the Plan Asset Regulations; (ii)

the Company to be required to register under the Investment Company Act, or members of the senior management of the Company to be required to register as "investment advisers" under the Investment Advisers Act; (iii) the Company to be required to register under the US Exchange Act or any similar legislation, amongst others; or (iv) the Company to be unable to comply with its obligations under the Foreign Account Tax Compliance Provisions (commonly known as FATCA).

The value of an investment in Shares will depend on the assets of the Company being sufficient to meet the capital entitlements of the issued ZDP Shares

The Company's capital structure is such that the capital entitlement of the ZDP Shares, pursuant to the Loan Agreement and the Undertaking, rank in priority to the Shares in respect of repayment of up to 127.63 pence per ZDP Share. Accordingly, a positive Net Asset Value for the holders of the Shares will be dependent upon the assets in the Company's portfolio being sufficient to meet those prior entitlements, in addition to any entitlement for the repayment of capital in connection with any debt financing which may be in place from time to time. Potential holders of the Shares should understand they may receive an amount less than the price paid for their Shares, or even no payment at all, if the value of the Company's assets are insufficient to meet these entitlements.

Structural Conflicts of Interest

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

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

While the Undertaking restricts the ability of the Company to pay dividends in circumstances where the Cover is less than 2.75 times, it should be noted that the Undertaking does not prohibit the payment of dividends altogether in such circumstances. Instead, the Company is only restricted from paying dividends which are in excess of those distributions which are required to be made by the Company to ensure it maintains its investment trust status. Accordingly, a conflict of interest will arise between the holders of ZDP Shares who will have an interest in the Company retaining profits to increase the level of the Cover and holders of Ordinary Shares whose expectation will be for dividend payments to be made in line with the Company's stated dividend policy.

Risks related to regulation and taxation

Investment trust status

The Directors conduct the affairs of the Company so as to satisfy the conditions under section 1158 of the OTA 2010 and the Investment Trust Regulations and accordingly, the Company has been approved by HMRC as an investment trust on 11 May 2015 for accounting periods commencing on or after 1 May 2015. In respect of each period for which the Company is an approved investment trust, the Company will be exempt from UK corporation tax on its chargeable gains. There is a risk that if the Company fails to maintain

its status as an investment trust, the Company would be subject to the normal rates of corporation tax on chargeable gains arising on the transfer or disposal of investments and other assets, which could adversely affect the Company's financial performance, its ability to provide returns to its Shareholders or the post-tax returns received by its Shareholders. In addition, it is not possible to guarantee that the Company will remain a non-close company, which is a requirement to maintain investment trust status, as the Company's Shares are freely transferable. The Company, in the unlikely event that it becomes aware that it is a close company, or otherwise fails to meet the criteria for maintaining investment trust status, will, as soon as reasonably practicable, notify Shareholders of this fact.

Taxation attributable to the disposal of Debt Instruments

The Investment Manager may or may not take tax considerations into account in determining when the Company's Debt Instruments should be sold or otherwise disposed of and may or may not assume certain market risk and incur certain expenses in this regard to achieve favourable tax treatment of a transaction.

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

The Company is not, and does not intend to become, registered in the United States as an investment company under the Investment Company Act and related rules and regulations. The Investment Company Act provides certain protections to investors and imposes certain restrictions on companies that are registered as investment companies.

As the Company is not so registered and does not plan to register, none of these protections or restrictions is or will be applicable to the Company. In addition, to avoid being required to register as an investment company under the Investment Company Act, the Board may, under the Articles and subject to certain conditions, compulsorily require the transfer of Shares held by a person to whom the sale or transfer of Shares may cause the Company to be classified as an investment company under the Investment Company Act. These procedures may materially affect certain Shareholders' ability to transfer their Shares.

The assets of the Company could be deemed to be "plan assets" that are subject to the requirements of ERISA or Section 4975 of the Internal Revenue Code, which could restrain the Company from making certain investments, and result in excise taxes and liabilities

Under the current Plan Asset Regulations, if interests held by Benefit Plan Investors are deemed to be "significant" within the meaning of the Plan Asset Regulations (broadly, if Benefit Plan Investors hold 25 per cent. or greater of any class of equity interest in the Company) then the assets of the Company may be deemed to be "plan assets" within the meaning of the Plan Asset Regulations. After the issue of C Shares and/or Ordinary Shares pursuant to the Issue and/or the Placing Programme (as applicable), the Company may be unable to monitor whether Benefit Plan Investors or investors acquire Shares and therefore, there can be no assurance that Benefit Plan Investors will never acquire Shares or that, if they do, the ownership of all Benefit Plan Investors will be below the 25 per cent. threshold discussed above or that the Company's assets will not otherwise constitute "plan assets" under Plan Asset Regulations. 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 excise taxes or other liabilities under ERISA or the Internal Revenue Code. In addition, any fiduciary of a Benefit Plan Investor or an employee benefit plan subject to Similar Law that is responsible for the Plan's investment in the Ordinary Shares could be liable for any ERISA violations or violations of such Similar Law relating to the Company.

The interest income received by the Company in respect of its Debt Instruments in the US may be treated as effectively connected income and give rise to a US tax liability and/or be subject to withholding in the US

The interest income received by the Company attributable to its Debt Instruments in the US may be treated as effectively connected income and give rise to a US tax liability if the Company was treated as engaging in a US trade or business for the purposes of the US Tax Code. Further, the Direct Lending Platforms may be required to withhold certain payments from the Company in certain circumstances. The Company has analysed the US Tax Code, the UK/US Double Tax Treaty and the guidance published by the IRS and has also obtained advice in relation to this matter. The Company has concluded that it expects to be able to rely

on the exemptions available under the UK/US Double Tax Treaty (in general that the Company will (i) have a trading volume in respect of the Ordinary Shares of six per cent. of all Ordinary Shares in each year; and/or (ii) have at least 50 per cent. of its Shareholders resident in either the UK or US for tax purposes at all times) and to take the position that the Company is not required to pay US federal income tax in respect of any effectively connected income because it does not have a "permanent establishment" or "PE" in the US. In the event that the Company is unable to rely on a UK/US Double Tax Treaty exemption because it no longer satisfies the exemption criteria described above or because the Company is treated as having a PE in the US, it may become subject to US federal, and possibly state and local income taxes. To mitigate such tax liabilities, the Company generally will be required to either restructure its investment in Debt Instruments originated or issued by certain US Direct Lending Platforms, or to the extent it is unable to do so, withdraw its investment from Debt Instruments originated or issued by the relevant US Direct Lending Platforms which have refused (or been unable) to assist the Company in restructuring its investment in the Debt Instruments that are made available to the Company. In either case, failing to fall within an exemption set out in the UK/US Double Tax Treaty is likely to have a material adverse effect on the Company's performance and its ability to pay the Target Return. The application of exemptions under the UK/US Double Tax Treaty to the Company's interest income relies on interpretations of the UK/US Double Tax Treaty, and no assurance can be given that the IRS will not take contrary positions to those the Company expects to take as set forth herein.

Overseas taxation

The Company may be subject to tax under the tax rules of the jurisdictions in which it invests. Although the Company will endeavour to minimise any such taxes this may affect the level of returns to Shareholders.

Changes in tax legislation or practice

Statements in this Prospectus concerning the taxation of Shareholders or the Company are based on UK tax law and practice as at the date of this Prospectus. Any changes to the tax status of the Company or any of its underlying investments, or to tax legislation or practice (whether in the UK or in jurisdictions in which the Company invests), could affect the value of investments held by the Company, affect the Company's ability to provide returns to Shareholders and affect the tax treatment for Shareholders of their investments in the Company (including the applicable rates of tax and availability of reliefs). For example, UK transfer pricing rules may result in a higher rate of interest being payable by the Company pursuant to the Loan Agreement. In such circumstances, Ranger ZDP will be required to pay a greater amount of tax which in turn will ultimately result in the Company incurring greater costs as a result of its obligations pursuant to the Undertaking.

Prospective investors should consult their tax advisers with respect to their own tax position before deciding whether to invest in the Company.

FATCA

TO ENSURE COMPLIANCE WITH UNITED STATES TREASURY DEPARTMENT CIRCULAR 230, EACH PROSPECTIVE INVESTOR IS HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF US TAX ISSUES HEREIN IS NOT INTENDED TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY A PROSPECTIVE INVESTOR FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON SUCH PROSPECTIVE INVESTOR UNDER APPLICABLE TAX LAW; (B) SUCH DISCUSSION IS INCLUDED HEREIN IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF TREASURY DEPARTMENT CIRCULAR 230) OF THE OFFER TO SELL ORDINARY SHARES BY THE COMPANY; AND (C) A PROSPECTIVE INVESTOR IN ORDINARY SHARES SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT ADVISER.

The Foreign Account Tax Compliance Act provisions (commonly known as "**FATCA**") are US provisions contained in the US Hiring Incentives to Restore Employment Act 2010. FATCA is aimed at reducing tax evasion by US citizens.

FATCA imposes a withholding tax of 30 per cent. on (i) certain US source interest, dividends and certain other types of income; and (ii) the gross proceeds from the sale or disposition of assets which produce US source interest or dividends, which are received by a foreign financial institution ("**FFI**"), unless the FFI complies with certain reporting and other related obligations under FATCA. The UK has concluded an intergovernmental agreement ("**IGA**") with the US in relation to FATCA.

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

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

The UK has also concluded similar intergovernmental agreements ("**Additional IGAs**") with other jurisdictions (including the Isle of Man, Guernsey and Jersey (the "**Crown Dependencies**") and seven of the British Overseas Territories (Cayman Islands, Gibraltar, Montserrat, Bermuda, the Turks and Caicos Islands, the British Virgin Islands and Anguilla)). The Additional IGAs with the Crown Dependencies and Gibraltar may require the Company to report more widely on its Shareholders, although the Company expects that it may be able to benefit from a similar reporting exemption to that contained in the IGA and outlined above. Other jurisdictions are also considering introducing FATCA-style legislation in order to obtain information about their respective tax residents. Again, these may require the Company to report more widely on its Shareholders but the exact scope of such rules will need to be determined on a jurisdiction by jurisdiction basis.

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

In addition, the Multilateral Competent Authority Agreement on the Automatic Exchange of Financial Account Information ("**MCAA**") and the EU Directive on Administrative Cooperation (in relation to the field of taxation) ("**DAC**") have been implemented into UK law by the International Tax Compliance Regulations 2015, which have effect from 1 January 2016 in relation to the MCAA and DAC and from 15 April 2015 in relation to FATCA. The MCAA and DAC operate on a similar basis to the IGA, and since 1 January 2016, require financial institutions to report information to tax authorities. **All prospective investors and Shareholders should consult with their own tax advisers regarding the possible implications of the MCAA and DAC on their investment in the Company.**

Alternative Investment Fund Managers Directive

The AIFM Directive, which was due to be transposed by EEA member states into national law on 22 July 2013, and was so transposed by the UK on that date, seeks to regulate alternative investment fund managers ("**AIFMs**") and imposes obligations on AIFMs in the EEA or who market shares in such funds to EEA investors. In order to obtain authorisation under the AIFM Directive, an AIFM needs 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 alternative investment funds they manage ("**AIFs**") and may affect dividend returns.

Whilst the Investment Manager is the AIFM, the marketing of Shares to EEA investors will be restricted and will need to be undertaken in accordance with the relevant national private placement regimes of any EEA member states in which marketing takes place. The Investment Manager has filed a notification with the FCA pursuant to Article 42 of the AIFM Directive to market the Shares issued by the Company in the UK under the UK national private placement regime. Any regulatory changes arising from the AIFM Directive (or otherwise) that limits the Company's ability to market future issues of its Ordinary Shares or C Shares may materially adversely affect the Company's ability to carry out its investment policy successfully and to achieve its investment objective, which in turn may adversely affect the Company's business, financial condition, results of operations, Net Asset Value and/or the market price of the Ordinary Shares or the C Shares.

IMPORTANT INFORMATION

Prospective Shareholders should rely only on the information contained in this Prospectus. No person has been authorised to give any information or make any representations other than as contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Investment Manager, the Administrator or the Placing Agents or any of their respective affiliates, officers, directors, employees or agents. Without prejudice to the Company's obligations under the Prospectus Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules neither the delivery of this Prospectus nor any subscription made under this Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Prospectus or that the information contained herein is correct as at any time subsequent to its date.

Prospective Shareholders must not treat the contents of this Prospectus or any subsequent communications from the Company, the Investment Manager, the Administrator or the Placing Agents or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

In connection with the Issue and any Subsequent Placing, each Placing Agent or any of its affiliates acting as an investor for its or their own account(s) may subscribe for the Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in Shares, any other securities of the Company or related investments in connection with the Issue, any Subsequent Placing or otherwise. Accordingly, references in this Prospectus to the Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, any Placing Agent or any of its affiliates acting as an investor for its or their own account(s). The Placing Agents 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.

If you are in doubt about the contents of this Prospectus you should consult your stockbroker, bank manager, solicitor, accountant, legal or professional adviser or other financial adviser.

Data protection

The information that a prospective investor in the Company provides in documents in relation to a subscription for Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third party individual ("**personal data**") will be held and processed by the Company (and any third party in the United Kingdom to whom it may delegate certain administrative functions in relation to the Company) and/ or the Administrator in compliance with the relevant data protection legislation and regulatory requirements of the United Kingdom. Each prospective investor acknowledges and consents that such information will be held and processed by the Company (or any third party, functionary, or agent appointed by the Company) and/or the Company Secretary for the following purposes:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- contacting the prospective investor with information about other products and services provided by the Investment Manager, or its affiliates, which may be of interest to the prospective investor;
- carrying out the business of the Company and the administering of interests in the Company;
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in the UK or elsewhere; and
- disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Each prospective investor acknowledges and consents that where appropriate it may be necessary for the Company (or any third party, functionary, or agent appointed by the Company) and/or the Company Secretary to:

- disclose personal data to third party service providers, affiliates, agents or functionaries appointed by the Company or its agents to provide services to prospective investors; and

- transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors the United Kingdom (as applicable).

If the Company (or any third party, functionary or agent appointed by the Company) and/or the Company Secretary discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

Prospective investors are responsible for informing any third party individual to whom the personal data relates to the disclosure and use of such data in accordance with these provisions.

Regulatory information

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

Investment considerations

The contents of this Prospectus are not to be construed as advice relating to legal, financial, taxation, accounting, regulatory, investment decisions or any other matter. Prospective investors must inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of the Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of the Shares; and
- the income and other tax consequences which may apply to them as a result of the purchase, holding, transfer, redemption or other disposal of the Shares.

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

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

It should be remembered that the price of the Shares, and the income from such Shares (if any), can go down as well as up.

This Prospectus should be read in its entirety before making any investment in the Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles which investors should review. A summary of the Articles is contained in Part X of this Prospectus under the section headed "Articles of Association".

Forward looking statements

This Prospectus 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 relate to matters that are not historical facts. They appear in a number of places throughout this Prospectus and include statements regarding the intentions, beliefs or current expectations of the Company, the Directors and the Investment Manager concerning, amongst other things, the investment strategy, financing strategies, investment performance, results of operations, financial condition, prospects and the dividend policies of the Company and the Debt Instruments in which it will invest. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. There

are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward- looking statements. These factors include, but are not limited to, changes in general market conditions, legislative or regulatory changes, changes in taxation regimes or development planning regimes, the Company's ability to invest its cash and the proceeds of the Issue and any Subsequent Placing in suitable investments on a timely basis and the availability and cost of capital for future investments.

Potential investors are advised to read this Prospectus in its entirety, and, in particular, the section of this Prospectus entitled "Risk Factors" for a further discussion of the factors that could affect the Company's future performance. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this Prospectus may not occur or may not occur as foreseen.

These forward-looking statements speak only as at the date of this Prospectus. Subject to its legal and regulatory obligations (including under the Listing Rules, the Prospectus Rules, the DGTRs and the Takeover Code), the Company expressly disclaims any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based unless required to do so by law or any appropriate regulatory authority, including FSMA, the Listing Rules, the Prospectus Rules and the DGTRs.

Nothing in the preceding three paragraphs should be taken as limiting the working capital statement in paragraph 2 of Part VIII of this Prospectus.

Presentation of financial information

As at the date of this Prospectus, the Company has only published limited financial information. All financial information for the Company prepared to date is, and all future financial information for the Company is intended to be, prepared in accordance with IFRS as adopted by the European Union. In making an investment decision, prospective investors must rely on their own examination of the Company from time to time and the terms of the Issue or Subsequent Placing (as applicable).

Presentation of industry, market and other data

Information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to the Company's business contained in this Prospectus consists of estimates based on data and reports compiled by professional organisations and analysts or data from other external sources and on the Company's, the Directors' and Investment Manager's knowledge of Debt Instruments and Direct Lending Platforms. Information regarding the macroeconomic environment has been compiled from publicly available sources. In many cases, there is no readily available external information (whether from trade associations, government bodies or other organisations) to validate market-related analyses and estimates, requiring the Company to rely on internally developed estimates. The Company takes responsibility for compiling, extracting and reproducing market or other industry data from external sources, including third parties or industry or general publications, but none of the Company, the Investment Manager or the Placing Agents has independently verified that data. The Company gives no assurance as to the accuracy and completeness of, and takes no further responsibility for, such data. Similarly, while the Company believes its and the Investment Manager's internal estimates to be reasonable, they have not been verified by any independent sources and the Company cannot give any assurance as to their accuracy.

Currency presentation

Unless otherwise indicated, all references in this Prospectus to "GBP", "pounds sterling", "£", "pence" or "p" are to the lawful currency of the UK, and all references to US Dollars or US$ are to the lawful currency of the US.

Governing law

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

Website

The contents of the Company's website, www.rangerdirectlending.com, do not form part of this Prospectus. Investors should base their decision whether or not to invest in the Shares on the contents of this Prospectus alone.

Notice to prospective investors in the European Economic Area

The Shares have not been, and will not be, registered under the securities laws, or with any securities regulatory authority of, any member state of the EEA other than the United Kingdom and subject to certain exceptions, the Shares may not, directly or indirectly, be offered, sold, taken up or delivered in or into any member state of the EEA other than the United Kingdom. The distribution of this Prospectus in other jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions.

Notice to prospective investors in Switzerland

The Company is not registered with the Swiss Financial Market Supervisory Authority ("**FINMA**") for distribution to non-qualified investors pursuant to Article 120 para. 1 to 3 of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006, as amended ("**CISA**") and will not be listed on the SIX Swiss Exchange Ltd. Accordingly, pursuant to Article 120 para. 4 CISA, the Company may only be offered and this Prospectus may only be distributed in Switzerland to qualified investors as defined in the CISA and its implementing ordinance. Further, the Company may be sold under the exemptions of Article 3 paragraph 2 CISA. Investors in the Company do not benefit from the specific investor protection provided by CISA and the supervision by the FINMA in connection with the licensing for distribution.

Swiss Representative:

FIRST INDEPENDENT FUND SERVICES LTD, Klausstrasse 33, CH-8008 Zurich.

Swiss Paying Agent:

Neue Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zurich.

Location where the relevant documents may be obtained:

The Prospectus, the Articles as well as the April 2015 Report, December 2015 Report, Interim Report and the future annual and interim reports of the Company may be obtained free of charge from the Swiss Representative.

Payment of retrocessions and rebates:

The Company and its agents may pay retrocessions as remuneration for distribution activity in respect of fund units in or from Switzerland. This remuneration may be deemed payment for distributing the Company to potential investors in and from Switzerland.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The recipients of the retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for distribution. On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the collective investment schemes of the investors concerned.

In respect of distribution in or from Switzerland, the Company, the Investment Manager and their respective agents do not pay any rebates to reduce the fees or costs incurred by investors and charged to the Company.

Place of performance and jurisdiction:

In respect of the Shares distributed in and from Switzerland to Qualified Investors, the place of performance and the place of jurisdiction is at the registered office of the Swiss Representative.

Notice to prospective investors in Jersey

The Jersey Financial Services Commission has granted consent to the circulation in Jersey of an offer of the Shares pursuant to Article 8(2) of the Control of Borrowing (Jersey) Order 1958 as amended. The Jersey Financial Services Commission is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that Law.

Notice to prospective investors in Guernsey

The Issue and the Placing Programme referred to in this Prospectus are available, and are and may be made, in or from within the Bailiwick of Guernsey, and this Prospectus is being provided in or from within the Bailiwick of Guernsey, only:

(a) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended);

(b) to persons licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended), the Insurance Business (Bailiwick of Guernsey) Law, 2002 (as amended), the Banking Supervision (Bailiwick of Guernsey) Law, 1994 (as amended) or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2000 (as amended); or

(c) in circumstances where a licence to carry out the restricted activity of promotion is not required under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended).

The Issue and the Placing Programme referred to in this Prospectus and this Prospectus are not available in or from within the Bailiwick of Guernsey other than in accordance with the above paragraphs (a), (b) and (c) and must not be relied upon by any person unless made or received in accordance with such paragraphs.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

All references to times in this Prospectus are to London time	*2016*
THE ISSUE	
Record Date for entitlements under the Open Offer	18 November
Publication of this Prospectus	21 November
Open Offer and Initial Placing opens	21 November
Ex-entitlement date for Open Offer	8.00 a.m. on 22 November
Open Offer Entitlements and Excess Open Offer Entitlements credited to CREST stock accounts of CREST Shareholders	As soon as practicable after 8.00 a.m. on 22 November
Recommended latest time and date for requesting withdrawal of Open Offer Entitlements into CREST	4.30 p.m. on 6 December
Latest time and date for depositing Open Offer Entitlements into CREST	3.00 p.m. on 7 December
Latest time and date for splitting of Open Offer Application Forms (to satisfy *bona fide* market claims only)	3.00 p.m. on 8 December
Last time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer or settlement of relevant CREST Instructions	11.00 a.m. on 12 December
Latest time and date for commitments under the Initial Placing	11.00 a.m. on 12 December
Announcement of results of the Issue	13 December
Admission and commencement of dealings in C Shares commence	8.00 a.m. on 16 December
CREST accounts credited in respect of uncertificated C Shares issued under the Issue	16 December
Where applicable, C Share certificates despatched in respect of C Shares issued under the Issue	Week commencing 19 December
THE PLACING PROGRAMME	
Placing Programme opens	21 November
Admission and commencement of dealings in Shares issued pursuant to the Placing Programme	8.00 a.m. on each day Shares are issued pursuant to the Placing Programme
CREST accounts credited in respect of Shares issued pursuant to the Placing Programme in uncertificated form	As soon as possible after 8.00 a.m. on each day Shares are issued in uncertificated form pursuant to the Placing Programme
Where applicable, despatch of definitive share certificates for shares issued pursuant to the Placing Programme in certificated form	Approximately one week following the relevant Programme Admission
Latest date for Shares to be issued pursuant to the Placing Programme	20 November 2017*

*or such earlier date on which the authority to issue the maximum number of Shares pursuant to the Placing Programme is fully utilised.

Each of the time and dates in the above timetable are subject to change and may, with the prior approval of the Placing Agents, be extended or brought forward without further notice. The Company will notify investors of any such change by the publication of an RIS announcement.

ISSUE STATISTICS

Target size of the Issue	£40 million
Issue price per C Share	£10
Target estimated Net Proceeds receivable by the Company*	up to £39,320,160

*The number of C Shares to be issued pursuant to the Issue, and therefore the Gross Issue Proceeds, is not known at the date of this Prospectus but will be notified by the Company via an RIS announcement prior to Initial Admission. It is assumed for this purpose that the maximum number of C Shares which can be issued pursuant to the Issue are issued and that the costs and expenses of the Issue payable by the Company are equal to 1.7 per cent. of the Gross Issue Proceeds.

PLACING PROGRAMME STATISTICS

Maximum number of Ordinary Shares and/or C Shares to be issued and allotted in aggregate pursuant to the Placing Programme	Shares with an aggregate issue price (including the Gross Issue Proceeds) of £200 million*
Placing Programme Price per Ordinary Share to be issued under the Placing Programme	To be determined in respect of each Subsequent Placing by the Directors at the time of the relevant Subsequent Placing
Placing Programme Price per C Share to be issued under the Placing Programme	£10

*The maximum size of the Placing Programme (together with the Issue) is £200 million with the actual size being subject to investor demand. The number of C Shares and/or Ordinary Shares to be issued pursuant to each Subsequent Placing is not known at the date of this Prospectus but will be notified by the Company via an RIS announcement prior to the relevant Programme Admission.

DEALING CODES

The dealing codes for the Ordinary Shares are as follows:

ISIN: GB00BW4NPD65

SEDOL: BW4NPD6

Ticker: RDL

The dealing codes for the C Shares to be issued pursuant to the Issue will be as follows:

ISIN: GB00BYZKH015

SEDOL: BYZKH01

Ticker: RDLC

ISIN in respect of Open Offer Entitlements: GB00BYVGLH80

ISIN in respect of Excess Open Offer Entitlements: GB00BYVGLX49

DIRECTORS, INVESTMENT MANAGER AND ADVISERS

Directors	Christopher Waldron Jonathan Schneider Matthew Mulford K. Scott Canon *all of the registered office below*
Registered Office	40 Dukes Place London EC3A 7NH United Kingdom Telephone: +44 (0) 207 204 1601
Investment Manager and AIFM	Ranger Alternative Management II, LP 2828 N. Harwood Street Suite 1900 Dallas, Texas 75201 United States
Sponsor and Joint Bookrunner	Liberum Capital Limited Level 12, Ropemaker Place 25 Ropemaker Street London EC2Y 9LY United Kingdom
Joint Bookrunner	Fidante Partners Europe Limited 1 Tudor Street London EC4Y 0AH United Kingdom
Placing Agent	Stone Mountain Capital Ltd 31 Compayne Gardens London NW6 3DD United Kingdom
Company Secretary	Capita Company Secretarial Services Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU United Kingdom
Administrator	Sanne Fiduciary Services Limited 13 Castle Street St Helier Jersey JE4 5UT
Registrar	Capita Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU United Kingdom

Receiving Agent	Capita Asset Services Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU United Kingdom
Custodian	Merrill Lynch, Pierce, Fenner & Smith Incorporated 101 California Street San Francisco CA94111 United States
English Legal Adviser to the Company	Travers Smith LLP 10 Snow Hill London EC1A 2AL United Kingdom
English Legal Adviser to the Sponsor and the Joint Bookrunners	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU United Kingdom
Auditors and Reporting Accountant	Deloitte LLP 2 New Street Square London EC4A 3BZ United Kingdom

PART I

LETTER FROM THE CHAIRMAN

RANGER DIRECT LENDING FUND PLC

(Incorporated in England and Wales with company number 9510201 and registered as an Investment company under section 833 of the Companies Act 2006)

Directors:
Christopher Waldron *(Chairman)*
Jonathan Schneider
Matthew Mulford
K. Scott Canon

Registered Office:
40 Dukes Place
London EC3A 7NH

21 November 2016

Dear Shareholder

Issue of up to 4 million C Shares pursuant to an Open Offer and Initial Placing at an Issue Price of £10 per C Share, Placing Programme of Ordinary Shares and/or C Shares for an aggregate issue price (together with the Open Offer and Initial Placing) not to exceed £200 million, and admission to listing on the Official List and trading on the London Stock Exchange's Main Market for listed securities

Introduction

The Company announced proposals on 14 November 2016 for an Open Offer and Initial Placing (the "**Issue**") through the issue of C Shares to raise up to £40 million before expenses, together with a Placing Programme of Ordinary Shares and/or C Shares to raise up to £200 million (inclusive of amounts raised under the Issue). The Issue and Placing Programme are not being underwritten.

This letter explains the background to and reasons for the Issue and Placing Programme and contains further information about such proposals.

Background

The Company believes that Debt Instruments originated or issued by Direct Lending Platforms are an attractive and growing asset class that have the potential to provide higher returns for investors than other, more widely available, fixed income products. As banks continue to retreat from SME lending as a result of new regulatory requirements, opportunities are presenting themselves for Direct Lending Platforms that typically focus on a particular category of borrower and/or underlying industry asset class.

The Company therefore invests, directly and indirectly, in a portfolio of Debt Instruments of this nature. By investing in Debt Instruments originated or issued by a number of different Direct Lending Platforms, the Company seeks to reduce concentration and interest rate risk by constructing a diversified portfolio comprised of loans with differing industries, geographic areas and loan maturities.

The Company was admitted to the premium segment of the Official List and to trading in the Main Market of the London Stock Exchange on 1 May 2015 raising £135 million through the issue of 13,499,999 Ordinary Shares (in addition to the one Ordinary Share already in issue) at an issue price of £10 per Ordinary Share (the "**First Issue**"). The net proceeds were used to fund investments in Debt Instruments and Direct Lending Company Equity in accordance with the Company's investment policy as well as to fund the Company's operational expenses.

In December 2015 the Company then announced a further placing by way of accelerated bookbuild pursuant to which 1,348,650 Ordinary Shares were issued at a price of £10.45 per share raising a total of £14.1 million (the "**Tap Placing**").

This year, on 1 August 2016 and 4 November 2016, the Company's wholly owned subsidiary, Ranger Direct Lending ZDP plc ("**Ranger ZDP**"), raised £30 million (the "**First ZDP Issue**") and £23.805 million (the "**Second ZDP Issue**"), respectively, through two placings of zero dividend preference shares ("**ZDP Shares**"), which were admitted to trading on the London Stock Exchange's Main Market for listed securities. Immediately following admission of the ZDP Shares issued under each issue, Ranger ZDP advanced to the Company, by way of loan, the gross proceeds, to be deployed by the Company in accordance with its investment policy.

The Company has entered into Platform Agreements with a diverse range of niche Direct Lending Platforms which has enabled the Company to deploy substantially all of the net proceeds of the First Issue, the Tap Placing and the First ZDP Issue and 14.2 per cent. of the net proceeds of the Second ZDP Issue. Further the Company has paid a progressive dividend since inception in line with its stated dividend policy and most recently declared a dividend of 27.67 pence per Ordinary Share on 9 November 2016. The Company continues to see investment opportunities with net returns in line with the Company's targets and accordingly, after due consideration, the Board is proposing to undertake an issue seeking to raise up to £200 million by way of the Issue and Placing Programme.

Benefits

The Board believes that the Issue and the Placing Programme have the following principal benefits for Shareholders:

- the inclusion of an Open Offer ensures that approximately 61 per cent. of the total number of C Shares available under the Issue will first be made available to Existing Shareholders which allows Existing Shareholders to increase the size of their investment;
- any C Shares not taken up under the Open Offer will be made available under the Excess Application Facility and the Initial Placing, thereby enabling Existing Shareholders to apply to subscribe for more than their Open Offer Entitlement whilst also enabling the Company to attract new investors, thereby diversifying its Shareholder base;
- an increase in the market capitalisation of the Company which can be expected to improve market liquidity of the Company's Shares;
- additional monies can be raised in a timely manner pursuant to the Placing Programme to enable the Company to take advantage of opportunities over the next 12 months to make further investments in accordance with its investment policy;
- an increase in the Net Asset Value of the Company will allow the Company to make a larger number of investments which should enable the Company to further diversify its existing portfolio; and
- an increased number of Shares in issue will provide a larger capital base over which to spread the fixed costs of the Company which should reduce the Company's ongoing charges and allow for the potential for better returns to investors.

Issue and Placing Programme

The Issue is for up to 4 million C Shares at an issue price of £10 per C Share. The Board intends that the net proceeds of the Issue and any subsequent issue of Shares pursuant to the Placing Programme will be used to fund investments in Debt Instruments and Direct Lending Company Equity in accordance with the Company's investment policy as well as to fund the Company's operational expenses. Such expenses include:

- acquisition costs and expenses (such as due diligence costs, legal, tax advice and taxes);
- the Management Fee;
- Directors' fees; and
- other operational costs and expenses.

The Board obtained shareholder authority at the annual general meeting of the Company on 2 April 2015 to issue up to 20 million C Shares on a non-pre-emptive basis (such authority expiring at the fourth annual general meeting of the Company) and on 24 May 2016, the Company obtained shareholder authority to allot Ordinary Shares up to an aggregate nominal value of £14,848.65 on a non-pre-emptive basis. To the

extent that Ordinary Shares in excess of 1,484,865 are proposed to be issued pursuant to the Placing Programme, the Company will convene a general meeting or general meetings to obtain shareholder authority to increase the number of issued Ordinary Shares and disapply pre-emption rights in respect of those Ordinary Shares.

The inclusion of an Open Offer in the Issue ensures that approximately 61 per cent. of the total number of C Shares available under the Issue will first be made available to Existing Shareholders. Existing Shareholders are entitled to subscribe under the Open Offer for up to an aggregate of 2,474,775 C Shares *pro rata* to their holdings of existing Ordinary Shares on the basis of:

1 C Share for every 6 Ordinary Shares held at close of business on 18 November 2016.

The balance of any C Shares not taken up pursuant to the Open Offer will be made available under the Excess Application Facility and/or the Initial Placing in such proportion as is determined by the Directors.

Further information relating to the Issue and the Placing Programme is set out in Part VI and Part VII of this Prospectus respectively.

C Shares

C Shares are shares which convert into Ordinary Shares only when a specified proportion of the net proceeds attributable to such C Shares have been invested in accordance with the Company's investment policy. Prior to conversion the assets of the Company attributable to the C Shares are segregated from the assets of the Company attributable to the Ordinary Shares in the Company's accounting records. Accordingly, the issue of C Shares pursuant to the Issue and the Placing Programme will enable 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 right of the C Shares to receive dividends that the Directors resolve to pay out of the net assets attributable to the C Shares and from income received and accrued which is attributable to the C Shares.

It is expected that the Net Proceeds will be invested in cash deposits, cash equivalents and fixed income instruments for cash management purposes, pending investment in Debt Instruments. The Investment Manager expects the Net Proceeds of the Issue to be largely fully invested within four months of Initial Admission.

The Articles permit the Directors to determine what assets are attributable to the C Shares for the purposes of calculating the NAV of the C Shares (and, ultimately, the conversion ratio that will apply on the Conversion Date).

For this purpose, the Directors intend that, as new investments are made by the Company in Debt Instruments following the Issue and prior to Conversion, the C Shares are allocated a *pro rata* share of the Company's entire portfolio of Debt Instruments based on the investable cash attributable to the C Shares on the one hand and the Ordinary Shares on the other (in both cases as measured immediately before such new investment is made). The C Shares will, accordingly, be credited from day to day with a share of the income attributable to the Company's entire holding of Debt Instruments based on the allocation of Debt Instruments to the C Shares.

The Ordinary Shares will not suffer a "cash drag" attributable to the Net Proceeds whilst such amounts remain uninvested. The approach taken also provides for greater diversification of the C Share portfolio than would be the case if newly acquired instruments were attributed solely to the C Shares.

In accordance with the requirements set out in the Articles, the Company will operate its bank and custody accounts so that the assets attributable to the C Shares can at all times be separately identified, including by ensuring that separate cash and investment ledger accounts are maintained on the basis set out above. Assets and liabilities that are attributable solely to the C Shares (including, without limitation, cash balances and the costs and expenses of the Issue and the publication of this Prospectus) will be allocated solely to the C Shares. The liability attributable to the Final Capital Entitlement and any unamortised issued expenses relating to the issue of the ZDP Shares by Ranger ZDP shall be allocated solely to the Ordinary Shares (on the basis that the net proceeds are also solely attributed to the Ordinary Shares).

The Conversion Date shall be a date determined by the Directors occurring not more than 10 Business Days after the Calculation Date (that is, the date on which the Investment Manager shall have given notice to the Directors that at least 90 per cent. of the net proceeds from the relevant issue of C Shares pursuant to the Issue and/or the Placing Programme (or such other percentage as the Directors and Investment Manager shall agree) shall have been invested (or, if earlier, nine months after the date of the relevant issue of C Shares)).

The Conversion Ratio will then be calculated and the C Shares in issue will convert into a number of Ordinary Shares calculated by reference to the Net Asset Value per C Share of compared to the Net Asset Value per Ordinary Share. Entitlements to Ordinary Shares will be rounded down to the nearest whole number.

The Articles contain the C Share rights, full details of which are set out in paragraph 3 of Part X of this Prospectus.

Admission and dealings under the Issue

Application will be made to the London Stock Exchange and to the U.K. Listing Authority for up to 4 million C Shares issued pursuant to the Issue to be admitted to the premium listing segment of the Official List and admitted to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Initial Admission will become effective, and that dealings in the C Shares will commence on 16 December 2016.

Conditions of the Issue

The Issue is conditional upon, *inter alia*:

(a) the Placing Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms prior to Initial Admission;

(b) the conditions for Initial Admission being achieved, including there being a sufficient number of C Shares held in public hands for the purposes of the Listing Rules; and

(c) Initial Admission occurring by 8.00 a.m. on 16 December 2016 (or such later time and date as may be agreed between Liberum, Fidante Capital, the Company and the Investment Manager, being not later than 8.00 a.m. (London time) on 23 December 2016) and the Company, Liberum and Fidante Capital agreeing to proceed with the Issue having regard to the number and amount of orders received.

If any of these conditions are not met, the Issue will not proceed.

Risk factors and further information

Your attention is drawn to the Risk Factors set out on pages 18 to 39 of this Prospectus and to the Additional Information set out in Part X of this Prospectus and in the terms and conditions set out in the personalised Application Form that will be sent to Existing Shareholders only.

Action to be taken

Certificated Shareholders

Existing Non-CREST Shareholders will be sent an Application Form giving details of their Open Offer Entitlement. Persons that have sold or otherwise transferred all of their existing Ordinary Shares should forward this Prospectus, together with any Application Form, if and when received, at once to the purchaser or transferee, or the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee, except that such documents should not be sent to any Excluded Territory or any other jurisdiction where to do so might constitute a violation of local securities laws or regulations.

Any Existing Shareholder that has sold or otherwise transferred only some of their existing Ordinary Shares held in certificated form prior to 8.00 a.m. on 22 November 2016, should refer to the instructions regarding split applications in the terms and conditions of the Open Offer in Part XI of this Prospectus and in the Application Form.

CREST Shareholders

Existing CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlement and their Excess CREST Open Offer Entitlement as soon as practicable after 8.00 a.m. on 22 November 2016. In the case of any Existing Shareholder that has sold or otherwise transferred only part of their holding of existing Ordinary Shares held in uncertificated form prior to 8.00 a.m. on 22 November 2016, a claim transaction will automatically be generated by CREST which, on settlement, will transfer the appropriate Open Offer Entitlement and Excess CREST Open Offer Entitlement to the purchaser or transferee.

Full details of the Open Offer are contained in the terms and conditions of the Open Offer set out in Part XI of this Prospectus. If you have any doubt as to what action you should take, you should seek your own financial advice from your stockbroker, solicitor or other independent financial adviser duly authorised under FSMA immediately.

Before making any decision to subscribe for C Shares, you are recommended to read and carefully consider all the information contained in this Prospectus, including in particular the Risk Factors set out on pages 18 to 39 of this Prospectus.

Yours faithfully

Christopher Waldron
(Chairman)

PART II

INTRODUCTION TO THE COMPANY AND THE DIRECT LENDING OPPORTUNITY

The Company

The Company is an externally managed closed-ended investment company which was incorporated on 25 March 2015 in England and Wales with an unlimited life. The Company carries on business as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010. Further information on the Company (including its full investment policy) is set out in Parts II and III of this Prospectus.

The Company has appointed Ranger Alternative Management II, LP as its investment manager and AIFM for the purposes of the AIFM Directive. Further information on the Investment Manager is set out in Part V of this Prospectus.

Investment Objective and Overview

The Company's investment objective is to seek to provide Shareholders with an attractive return, principally in the form of quarterly income distributions, through exposure to a portfolio of debt obligations (such as loans, invoice receivables and asset financing arrangements and which are together referred to as "**Debt Instruments**" in this Prospectus) that have been originated or issued by Direct Lending Platforms.

Direct Lending Platforms serve as an originator and/or distributor of Debt Instruments. Direct Lending Platforms generally advertise their lending services either to the general public or to specific segments of the business community and applications for loans are then assessed pursuant to that platform's particular underwriting criteria. There is no uniform approach as to how a Direct Lending Platform conducts its business and the Company, through the Investment Manager, conducts due diligence on any Direct Lending Platform from whom it is considering acquiring Debt Instruments. As further explained below under the heading "The Direct Lending Opportunity and Model", Direct Lending Platforms are an increasing source of liquidity, in particular for small and medium sized enterprises and consumers. Each Direct Lending Platform will typically focus on a particular category of borrower and/or underlying industry asset class and by investing in Debt Instruments originated or issued by a number of different Direct Lending Platforms, the Company achieves a diversified portfolio, including by reference to the identity and type of borrower, the underlying sub-asset class to which the Debt Instruments relate and the size of the individual Debt Instruments.

The structures through which Debt Instruments are acquired by the Company take a variety of different forms and, as at the date of this Prospectus, include:

- acquiring a Debt Instrument from the Direct Lending Platform that has originated it (in other words, the Company effectively assumes the rights and obligations of the Direct Lending Platform as lender);
- acquiring a note or other financial instrument issued by a Direct Lending Platform (or a bankruptcy remote special purpose vehicle established by the relevant platform for the purposes of issuing the note or other financial instrument), the returns in respect of which are directly linked to the payments made by a borrower or borrowers pursuant to the terms of a Debt Instrument or portfolio of Debt Instruments that have been originated or issued by the Direct Lending Platform;
- participating within a syndicate of investors (where the relevant Direct Lending Platform that originates the debt obligation generally serves as the lead syndicate member) in respect of the relevant Debt Instrument;
- investing in a pooled investment vehicle (such as a limited partnership or special purpose vehicle investment company) which holds, directly or indirectly, a portfolio of Debt Instruments originated or issued by a particular Direct Lending Platform; and
- acquiring a fixed interest rate note (or other financial instrument) which references a master loan and security agreement (MLSA) and is secured by a pledge over the pool of Debt Instruments purchased by the Direct Lending Platform using the proceeds of the fixed interest rate note (or other financial instrument). Unlike a performance linked note, the repayment obligations set out under an MLSA or an MLSA Note is fixed and does not vary based on the performance of the underlying pool of Debt Instruments.

Further information on each of these different models of investment and how they are structured are set out under the heading "Investment Structure and Regulatory Considerations" below.

Regardless of the form that an investment in a Debt Instrument takes, returns on the Company's investments are primarily dictated by whether or not the ultimate underlying borrowers meet the payment obligations pursuant to the relevant Debt Instruments and, in the event of a default by a borrower in cases where the Debt Instrument is secured, whether the realisable value of the security or guarantee granted by that borrower is sufficient to cover the outstanding amounts payable. As such, the investment restrictions in the Company's investment policy focus on the diversification of the Debt Instruments directly or indirectly acquired as they serve as the primary source of credit exposure for the Company. The Company's investment policy also contains restrictions on the maximum exposure to individual entities that issue Notes or other financial instruments referencing returns on Debt Instruments and/or pooled investment vehicles that hold a portfolio of Debt Instruments which the Company may invest in. Where the Company acquires Debt Instruments indirectly, it looks to structure such investments to ensure (so far as possible) that the securities it acquires which reference the returns on Debt Instruments are issued by bankruptcy remote special purpose vehicles (rather than the Direct Lending Platforms themselves) so that the Company avoids exposure to the bankruptcy risk of the Direct Lending Platforms themselves.

In order to source Debt Instrument opportunities, the Company has entered into a number of Platform Agreements with Direct Lending Platforms and it will continue to seek further opportunities for agreements with additional Direct Lending Platforms. In broad terms, the Platform Agreements provide for the relevant platform to use its reasonable endeavours to source potential Debt Instruments (that meet certain pre-defined underwriting criteria relating to both the underlying borrower and corresponding terms of credit) that target a minimum aggregate value in a defined period. The Platform Agreements also document the structure through which the Company will invest in Debt Instruments originated or issued by the relevant platform (which, as at the date of this Prospectus, reflect one of the five models described above) as well as certain administrative matters including loan servicing arrangements and the provision of material information to the Investment Manager.

The Platform Agreements also specify whether the Investment Manager will actively select the Debt Instruments acquired by the Company or whether the Company will acquire Debt Instruments allocated by the relevant Direct Lending Platform in accordance with previously established underwriting criteria, subject to the Company's election to either forgo such allocated investment or any further participation in the allocated Debt Instruments attributable to the Direct Lending Platform. As can be seen from the summaries of the Platform Agreements under the heading "Current Portfolio" below, the Platform Agreements that have already been entered into by the Company generally provide for Debt Instruments to be actively selected by the Investment Manager and it is intended that this will remain the preferred approach in respect of future agreements with Direct Lending Platforms.

As at the Latest Practicable Date, approximately 75.1 per cent. (by value) of the Debt Instruments acquired by the Company were secured by commercial assets and/or personal guarantees. The Company's investment policy requires that Debt Instruments secured by commercial assets and/or personal guarantees must represent no less than 65 per cent. of Gross Assets at the time of purchase. More information on the current portfolio of the Company is set out below in this Part II of this Prospectus.

The Company may also invest in listed or unlisted securities issued by one or more Direct Lending Platforms (or their controlling entities) as well as organisations serving the direct lending industry (provided that such investments are capped at 10 per cent. of Gross Assets, in aggregate, at the time of investment). Listed or unlisted securities in this context are not Debt Instruments as described above but are securities issued by the relevant platform, its controlling entity or other organisation serving the direct lending industry (as applicable) itself which relate to the equity value or revenues of that issuer.

Target Returns

Subject to market conditions, applicable law and the Company's performance, financial position and financial outlook, it is the Directors' intention to pay dividends to Shareholders on a quarterly basis. Whilst not forming part of its investment policy, once the net proceeds of any issue are fully invested in accordance with the Company's investment policy and the Company is levered, the Company will target the payment of dividends which equate to a yield of ten per cent. per annum based on an issue price of £10 per Share payable in quarterly instalments (the "**Target Dividend**").

When selecting investments, the Investment Manager will typically seek to invest in Debt Instruments with average targeted net annualised returns (including reserves for loan losses but excluding Company expenses and Investment Manager fees) of 12 to 13 per cent. on the relevant principal amount invested.

The Target Dividend and the target net annualised return on investments are targets only and not a profit forecast. There can be no assurance that the Target Dividend or target net annualised return on investments can or will be achieved from time to time and it shall not be seen as an indication of the Company's expected or actual results or returns. In particular, the Target Dividend assumes that the Company (or a member of its group) will be able to agree terms for the provision of leverage in connection with the investments it makes and also assumes that investors will hold their Shares as a long-term investment. Accordingly, investors should not place any reliance on the Target Dividend or target net annualised return on investments in deciding whether to invest in the Shares or assume that the Company will make any distributions as all.

The Direct Lending Opportunity and Model

Overview of the direct lending industry

The Company believes that Debt Instruments originated or issued by Direct Lending Platforms are an attractive and growing asset class that have the potential to provide higher returns for investors than other, more widely available, fixed income products.

In making its investments, the Company has previously made, and will continue to make, a distinction between direct lending and peer-to-peer lending. Peer-to-peer lending opportunities arise through platforms that match borrowers with both retail and institutional lenders. Peer-to-peer platforms are typically open marketplaces searching for a large number of diverse investors.

Direct Lending Platforms differ from peer-to-peer platforms in a number of ways, including:

- Direct Lending Platforms generally restrict investments to institutional investors and do not permit retail investors to participate in the Debt Instruments that are issued or originated by such platforms;
- as US Direct Lending Platforms are not soliciting investments from retail investors in the public markets, they do not need to register their investments with the SEC. This reduces their regulatory and legal costs as compared to peer-to-peer lending platforms;
- certain Direct Lending Platforms will invest alongside investors in Debt Instruments that reference returns on their underlying investments. Having "skin-in-the-game" by investing in the same Debt Instruments they originate and sell is something most peer-to-peer platforms will not do; and
- since direct lending has been around for decades, many Direct Lending Platforms have lengthier performance track records, when compared to most peer-to-peer platforms and therefore may have greater experience in testing their underwriting models through varying market conditions and credit cycles.

The Company believes that investing in Debt Instruments originated or issued by Direct Lending Platforms provides more opportunities to find suitable investment choices as compared to an investment in peer-to-peer loans. It has been estimated that in 2015 the US direct lending marketplace (excluding peer-to-peer lending, but including commercial real estate and small business lending) exceeded US$53 billion by lending volume as compared to the US$12 billion of lending undertaken through peer-to-peer lending platforms. It has also been estimated that in 2016, the online direct lending marketplace (excluding peer-to-peer lending) will exceed US$56 billion by lending volume, as compared to approximately US$12 billion of lending undertaken through peer-to peer lending platforms.

The Company believes a further major advantage of investing in direct lending opportunities versus peer-to-peer opportunities is the total number of asset classes available and the numerous existing platforms in each asset class. Direct lending touches almost every lending asset class, including real estate, consumer, auto, medical, equipment, insurance, specialty finance and many variations of small business lending including term loans, lines of credit, merchant cash advances and factoring. This wide variety of opportunities allows the Company to either potentially reduce risk through investment diversification or potentially achieve higher returns by investing in the best performing direct lending asset classes.

Direct Lending Platforms are increasingly looking to third party investors to assist in the funding of their loan book as well as the provision of capital to the platform itself to fund future development. The Company

believes that this larger investment universe will allow it to be comparably discerning in vetting and selecting which Direct Lending Platforms it works with, and as such, the Company believes it can generate potential alpha over counterpart peer-to-peer funds.

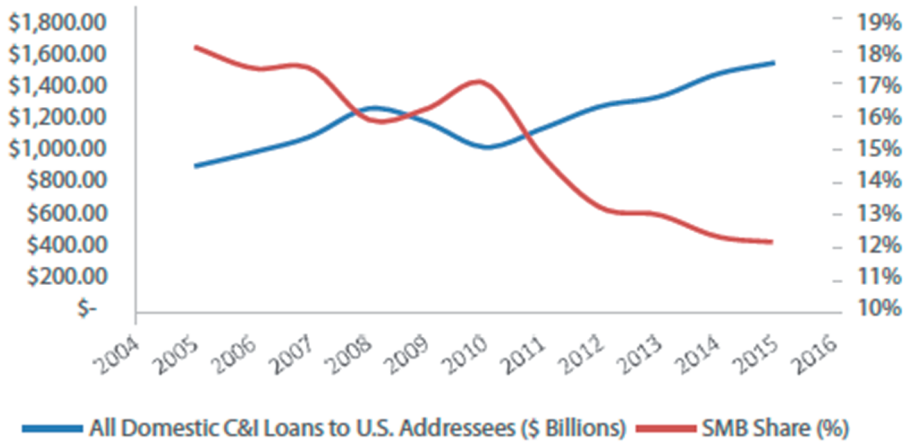
Direct lending is filling the lending void left by banks

The tightening of banking regulations has prompted banks to reassess their business models, regulatory capital and liquidity requirements, and the risk profile of the loans made by them. This has resulted in a reduction of the amount of debt that banks are making available to both business and consumer borrowers. Recent regulations such as Dodd-Frank and Basel III have also increased the minimum capital requirements applicable to a bank's balance sheet.

Another factor in the decline of bank lending is the decades-long trend of consolidation of community banks. The number of community banks in the United States (and their share of the market) continues to fall with less than 6,000 as of Q1 2016, down from approximately 7,000 in 2013 and from over 14,000 in the mid-1980s.

As can be seen from the charts below, a combination of these and other factors has resulted in the volume of lending to businesses in smaller amounts has not recovered following the financial crisis in the same way as larger corporate lending by banks has.

Industry Trends



Source: IOU Financial Company presentation. Statistic from the FDIC, 2Q15, Bank of New York Small Business Credit Survey/August 2014.

Origination by Loan Size

Outstanding C&I loans under 250k remains below 2008 levels

Loan Size ($B)	2008	2009	2010	2011	2012	2013	2014	2015
C&I Loans < $250k	$199.0	$189.6	$172.7	$167.0	$167.2	$171.9	$180.2	$186.1
C&I Loans $250k - $1MM	$137.4	$133.6	$119.1	$115.7	$117.2	$115.1	$123.3	$125.6
C&I Loans ≥ $1MM	$914.7	$844.0	$722.5	$980.8	$980.8	$1,035.3	$1,157.5	$1,218.9
Total	$1,251.1	$1,167.2	$1,014.3	$1,130.1	$1,265.1	$1,322.4	$1,461.0	$1,530.6

Source: IOU Financial Company presentation. Statistic from the FDIC, Q2 2015, Bank of New York Small Business Credit Survey/August 2015. 2015 data as of 2Q15.

According to the United States Federal Deposit Insurance Corporation (FDIC), as of 30 September 2015, banks of all sizes held US$598 billion of loans to small businesses which is 16 per cent. less than the peak of such lending of US$711 billion in 2008. By contrast, loans to larger companies increased by 37 per cent. during that same period.

To the extent that traditional banks are lending to the class of borrowers targeted by the direct lending industry, their lending models include certain inefficiencies that make the cost of borrowing greater. A decision to extend credit to an individual or business is often not a binary decision made solely on the creditworthiness of the counterparty. Banks typically make decisions to extend credit based on a variety of exogenous factors which often result in a lack of credit risk-based pricing for the borrower. As well as having to be cognisant of their capital adequacy and liquidity requirements, banks typically operate on a large fixed cost basis, including personnel, branch infrastructure and administration. These costs can also be a factor in the interest rates offered to their customers. All of these factors combine to result in the lending rates being offered by banks not being based on an analysis of the true creditworthiness of borrowers.

In light of all of the above and the continuing demand for credit in a recovering global economy, the Company believes that opportunities for alternative lending sources, including Direct Lending Platforms, to increase their share of the overall lending market will continue to become available. Further, of the alternative lending sources, Direct Lending Platforms are optimally positioned to take advantage of these opportunities, not least due to their significant access to online credit data. Additionally, the process of disintermediation of lending away from the traditional banking model remains in its early stages resulting, the Company believes, in significant opportunities for investors going forwards.

Investment Structure and Regulatory Considerations

As explained above, the Company acquires exposure to Debt Instruments originated or issued by Direct Lending Platforms through a variety of different models and structures, driven to a large extent by the industry or asset class which such Direct Lending Platform services.

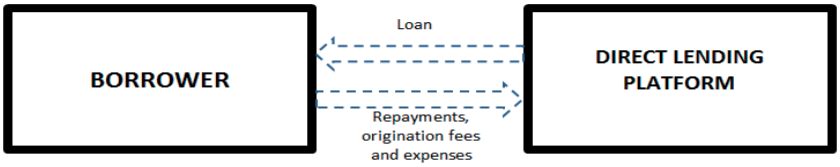
Direct Lending Platforms employ a number of models and structures by which they facilitate investor participation in Debt Instruments. Although, the descriptions of such models and structures set forth below currently represent the most common, they are not exclusive. Likewise, given the current growth within the direct lending industry, the Company anticipates material variance between models and structures until such time as when the market conforms to a more uniform approach to direct lending credit exposure and deal structures.

Investment structures for US Direct Lending Platforms

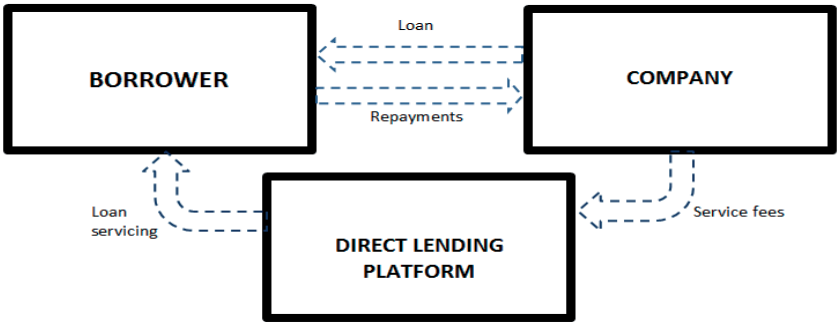
- *Model 1 – Acquisition of the whole Debt Instrument from the Direct Lending Platform*

  The first structure represents the outright sale of Debt Instruments by a Direct Lending Platform. Such a platform may source loans internally or externally, pursuant to their internal underwriting standard; and if required by applicable law, may originate such Debt Instruments in a contractually affiliated commercial bank or lending institution which maintains compliance with the relevant federal and state rules and regulations (a "**Bank Intermediary**").

a. Borrower enters into a Credit Investment with a Direct Lending Platform:



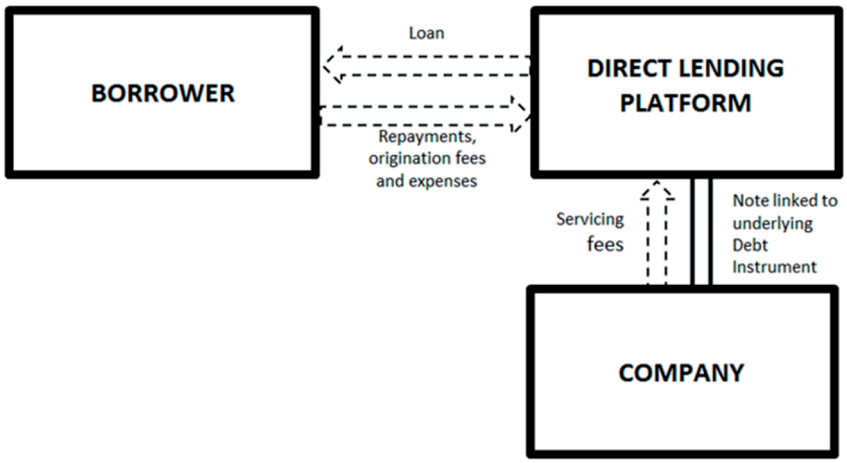
b. Direct Lending Platform sells the Credit Investment to an investor such as the Company:



Appropriate investors (such as the Company) thereafter purchase the Debt Instrument issued by the Direct Lending Platform or Bank Intermediary and they are effectively assigned the rights and obligations associated with underlying lending transaction. Direct Lending Platforms generally sell Debt Instruments under this model at a premium to face value (such premium being the "**Spread**"), charge origination fees and expenses to borrowers and require, as a contractual element of the transaction, an investor to enter into a service agreement whereby the Direct Lending Platform or its affiliate provides administrative services for the life cycle of such Debt Instrument (a "**Service Agreement**"). A Direct Lending Platform will charge servicing fees to an investor for the life cycle of the underlying Debt Instrument pursuant to the terms of a Service Agreement. As such, in circumstances where the Company acquires a Debt Instrument, the value of and return on the Company's investment will be determined by the payments made by the underlying borrower under the relevant loan documentation notwithstanding the fact that the Direct Lending Platform will maintain its position as an intermediary between the investor and the underlying borrower in respect of loan servicing arrangements.

- *Model 2 – Acquisition of performance linked notes referencing the performance of underlying loans*

  The second structure represents the sale of performance linked notes ("**Notes**") by a Direct Lending Platform (or a bankruptcy remote special purpose vehicle established by the relevant platform for the purposes of issuing the Notes), the performance of which are directly linked to the performance of payment obligations pursuant to an underlying Debt Instrument or pool of Debt Instruments entered into between the Direct Lending Platform (or a Bank Intermediary), as creditor, and an underlying borrower or borrowers.



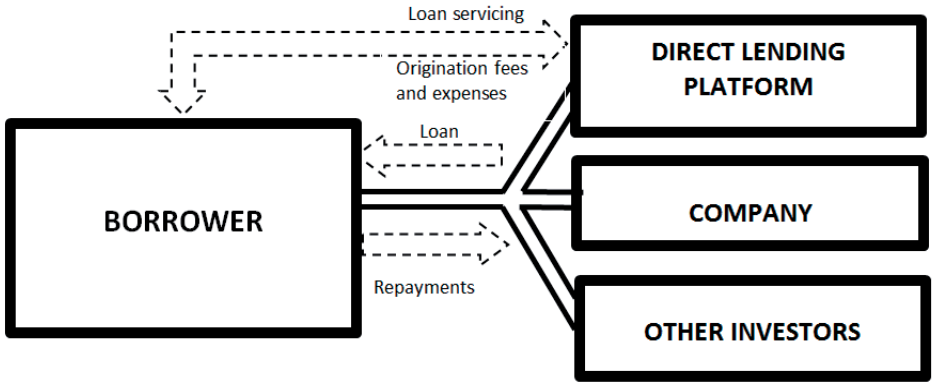
In this model, the Direct Lending Platform continues to be a party to the underlying Debt Instruments (maintaining such Debt Instruments on its books) and issues the Notes to investors such as the Company. As a result, the Direct Lending Platform maintains the rights and obligations generally associated with the underlying Debt Instrument, but provides to investors representations, warranties and covenants relating to the underlying Debt Instrument and the enforcement of rights and duties within its capacity as a creditor. Notes may link to underlying Debt Instruments on a whole loan or fractional loan basis.

When the Company invests in Notes, it will typically look to agree with the relevant Direct Lending Platform that in the event of default by underlying borrowers under the Debt Instruments to which the Notes are referenced, the benefit of any security or guarantee which has been provided in respect of the underlying Debt Instrument will revert to the Company when it is enforced pursuant to the underlying loan documentation. In addition, the Company may also ask that the Direct Lending Platform itself (or its key principals) provide parent guarantees in respect of the payments required to be made under the Notes where the Notes are issued by a bankruptcy remote special purpose vehicle, thereby seeking to mitigate the credit risk that the Company will be exposed to in respect of the entity that issues the Notes it acquires.

For its services in underwriting and (internally or externally) originating the underlying Debt Instrument, the Direct Lending Platform generally charges a Spread in interest rates, fees relating to the origination of the Debt Instrument, and enters into a service agreement whereby the Direct Lending Platform charges servicing fees for the life cycle of the underlying Debt Instrument.

- *Model 3 – Syndicate investing*

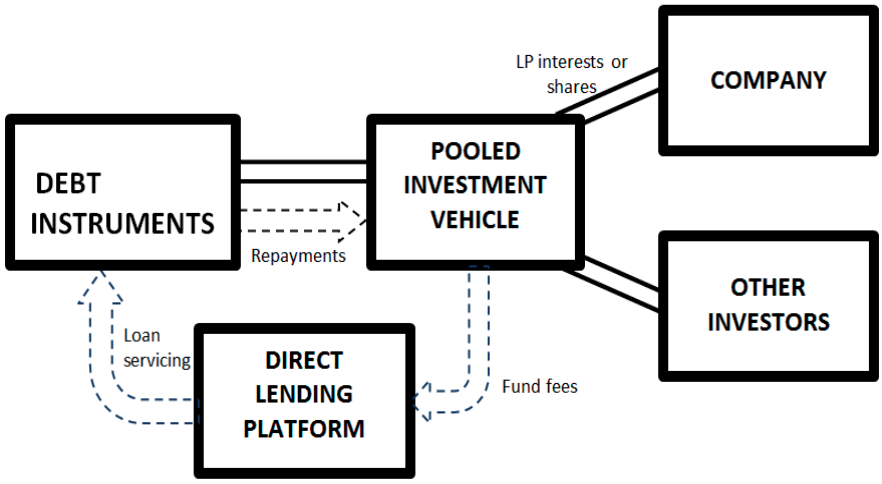
  The third structure represents the participation by an investor such as the Company in a syndicate that together makes up the lender on a Debt instrument, and where the Direct Lending Platform serves as lead creditor. In this model, the investor participates in all the rights and obligations of a lender pursuant to the terms of the Debt Instrument on a pro-rata basis, but the Direct Lending Platform maintains primary control over the servicing and collection of outstanding debt.



These forms of participation relationships are often employed in Debt Instruments relating to commercial factoring or revolving lines of credit where the Direct Lending Platform seeks to diversify risk among a syndicate of likeminded investors. Direct Lending Platforms employing participation syndicates may charge a Spread and/or servicing fees to participating investors. As with model 1, the value of and return on the Company's investment will be determined by the payments made under the relevant Debt Instrument by the underlying borrower notwithstanding the fact that the Direct Lending Platform will maintain its position as an intermediary between the Investor and the underlying borrower in respect of loan servicing arrangements.

- *Model 4 – Pooled Investment vehicles*

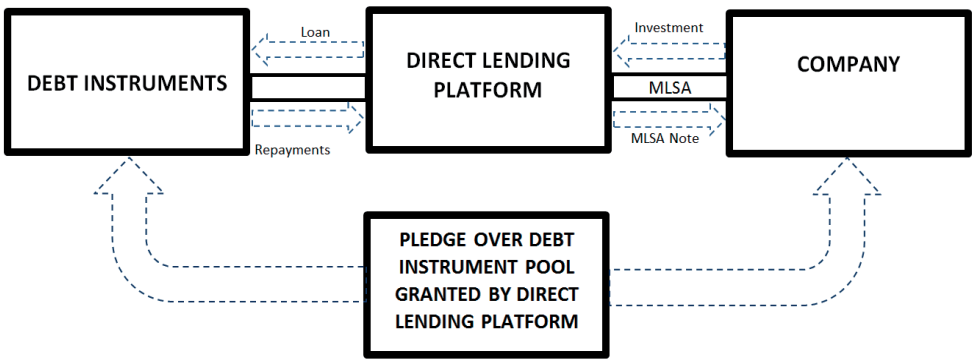
  The fourth structure represents pooled vehicles managed by the Direct Lending Platform. The pooled investment vehicle will hold a portfolio of underlying Debt Instruments and the investor will have a *pro rata* exposure to the payments made on those Debt Instruments by reference to the percentage of the pooled investment vehicle that it owns.



In pooled investment vehicle structures, an investor will retain a pro-rata interest in a diversified pool of underlying Debt Instruments. Investors such as the Company may, in certain circumstances, maintain input regarding the allocation of underlying Debt Instruments that are held by the pooled investment vehicle and/or maintain an ability to opt out of participating in respect of certain underlying Debt Instruments. That said, the Direct Lending Platform will generally choose the individual Debt Instruments to which the investor participates through its investment in the pooled investment vehicle, but in this instance the investor may require that the Direct Lending Platform maintains certain underwriting criteria and transparency (which may be redacted or aggregated to protect underlying confidentiality obligations) with respect to the underlying Debt Instruments which are allocated to it in the pool. Rather than charging a Spread, servicing fees or other purchase fees, the Direct Lending Platform will often charge a combination of management fees and/or performance fees.

- *Model 5 – Master loan and security agreements to platforms*

  The fifth structure reflects the use of a master loan and security agreement (an "**MLSA**") whereby the Company lends capital to a Direct Lending Platform for a fixed interest rate (which is calculated and agreed by reference to the Investment Manager's assessment of the pool of Debt Instruments securing the relevant MLSA Note (as defined below) less, in certain circumstances, any fees that may be payable to the Direct Lending Platform). A Direct Lending Platform then receives the capital by entering into one or more notes referenced to the MLSA (an "**MLSA Note**"); and uses the proceeds of such MLSA Notes to originate or issue pools of Debt Instruments which are pre-approved by the Company. The rate of interest under each MLSA Note may vary from note to note by reference to the Investment Manager's assessment of the underlying pool of Debt Instruments that form the security under the MLSA Note. Pursuant to the terms of the MLSA, the Direct Lending Platform is required to pledge the pool of Debt Instruments purchased with the proceeds of each MLSA Note to the Company as security for such MLSA Note. However, unlike a performance linked note, the repayment obligations set out under an MLSA or an MLSA Note is fixed and does not vary based on the performance of the underlying pool of Debt Instruments.



In order to mitigate the risk of loss with respect to an MLSA, the Company may (i) treat the MLSA as a general obligation loan, (ii) take a security interest in some or all of the assets of the Direct Lending

Platform, (iii) require guarantees and pledges of assets from parent entities and subsidiaries, and (iv) select loan amounts and calculates advance rates based on a discounted percentage of the notional value of the pool of Debt Instruments pledged as security.

In addition, the Company does not currently structure MLSAs as open credit lines. Direct Lending Platforms are required to submit the underlying pool of Debt Instruments for review by the Company and seek the Company's approval (which may generally be withheld at the Company's sole discretion) for each MLSA Note it seeks to fund.

Regulation of Direct Lending Platforms in the US

Direct Lending Platforms in the US may be regulated by state or federal agencies and may be required to hold consumer lending licences, collections licences or similar authorisations in certain states. Such platforms are subject to supervision and examination by the state regulatory authorities that administer the state lending laws. The licensing statutes vary from state to state and variously prescribe or impose: record keeping requirements; restrictions on loan origination and servicing practices, including limits on finance charges and the type, amount and manner of charging fees; disclosure requirements; requirements that licensees submit to periodic examination; surety bond and minimum specified net worth requirements; periodic financial reporting requirements; notification requirements for changes in principal officers, stock ownership or corporate control; restrictions on advertising; and requirements that loan forms be submitted for review. However, most US Direct Lending Platforms do not register Debt Instruments (however they may be structured) with the US Securities and Exchange Commission. Debt Instruments are not freely transferable.

To the extent a Direct Lending Platform employs a Bank Intermediary; Debt Instruments may be closed in the name of, and exclusively funded by, the Bank Intermediary which works jointly with the Direct Lending Platform to act as issuer and/or originator of that platform's loans. Following loan closing and funding, the Bank Intermediary may hold such Debt Instruments for its own account indefinitely or, after holding each such Debt Instrument for a defined period of time, sell the Debt Instrument to the Direct Lending Platform.

Regardless of the model and structure employed by a US Direct Lending Platform which originates or issues Debt Instruments in which the Company invests, the Investment Manager will attempt to secure various rights, including without limitation: rights of transparency relating to all documents collected by a Direct Lending Platform with respect to underlying Debt Instruments; representations, warranties and covenants regarding the policies and procedures a Direct Lending Platform will adhere to in its capacity as an underwriter, creditor or service agent, the characteristics of a Note or underlying Debt Instruments and the qualifications of an underlying borrower; and rights of consent and/or control maintained by the Company with respect to underlying Debt Instruments.

Other jurisdictions

The majority of the Platform Agreements in place as at the date of this Prospectus are with US based Direct Lending Platforms, however, the Company has also entered into Platform Agreements with Direct Lending Platforms that operate and/or originate Debt Instruments in the United Kingdom, Canada and Australia.

To the extent that the Company wishes to invest in Debt Instruments issued by Direct Lending Platforms in other jurisdictions in the future, it will need to comply with applicable law and regulation in respect of those investments.

Current Portfolio and Investment Pipeline

Current Direct Lending Platform access and pipeline

The Company has entered into Platform Agreements with a diverse range of niche Direct Lending Platforms which has enabled the Company to deploy substantially all of the net proceeds of the First Issue, the Tap Placing and the First ZDP Issue and 14.2 per cent. of the net proceeds of the Second ZDP Issue as at the Latest Practicable Date and it is anticipated that the Company will also deploy a proportion of the Net Proceeds pursuant to these Platform Agreements.

Each Platform Agreement provides the Company with preferred access and/or fee terms to acquire Debt Instruments originated or issued by the relevant Direct Lending Platform which fall within certain agreed

parameters. The Investment Manager generally actively selects Debt Instruments to be acquired by the Company in accordance with its investment process described in Part V of this Prospectus.

As at the date of this Prospectus, the Company has primarily entered into Platform Agreements with Direct Lending Platforms in the US, however, it has also entered into Platform Agreements with Direct Lending Platforms that operate and/or originate Debt Instruments in the United Kingdom, Canada and Australia. The Company is not prohibited from investing in Debt Instruments issued by Direct Lending Platforms in other jurisdictions and it expects to enter into further agreements with Direct Lending Platforms in other jurisdictions over the life of the Company, subject to the Investment Manager's assessment of the relevant platform, agreement of suitable terms and compliance with applicable law and regulation.

Further information on each of the Direct Lending Platforms, and the relevant Platform Agreements which have already been entered into by Ranger Direct Lending Fund Trust on behalf of the Company are set out below. Details of the relationship between the Company and Ranger Direct Lending Fund Trust are set out in Part X of this Prospectus.

- *The Invoice Factoring Platform*

  The Invoice Factoring Platform provides spot invoice factoring whereby it provides loans against specific invoices rather than a credit line based upon a borrower's receivables. The Invoice Factoring Platform has been operating for over forty years and owns over 100 franchises across multiple countries. The local franchise model operated by the Invoice Factoring Platform offers a number of competitive advantages, including utilising a local presence in the markets in which it operates for marketing, due diligence and customer service purposes. The central underwriters of the Invoice Factoring Platform and local franchisees share the risk and reward in each Debt Instrument entered into and the centralised functions allows franchises access to customised systems for monitoring and reporting all transactions as well as enabling them to fund Debt Instruments at times within 24 hours of an application being made.

  The Invoice Factoring Platform's underwriting process provides four levels of security on every factoring transaction as follows: (i) each borrower enters into an irrevocable letter of assignment providing for the relevant invoice to be paid to the Invoice Factoring Platform; (ii) a replacement invoice may be made available; (iii) security is taken (generally in the form of a UCC (Uniform Commercial Code), PPSR (Personal Property Securities Register), charge or other similar registration) by the Invoice Factoring Platform over the borrower's assets; and (iv) personal or validity guarantees are provided by the borrower's significant shareholders and directors. In addition, the Invoice Factoring Platform performs certain diligence checks on each borrower (including a local site visit) and the end account debtor for the relevant invoice. The security taken provides for full recourse to the factored invoice and loans are over collateralised with a typical loan to value of approximately 48 per cent.

  The Invoice Factoring Platform has not suffered a charge off since 2011 and its average loan term is 42 days.

  Ranger Direct Lending Fund Trust (and other funds managed by the Investment Manager) has invested in fractional invoice Debt Instruments (which are structured as a syndicate investment) originated by the Invoice Factoring Platform. The Investment Manager actively selects fractional invoice Debt Instruments for Ranger Direct Lending Fund Trust from the range of invoice receivables made available to Ranger Direct Lending Fund Trust under the Platform Agreement and acquisitions are made following model 3 as described above.

  The target unlevered net yield in respect of Debt Instruments acquired by Ranger Direct Lending Fund Trust that are originated by the Invoice Factoring Platform is 12 to 14 per cent.

- *The Equipment Loans Platform*

  The Equipment Loans Platform provides equipment financing loans. Its management has over 30 years of aggregate experience in the financial industry and has extensive experience in equipment financing, banking and speciality finance. The Equipment Loans Platform focuses on borrowers that are well established businesses within stable industries. The Equipment Loans Platform requires both its counterparties and their personal guarantors to have a strong credit profile. The Platform Agreement with the Equipment Loans Platform has been amended to guarantee the first two payments of a Debt

Instrument loan and, in the event two payments are not received, the Equipment Loans Platform is required to repurchase the loan. In addition the Equipment Loans Platform has expanded its lending model to include working capital loan Debt Instruments. These Debt Instruments carry a maximum term of 36 months and fully amortise over the term.

The Equipment Loans Platform's underwriting process is based on a proprietary scoring model that utilises a combination of third party data combined with a certain overlay that evaluate the unique aspects of each transaction. As such, the underwriting process is based on quantitative data, supplemented by the real world underwriting experience of the Equipment Loans Platform's credit team. Working capital loans are only considered for companies that will use the funds for growth. Local site audits and diligence visits are also performed on most borrowers before their application is accepted. The Equipment Loans Platform makes a UCC filing on all loans made and seeks to have a broad distribution of loans across industries and geographic regions in order to reduce the risk profile of its portfolio.

The Equipment Loans Platform believes that its more recent vintage loans indicate stronger borrower profiles through the available origination metrics and higher average loan sizes.

A percentage of the net proceeds of the First Issue has been deployed through the Equipment Loans Platform with the Investment Manager actively selecting Debt Instruments for acquisition by the Company from the range of whole equipment loans made available to Ranger Direct Lending Fund Trust under the Platform Agreement as described in model 1 above.

The target unlevered net yield in respect of Debt Instruments acquired by Ranger Direct Lending Fund Trust that are originated or issued by the Equipment Loans Platform is 11 to 12 per cent.

No further new investments are currently expected to be made by the Company through the Equipment Loans Platform. The Company currently expects existing investments through the Equipment Loans Platform to continue in line with the target returns of Debt Instruments originated or issued through the platform.

- *The SME Loans Platform*

  The SME Loans Platform originates a wide range of SME lending, with a particular focus on inventory, credit card receivables, equipment and real estate backed financing transactions and loans. The SME Loans Platform has been in operation for over seven years and, in its first six years, processed over 250,000 loan applications using a proprietary credit scoring algorithm. The SME Loans Platform both selects transactions to underwrite from the applications received and also brokers loan applications to other lenders. Its deal flow is assisted by established origination partnerships. The large suite of products it offers attracts a diverse range of applications and also makes its underwritten transaction portfolio attractive to an investor such as the Company where it wishes to target certain specific investment profiles.

  The SME Loans Platform's underwriting process uses multiple third party data sources, validation services in respect of certain information provided by borrower applicants as well as applicant interviews and site visits. The automated application and data validation processes assists in matching approved products to borrower applicants and each loan or other financing application is then reviewed by an in-house underwriter and dedicated loan specialist. Portfolio financing transactions are secured and/or guaranteed by assets of the merchant's business and personal guarantees.

  The SME Loans Platform has a lower default rate than many of its competitors, in part due to the large deal flow it receives allowing it to pick the most attractive applications to underwrite.

  The Investment Manager actively selects Debt Instruments for acquisition by Ranger Direct Lending Fund Trust from the range of portfolio options made available to Ranger Direct Lending Fund Trust under the Platform Agreement as described in model 1 above.

  The target unlevered net yield in respect of Debt Instruments acquired by Ranger Direct Lending Fund Trust that are issued or originated by the SME Loans Platform is 12 to 13 per cent.

- *The MCA Platform*

  The MCA Platform has been in operation since 2002 and provides small business alternative lending through loans and merchant cash advances (MCA). The loans and cash advances made typically have a short duration (less than 9 months). Loans are typically structured as secured high yield investment notes issued to the platform with an option for the platform to participate directly in SME loans. SME loans made by the MCA Platform are secured by business assets and personal guarantees. The MCA Platform partners with large payment processors which assist in keeping customer acquisition costs low whilst retaining high volumes of deal flow.

  The MCA Platform's underwriting process utilises proprietary online technology with a decisioning engine that provides decisions to applicants within minutes. The daily automated clearing house (ACH) payments provide for instant feedback on potential defaults by borrowers and use of the NAMAA business bad debt and fraud sharing community minimises fraud risk.

  The MCA Platform's disciplined underwriting culture has achieved industry leading loss rates through the entire credit cycle.

  Ranger Direct Lending Fund Trust co-participates, alongside the MCA Platform and other investors, in high yield SME loan and cash advance Debt Instruments that meet both the MCA Platform's and the Investment Manager's investment selection criteria.

  Co-Investments by Ranger Direct Lending Fund Trust in Debt Investments originated or issued by the MCA Platform consist of Debt Instruments primarily supplied by loan brokers and intermediaries. As consideration for such opportunity, Ranger Direct Lending Fund Trust has agreed to pay such brokers or intermediaries a fee for each investment made that is originated from its broker and intermediary network.

  The Investment Manager actively selects Debt Instruments for acquisition by Ranger Direct Lending Fund Trust from the range of loans and cash advances made available to Ranger Direct Lending Fund Trust under the Loan Referral Services Agreement as described in model 1 above.

  The Company has also into an MLSA with a wholly owned subsidiary of the MCA Platform (the "**International MCA Platform**") as described in model 5 above through which it may invest in MLSA Notes issued by the International MCA Platform.

  The target unlevered net yield in respect of Debt Instruments acquired by Ranger Direct Lending Fund Trust that are originated or issued by the MCA Platform is 12 to 14 per cent. and the target unlevered net yield in respect of Debt Instruments acquired by the Company that are originated or issued by the International MCA Platform (being a wholly owned subsidiary of the MCA Platform) is 12 per cent.

- *The SME Credit Line Platform*

  The SME Credit Line Platform provides credit lines to SME type businesses making short-term consumer loans in the non-prime market. The SME Credit Line Platform has an exclusive marketing and data underwriting partnership with its parent entity, a leading alternative credit bureau and bases its decisions to lend using its parent company's proprietary software.

  The SME Credit Line Platform has access to a leading alternative credit bureau's active lender clients which enables it to focus on the lenders it views as most suitable for investment. This access offers significant capacity for growth of the platform. Credit lines provided by the SME Credit Line Platform are secured by assets including the entire relevant underlying consumer loan portfolio.

  The SME Credit Line Platform's underwriting process applies the alternative credit bureau's profitability studies to all potential business clients. The SME Credit Line Platform analyses applicant historical lending performance to try and predict returns on loans made as well as analysing multi-year historical performance, profitability and underwriting data on all operators that enter into credit facilities with it. The SME Credit Line Platform is also able to monitor the credit bureau's consumer and lender data from origination which creates real-time lending metrics reflective of industry and vertical trends. The SME Credit Line Platform seeks to diversify its loan book by lending on a nationwide basis across the US. The real time visibility into the borrowers' businesses allows for immediate responses in respect

of potential issues and there is no lag time of 30 to 45 days in discovering issues that a traditional lender would typically encounter. Consumer payments made pursuant to the underlying consumer loans are typically made to the SME Credit Line Platform, not the businesses that are lent to by it, and the SME Credit Line Platform holds back a percentage of such payments in a portfolio loan loss reserve.

Consumer default rates underlying the loans made by businesses served by the alternative credit bureau decreased between January 2007 and December 2009 showing the positive application the alternative credit bureau's services even in a down credit market.

Ranger Direct Lending Fund Trust's investment in the SME Credit Line Platform is structured as a pooled investment vehicle (as described in model 4 above)

The target unlevered net yield in respect of the interests in the pooled investment vehicle holding Debt Instruments acquired by Ranger Direct Lending Fund Trust that are issued by the SME Credit Line Platform is 13 to 15 per cent.

The Company has served notice on the SME Credit Line Platform that it will be withdrawing its investment in the pooled investment vehicle (which is currently expected to take place over at least a one year period commencing in the fourth quarter of 2016) and the Company does not currently intend to make new additional investments through the SME Credit Line Platform. The Company currently expects existing investments through the SME Credit Line Platform to continue in line with the target returns of Debt Instruments originated or issued through the platform. The Company has decided to serve a redemption notice in order to maximise the tax efficiency of its investment portfolio.

- *The Real Estate Loans Platform*

  The Real Estate Loans Platform provides private real estate lending focussing on non-owner occupied residential and commercial projects. Its loans are typically short-term (around 12 months) with a focus on the New York City metropolitan area which historically allows for higher lending rates than the national average. The Real Estate Loans Platform's parent company is a national title insurance company with a 10 year track record and which has overseen real estate transactions worth US$4 billion that provides operational resources, access to deal flow and due diligence and real estate expertise to the Real Estate Loans Platform. All loans originated by the Real Estate Loans Platform are secured against the relevant property (typically through a first lien position) as well as personal and corporate guarantees.

  The Real Estate Loans Platform undertakes a proprietary 32-point underwriting process including an assessment of loan-to-value ratio, lien position, property location, occupancy rate and the sponsor's personal guarantee. In addition, it utilises the big data gathered by its parent company to assist it in quickly evaluating opportunities. The underwriting process particularly focuses on the borrower's experience in the relevant geographical market, the specific property type and the phase of development.

  The Investment Manager actively selects Debt Instruments for acquisition by Ranger Direct Lending Fund Trust from the range of real estate loans made available to Ranger Direct Lending Fund Trust under the Platform Agreement and any investment in such Debt Instruments takes the form of an unsecured borrower dependent payment note issued by the Real Estate Loans Platform as described in model 2 above. The notes acquired by Ranger Direct Lending Fund Trust may be in respect of a whole real estate loan or a fractional interest of a real estate loan.

  The target unlevered net yield in respect of Debt Instruments acquired by Ranger Direct Lending Fund Trust which are issued by the Real Estate Loans Platform is 10 to 12 per cent.

- *The Consumer Loans Platform*

  The Consumer Loans Platform provides consumer loans targeting emerging-prime borrowers (namely borrowers who the Consumer Loans Platform identifies as having an improving financial position before such improvement is reflected in their individual credit data). Borrowers with a "FICO" score of between 640 and 740 are targeted. FICO is a credit score widely used in the lending industry that utilises mathematical models to assess credit risk. The Consumer Loans Platform utilises the resources of its parent company to select borrowers. The Consumer Loans Platform's group has a 12 year track record

in debt settlement and marketing and has managed over US$2 billion in debt settlements for over 230,000 clients. In addition, the Consumer Loans Platform's sister company provides a strong lead flow of borrowers for the Consumer Loans Platform loan product. Only a limited number of funds have been offered access to investing in the Consumer Loans Platform's loan book.

The underwriting process used by the Consumer Loans Platform has been built on its parent company's 12 years of experience in dealing with financially stressed consumers. The Consumer Loans Platform's loans are underwritten using a hybrid underwriting model whereby it combines leading credit monitoring technology with manual assessments of client behaviour to assess a borrower applicant's situation. Then a unique scoring model is applied to each applicant and the Consumer Loans Platform also requires each applicant to complete a question and answer form which provides it with further insights into the creditworthiness of the applicant. The Consumer Loans Platform's loan products allow for a variety of loan terms to be offered to successful applicants which allow the underwriter to price the loan by specific reference to the borrower's anticipated ability to pay. The Consumer Loans Platform retains the servicing of the loans, thereby maintaining personal contact with each borrower which, it believes, reduces the risk of default.

The Consumer Loans Platform's loans were first offered in February 2014 and are targeted to achieve an annual loss rate of 4 per cent. (or less) per annum.

Ranger Direct Lending Fund Trust acquires a *pro rata* amount of the whole loan Debt Instruments selected by the Consumer Loans Platform for it (and the other funds managed by the Investment Manager) as described in model 1 above. The Investment Manager applies its TruSight Technology to evaluate the Debt Instrument portfolio on a daily basis and Ranger Direct Lending Fund Trust only continues to invest in the Debt Instruments provided the projected returns meet a specified minimum threshold. Debt Instruments that are deemed less desirable by TruSight Technology are reported to the Consumer Loans Platform to enable better selection of loans going forward.

The target unlevered net yield in respect of Debt Instruments acquired by Ranger Direct Lending Fund Trust that are originated by the Consumer Loans Platform is 10 to 12 per cent.

- *The Second Consumer Loans Platform*

  The Second Consumer Loans Platform provides consumer loans targeting prime and near-prime (600+ FICO) consumer borrowers who offer attractive risk-adjusted returns to lenders but are generally overlooked by larger lending platforms. The Second Consumer Loans Platform began operations in 2013 and is managed by Wall Street executives with extensive backgrounds in Finance and Technology.

  The underwriting process used by the Second Consumer Loans Platform was developed in partnership with external consultants that have a background in unsecured consumer lending, applied microeconomics and statistics. The core model is a set of multi-factor polynomial regressions that serve for different FICO ranges. Borrowers are given a score of creditworthiness depending on their credit report with 100+ attributes and their initial requested amount.

  The Investment Manager applies its TruSight Technology to evaluate loans as they become available to Ranger Direct Lending Fund Trust (or other funds managed by the Investment Manager) based on the Investment Manager's Trusight investment selection. Debt Instruments that are deemed less desirable by TruSight Technology are declined. Ranger Direct Lending Fund Trust acquires the whole loan Debt Instruments that are selected as described in model 1 above.

  The target unlevered net yield in respect of Debt Instruments acquired by Ranger Direct Lending Fund Trust that are originated by the Second Consumer Loans Platform is 10 to 12 per cent.

  No further new investments are currently expected to be made by the Company through the Second Consumer Loans Platform. The Company currently expects existing investments through the Second Consumer Loans Platform to continue in line with the target returns of Debt Instruments originated or issued through the platform.

- *The Vehicle Services Contract Platform*

  The Vehicle Services Contract Platform is a payment plan company formed by industry veterans to purchase receivables at a discount from the sellers of service contracts. This has allowed the platform's principals to vertically expand their control of the service contact supply chain and provide their customers with an end-to-end solution. Following a reorganisation in February 2015, the Vehicle Services Contract Platform purchased receivables initially sold by two separate sellers affiliated with the platform.

  The principals of the Vehicle Services Contract Platform also own, or have investments in, other companies in the service contract supply chain. One of the principals has been in the business since 1989 and formed a company that provides products in 2003. Their affiliated group of companies develop, administer and sell service contracts primarily in the automobile aftermarket. Collectively the affiliates' call centre clients sell approximately tens of thousands of auto aftermarket service contracts per month, of which approximately 30 per cent. of contracts are proprietary (affiliate company) products.

  The Platform Agreement entered into by Ranger Direct Lending Fund Trust and the Vehicle Services Contract Platform provides financing for individual contracts and are executed as MLSA Notes as described in model 5 above. The loan to value on the MLSA Note Debt Instruments are 75 per cent. or less. Ranger Direct Lending Fund Trust receives interest payments monthly on the promissory notes as well as principal reductions for each contact. Ranger Direct Lending Fund Trust has taken a number of steps to secure collateral of the Vehicle Services Contract Platform which includes all assets of the business, personal guarantees, and blocked bank accounts.

  The target unlevered net yield in respect of Debt Instruments acquired by Ranger Direct Lending Fund Trust that are originated by the Vehicle Service Contracts Platform is 12.25 per cent.

  The Company and the Investment Manager currently intend that the Vehicle Services Contract Platform Agreement will be restructured so that investments are made through Notes that reference underlying loans in accordance with model 2 rather than as an investment pursuant to an MLSA in accordance with model 5.

- *The International SME Lending Platform*

  The International SME Lending Platform provides lending against claimed and/or earned refundable tax.

  The underwriting process used by the International SME Lending Platform includes assessing the eligibility of the applicant's tax credit claim relative to the specific programme the claim or application is being submitted under or against. The International SME Lending Platform's analysis includes the applicant's past refundable applications and monies received to determine likelihood of future payments. The guarantor(s) overall credit strength concentrating on historical financial performance in relation to current obligations and recent commitments are assessed during the analysis.

  The Investment Manager actively selects Debt Instruments for acquisition by Ranger Direct Lending Fund Trust from the range of portfolio options made available to Ranger Direct Lending Fund Trust under the Platform Agreement as described in model 1 above.

  The target unlevered net yield in respect of Debt Instruments acquired by Ranger Direct Lending Fund Trust that are originated by the International SME Lending Platform is 12 to 14 per cent.

- *The Second Invoice Factoring Platform*

  The Second Invoice Factoring Platform provides revolving lines of credit through technology and a sales site marketplace to growing SME businesses which are unable to establish traditional bank lines of credit to finance their operations. The Second Invoice Factoring Platform makes advances (i) through the purchase, at a discount, of a borrower's invoices, (ii) through advances against contractual payments owed to a borrower, or (iii) advances against other assets of a borrower including inventory or other physical or financial assets.

The Second Invoice Factoring Platform may also establish relationships with receivables finance originators – third party working capital finance companies which underwrite the platform's borrowers. The Second Invoice Factoring Platform proposes to provide receivables finance originators with financing to purchase accounts receivable, make advances against contractual payments owed to borrowers, or provide credit against other assets of borrowers including inventory or other physical or financial assets.

The Second Invoice Factoring Platform will apply a verification policy to ensure the goods or services have been received and been accepted by borrowers for payment prior to advancing credit. Debtors whose receivables have been purchased will be directed to send payments directly to a lockbox and/or cash collateral account controlled by the Second Invoice Factoring Platform rather than to the borrower. All invoices purchased by the Second Invoice Factoring Platform are expected to be supported by credit assessment of the debtors which the Second Invoice Factoring Platform will to monitor on a regular basis. Once the Second Invoice Factoring Platform informs a debtor of its rights to receive payments on the receivable, and where to pay specific accounts, that debtor becomes legally responsible to pay the Second Invoice Factoring Platform or be subject to "double indemnity", or paying twice.

Ranger Direct Lending Fund Trust's investment in Debt Instruments originated or issued by the Second Invoice Factoring Platform is structured as a syndicate investment (as described in model 3 above).

The Second Invoice Factoring Platform has been in operation since 2013. The target unlevered net yield in respect of the interests in the syndicated Debt Instruments acquired by Ranger Direct Lending Fund Trust that are issued by the Second Invoice Factoring Platform is 11 to 12 per cent.

- *The SME Loans and Business Cash Advance Platform*

  The SME Loans and Business Cash Advance Platform began operations in 2007, and until recently, served as a balance sheet lender. The platform originates business cash advances in all 50 states with Debt Instruments that typically have an expected term of less than 12 months. Advance amounts generally range from US$5,000 to US$250,000. The primary collateral includes a UCC filing against all business assets and a personal guarantee, with a prohibition against stacking or additional debt.

  Several of the key management members have more than 20 years' experience in their respective responsibilities.

  The SME Loans and Business Cash Advance Platform's underwriting electronically eliminates ineligible applications, as applications pass the first electronic line of defence; and a manual underwriting approach is used to complete further analysis. Likewise, the platform has enhanced underwriting verification and fraud detection by electronically verifying bank statements, verification of business references, site visits, IP address verification, CPA interviews, and cross referencing public documents to bureaus.

  The Investment Manager actively selects pools Debt Instruments for acquisition by Ranger Direct Lending Fund Trust among the opportunities made available to Ranger Direct Lending Fund Trust under the Platform Agreements described in model 1 above.

  The target unlevered net yield in respect of Debt Instruments acquired by Ranger Direct Lending Fund Trust that are issued or originated by the SME Loans and Business Cash Advance Platform is 12 to 14 per cent.

- *The Secured Consumer Platform*

  The Secured Consumer Platform purchases consumer notes at a discount which are primarily originated by doctors in order to finance elective procedures such as liposuction, cosmetic surgery and bariatric surgery. The notes typically carry a note rate of about 19 per cent. and terms range from 12 months to 36 months. The platform began originations in 2003 for product consumer financing and pivoted to elective medical procedures in 2010.

  The Ranger Direct Lending Fund Trust will participate in the consumer notes, with the Secured Consumer Platform required to repurchase the trust's participation interest in any notes that exceed

60 days past due. The Ranger Direct Lending Fund Trust has a control agreement in place which allows collection of all cash flows that relate to the trust's participation. The trust will reconcile the cash flows and release excess funds to the platform.

The platform uses a tiered underwriting process and the maximum principal amount of any note purchased is currently limited to about US$11,000 and declines in accordance with a consumer's credit qualifications. The platform also uses a verbal verification of all information provided on the credit application and requires each borrower to electronically pre-authorise future payments.

The Investment Manager actively selects Notes which reference underlying Debt Instruments for Ranger Direct Lending Fund Trust. The pools of Notes are made available to Ranger Direct Lending Fund Trust pursuant to the Platform Agreement and acquisitions are made following model 3 as described above.

The target unlevered net yield in respect of the Note acquired by Ranger Direct Lending Fund Trust alongside the Secured Consumer Platform is 12 per cent.

- *Other Platforms*

  In addition to the Direct Lending Platforms referred to above, the Company and the Investment Manager are also actively seeking to enter into agreements with other Direct Lending Platforms to deploy the Company's capital. In addition to the Platform Agreements listed above, the Investment Manager is also currently in negotiations on behalf of the Company with a Direct Lending Platform which provides US MCA lending. The target unlevered net yield in respect of Debt Instruments acquired by the Company that are issued or originated by this platform is 12 per cent.

  In respect of each of the Platform Agreements with the Direct Lending Platforms listed above, the Company is not under any obligation to continue to fund any Debt Instrument and each Direct Lending Platform will, subject to applicable regulation, provide relevant data in respect of the Debt Instrument opportunities offered to the Company such that the Investment Manager can make an informed decision regarding prospective Debt Instruments on behalf of the Company.

  Available Debt Instruments are allocated between the funds managed or advised by the Investment Manager in accordance with the Investment Manager's allocation policy as described in Part V of this Prospectus. As described in the Risk Factor entitled "The Direct Lending Platforms that have entered into Platform Agreements with the Company have not guaranteed to provide a minimum number of Debt Instruments" above, there is no guarantee that there will be sufficient qualified loan requests through the Direct Lending Platforms to enable the Company to deploy its capital in a timely and efficient manner. Actual deployment will also be dependent on a number of factors not known at this time.

  The target unlevered net yield attributable to Debt Instruments originated or issued by a particular Direct Lending Platform as described above reflects the Investment Manager's target for the average net yield of all Debt Instruments acquired directly or indirectly (as applicable) by the Company that are originated and/or issued by the relevant Direct Lending Platform. The target has been compiled by reference to:

  - returns on investments already made by the Company through the relevant Direct Lending Platforms;
  - the Investment Manager's analysis of historic returns on Debt Instruments originated or issued by the relevant Direct Lending Platform;
  - the expected fees that will be payable by the Company in respect of the Debt Instruments made through the relevant Direct Lending Platform; and
  - an analysis of anticipated loss rates. In respect of platforms that have a lending history commencing in or before 2007, historical loss rates attributable to similar types of loans it is anticipated that the Company will acquire were used. In respect of platforms that do not have this long a lending history, or the lending history was not available to the Investment Manager, loss rates used in calculating the target return are based on historic loss rates which are higher than actual reported loss rates and/or conservative projections provided by the relevant platform in order to account for the potential adverse impact of future unknown events.

The target returns in respect of Debt Instruments originated and/or issued by each Direct Lending Platform described above are targets only and not profit forecasts. There can be no assurance that the target returns will be achieved and investors should place no reliance on such targets when making an investment decision.

Further detail on the Company's current portfolio is set out in the section headed "Current Portfolio", below.

Direct Lending Company Equity investments

In addition to its investments in Debt Instruments originated or issued by Direct Lending Platforms, the Company is also permitted (but not obliged) to invest up to 10 per cent. of its Gross Assets in Direct Lending Company Equity. As at the Latest Practicable Date, the Company had not yet invested in any Direct Lending Company Equity.

Investments in Direct Lending Company Equity by the Company may be made directly, through a SPV subsidiary or through an investment in other investment funds that have an investment policy of investing in Direct Lending Company Equity and related investments.

The Company has not currently entered into any equity investment commitments, but negotiations are continuing with the Real Estate Loans Platform and the Secured Consumer Platform Servicer in connection with potential investments in Direct Lending Company Equity opportunities.

Current Portfolio

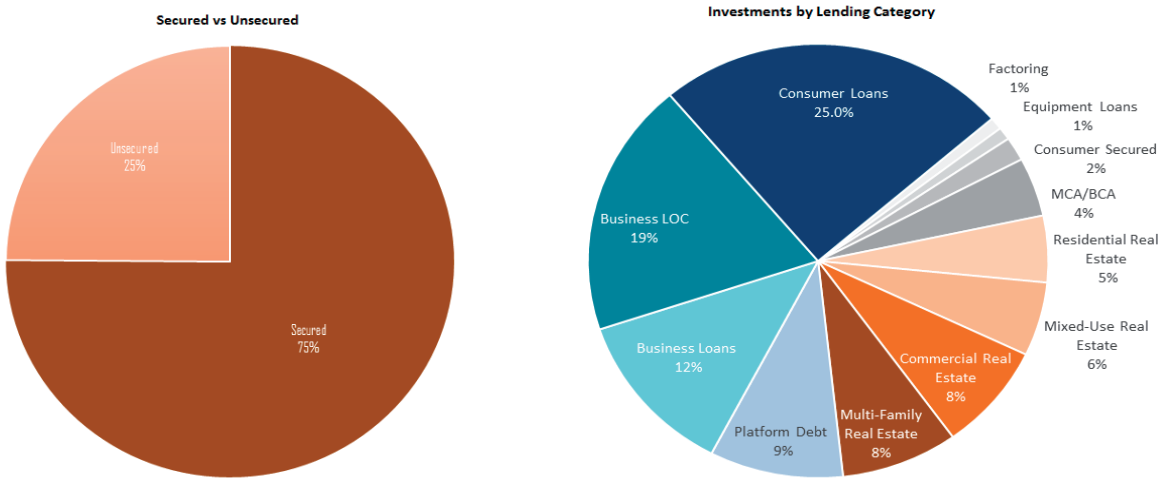
Investment portfolio and performance history

References in this section to the "Latest Practicable Date" are to 5 p.m. London time on 16 November 2016.

The Company has fully deployed the net proceeds of the First Issue, the Tap Placing and the First ZDP Issue and 14.2 per cent. of the net proceeds of the Second ZDP Issue in, primarily, US Debt Instruments with the balance being invested in Debt Instruments in Canada, the United Kingdom and Australia in accordance with the Company's investment policy. The Company expects to have deployed the Net Proceeds of the Issue in a portfolio of Debt Instruments originated or issued by Direct Lending Platforms and Direct Lending Company Equity within four months of the relevant admission.

As illustrated by the diagrams below (which were calculated using unaudited management accounts), as at the Latest Practicable Date, the Company's portfolio comprised predominantly secured Debt Instruments, which were approximately equal to the Company's target secured portfolio of 75 per cent. A secured Debt Instrument represents a payment obligation in which property, revenue (including receivables), or a payment guarantee has been pledged, mortgaged or sold to the Company as partial or full security with respect to such obligation. In addition, as at the Latest Practicable Date, the Company had acquired Debt Instruments across multiple industries and categories, and approximately 90.6 per cent. of Debt Instruments acquired by the Company were denominated in US Dollars.

Portfolio composition (excluding cash) as at the Latest Practicable Date



In addition to the diversification of the portfolio across a range of direct lending categories as shown above, the portfolio is also diversified across Debt Instruments issued or originated by a number of different Direct Lending Platforms. As at the Latest Practicable Date, the Company held (directly or indirectly) Debt Instruments originated and/or issued by the following Direct Lending Platforms:

Portfolio composition by Direct Lending Platform as at the Latest Practicable Date (excluding cash)

Direct Lending Platform through which Debt Instrument is held	*% Net Assets of the Company*
The Consumer Loans Platform	20.1
The Second Consumer Loans Platform	3.8
The Invoice Factoring Platform	0.2
The Second Invoice Factoring Platform	0.7
The Equipment Loans Platform	1.7
The SME Loans Platform	10.9
The Real Estate Loans Platform	22.2
The MCA Platform	7.2
The SME Credit Line Platform	18.3
The Vehicle Service Contract Platform	2.4
The International SME Lending Platform	2.4
The SME Loans and Business Cash Advance Platform	3.6
The Secured Consumer Platform	1.7
Other	0.9

Upon the commencement of each investment, the Company assigns a loss reserve that will be accrued over the term of such investment which would offset future write-offs, if any, that may be realised with respect to such investment. As at the 31 October 2016, the (unaudited) loss reserve was 0.32 per cent. in respect of the period from 1 May 2015 to 31 October 2016.

The portfolio composition data as at the Latest Practicable Date as set out above is unaudited and does not include principal payments received after 31 October 2016 nor accruals for income or expenses in respect of Debt Instruments acquired by the Company after 31 October 2016.

As well as investing in Debt Instruments issued by Direct Lending Platforms, the Company is also permitted under its investment policy to invest up to 10 per cent. of Gross Assets in the listed or unlisted securities issued by Platforms. As at the date of this Prospectus, however, the Company has not invested, directly or indirectly, in Direct Lending Company Equity.

The table below illustrates the performance of the Company from First Admission to 31 October 2016.

		Jan	*Feb*	*Mar*	*Apr*	*May*	*Jun*	*Jul*	*Aug*	*Sep*	*Oct*	*Nov*	*Dec*	*YTD*
% NAV	2015					-0.17%	0.26%	0.18%	0.25%	0.40%	0.52%	0.45%	0.53%	2.45%
	2016	0.48%	0.75%	0.77%	0.78%	0.82%	0.74%	0.79%	0.72%	0.75%	0.82%			7.69%
Dividend	2015											8.36p		8.36p
per share	2016		14.62p			20.45p			26.87p			27.67p		89.61p

As at 31 October 2016, the unaudited Net Asset Value of the Company was US$233,193,130 (£187,529,658) and the Net Asset Value per Ordinary Share (cum-income) was US$15.70 (£12.84).

As at the Latest Practicable Date, the Ordinary Share price of the Company was £11.50, representing a discount to cum-income NAV of 10.46 per cent.

PART III

THE COMPANY

Introduction

The Company is targeting raising £200 million, in aggregate, pursuant to the Issue and the Placing Programme. The Company is listed on the Official List and the Shares will be traded on the Main Market of the London Stock Exchange.

The Company is not regulated by the FCA or any other regulatory authority but it is subject to the Listing Rules and the Disclosure Guidance and Transparency Rules. The Listing Rules include a listing principle that a listed company must ensure that it treats all holders of the same class of shares that are in the same position equally in respect of the rights attaching to such shares. The Directors conduct the affairs of the Company so as to enable it to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010, as amended.

The Company has entered into the Investment Management Agreement with the Investment Manager, pursuant to which the Investment Manager manages the Company's investments and assets in accordance with the investment policy. The Investment Manager is the Company's AIFM for the purposes of the AIFM Directive. A summary of the Investment Management Agreement is set out in paragraph 9 of Part X of this Prospectus.

The Company's wholly owned subsidiary, Ranger Direct Lending ZDP plc ("**Ranger ZDP**"), raised £30 million and £23.805 million through two placings of zero dividend preference shares ("**ZDP Shares**"), which were admitted to trading on the London Stock Exchange's Main Market for listed securities on 1 August 2016 (the "**First ZDP Issue**") and 4 November 2016 (the "**Second ZDP Issue**") respectively. Immediately following admission of the ZDP Shares issued under the First ZDP Issue and the Second ZDP Issue, Ranger ZDP advanced to the Company, by way of loan, the gross proceeds of such issue, to be deployed by the Company in accordance with its investment policy. The terms of the Loan are set out in the Loan Agreement entered into between the Company and Ranger ZDP, a summary of which is set out in paragraph 9 of Part X of this Prospectus. Holders of ZDP Shares are entitled to a final capital entitlement of 127.63 pence per ZDP Share on 31 July 2021.

Ranger ZDP may, subject to compliance with the Undertaking and its articles of association, issue up to a further 52 million ZDP Shares pursuant to a 12 month placing programme ending on 23 October 2017 (the "**Ranger ZDP Placing Programme**") as set out in the prospectus published by Ranger ZDP on 24 October 2016 and pursuant to which it completed the Second ZDP Issue. To the extent that further ZDP Shares are issued, the gross proceeds of such issue will be lent to the Company pursuant to the Loan Agreement and the Company will bear the costs of the Ranger ZDP Placing Programme.

Investment Policy

The Company invests, directly and indirectly, in a portfolio of Debt Instruments originated or issued by Direct Lending Platforms.

The Debt Instruments to be acquired by the Company from Direct Lending Platforms will consist of debt obligations within a range of asset class sub-categories which may include, but are not limited to, some or all of SME loans (including alternative loan structures providing for the advance against and/or acquisition of future corporate trade receivables of the borrower), real estate loans, consumer loans, invoice factoring, asset financing, speciality financing and medical financing.

The Company will seek to purchase Debt Instruments directly from a Direct Lending Platform. However, the Company also indirectly participates in Debt Instruments including via:

- the acquisition of notes or other financial instruments that reference the returns of an identified Debt Instrument or pool of Debt Instruments (or fractions thereof), in each case originated or issued by a Direct Lending Platform;
- a syndicate investment alongside the Direct Lending Platform or other investors where the Direct Lending Platform serves as lead creditor; and

- pooled investment vehicles or investment funds which invest in Debt Instruments originated or issued by Direct Lending Platforms and which are managed by the Investment Manager (or its affiliates), a Direct Lending Platform or other third parties, in each case that the Company deems suitable with a view to enhancing Shareholder returns and providing diversification of the Company's assets.

The Company will generally only seek to participate or invest in pooled investment vehicles or investment funds when:

- such investment enables the Company to participate in Debt Instruments that the Company either cannot gain direct access to or could only gain direct access to on less favourable terms;
- such investment allows for a greater level of diversification than the Company could otherwise achieve; or
- the Company believes in good faith that such investment is in the best interest of the Shareholders.

Although the Company may invest in other investment funds that are managed by the Investment Manager or its affiliates, these other investment funds will not be part of the Company's group.

The Company's investments in Debt Instruments or other indirect forms of investment in Debt Instruments may be made through subsidiary special purpose vehicles (including, without limitation, trusts of which the Company is the beneficiary) formed for that purpose by the Company.

The Company may also invest up to 10 per cent. of Gross Assets (in aggregate at the time of investment) in Direct Lending Company Equity. This restriction shall not apply to any consideration paid by the Company for the issue to it of any Direct Lending Company Equity that are convertible securities issued by a Direct Lending Platform. However, it will apply to any consideration payable by the Company at the time of exercise of any such convertible securities or any warrants issued by a Direct Lending Platform. The Company may invest in Direct Lending Company Equity indirectly via other investment funds (including those managed by the Investment Manager or its affiliates).

The Company will invest across various Direct Lending Platforms and asset class sub-categories in order to ensure diversification and to seek to mitigate concentration risks. The following investment limits and restrictions apply to the Company, to ensure that the diversification of the Company's portfolio is maintained and that concentration risk is limited.

Investment restrictions – Debt Instruments

No single Debt Instrument structured as a term loan acquired by the Company will be for a term longer than 5 years. No single Debt Instrument structured as a trade receivable asset acquired by the Company will be for a term longer than 180 days.

The following restrictions apply, in each case at the time of investment by the Company:

- Debt Instruments that are attributable to a single asset class sub-category will not represent more than 25 per cent. of Gross Assets;
- no single Debt Instrument shall exceed 2 per cent. of Gross Assets;
- no single Debt Instrument shall represent more than 20 per cent. of the Gross Assets allocated to the asset class sub-category that the relevant Debt Instrument forms part of;
- aggregate investments in Debt Instruments originated through or issued by any single Direct Lending Platform will not exceed 25 per cent. of Gross Assets; and
- Debt Instruments secured (directly or indirectly) by assets and/or personal guarantees shall not be less than 65 per cent. of the Gross Assets.

Each of the restrictions set out above shall, to the extent the Company invests in Debt Instruments indirectly (whether through notes or other financial instruments that reference returns on Debt Instruments, pooled investment vehicles investing in Debt Instruments or otherwise), be applied in respect of each of the Debt Instruments underlying such indirect investment.

Investment restrictions – Platforms and indirect investment vehicles

The following restrictions apply, in each case at the time of investment by the Company:

- no more than 25 per cent. of Gross Assets shall be invested in any single entity that issues notes or other financial instruments which reference the returns of Debt Instruments; and
- no more than 25 per cent. of Gross Assets shall be invested any single pooled investment vehicle which holds a portfolio of Debt Instruments.

Other restrictions

The Company may invest in cash, cash equivalents, money market instruments, money market funds, bonds, commercial paper or other debt obligations with banks or other counterparties having single-A (or equivalent) or higher credit rating as determined by an internationally recognised agency, or any "governmental and public securities" (as defined for the purposes of the FCA rules) for cash management purposes and with a view to enhancing returns to Shareholders or mitigating credit exposure.

The Company will not invest in collateralised loan obligations or collateralised debt obligations.

Borrowing policy

Borrowings may be employed at the level of the Company and/or at the level of any investee entity (including any other investment fund in which the Company invests or any special purpose vehicle ("**SPV**") that may be established by the Company in connection with obtaining leverage against any of its assets).

The Company may seek to securitise all or parts of its portfolio of Debt Instruments and may establish one or more SPVs in connection with any such securitisation.

To the extent that the Company establishes any SPV in connection with obtaining leverage against any of its assets or in connection with the securitisation of its Debt Instruments, it is likely that any such vehicles will be wholly-owned subsidiaries of the Company. The Company may use SPVs for these purposes to seek to protect the levered portfolio from group level bankruptcy or financing risks. The Company may also, in connection with seeking such leverage or securitising its Debt Instruments, seek to assign existing assets to one or more SPVs and/or seek to acquire Debt Instruments using an SPV (to the extent permitted by applicable law and regulation).

The Company itself may borrow (through bank or other facilities) whether directly or indirectly through an investment fund in which it invests or through a subsidiary SPV, up to 50 per cent. of Net Asset Value, in aggregate (calculated at the time of draw down under any facility that the Company has entered into).

Investment Restrictions

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 FCA:

- 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 Assets at the time an investment is made will be invested in other closed-ended investment funds which are listed on the Official List, except that this restriction shall not apply to investments in listed closed-ended investment funds which themselves have stated investment policies to invest no more than 15 per cent. of their gross assets in other listed closed-ended investment funds.

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

In the event of any breach of the investment restrictions applicable to the Company, Shareholders will be informed of the remedial actions to be taken by the Company through an RIS announcement.

The Company must also comply with the terms of the Undertaking, which it entered into with Ranger ZDP pursuant to the Loan Agreement. Under the Loan Agreement, the Company is required to repay the Loan to Ranger ZDP immediately prior to 31 July 2021 (the "**ZDP Repayment Date**") and it has undertaken that, if, on such date (or if earlier, the date on which a Winding-Up Resolution is approved) (after taking into account the monies to be received by it on repayment of the loan), Ranger ZDP does not have sufficient funds to meet the repayment obligations in respect of the ZDP Shares, the Company will, immediately prior to the ZDP Repayment Date (or, if earlier, the date on which a Winding-Up Resolution is approved), subscribe for such number of ordinary shares in the capital of Ranger ZDP (or make a capital contribution for, gift of or otherwise pay such amount) as is necessary to provide Ranger ZDP with the necessary funds.

The Undertaking also provides that the Company shall:

- remain the holder of all of the ordinary shares in the share capital of Ranger ZDP from time to time;
- meet or otherwise fund through a subscription of further ordinary shares in Ranger ZDP all properly and reasonably incurred operating costs and expenses of Ranger ZDP, including its establishment expenses;
- notify Ranger ZDP without delay if (i) the Company becomes aware that it has breached the terms of the Loan Agreement and/or the Undertaking; or (ii) the Directors reasonably consider that the Company may not be able to meet its repayment obligations under the Loan Agreement and/or provide the Company with sufficient funds to meet the repayment obligations in respect of the ZDP Shares in accordance with the Undertaking;
- so far as it is able, ensure that the board of Ranger ZDP is, at all times, comprised of members of the Board;
- vote in favour of any Scheduled Winding-Up Resolution;
- in the event that a ZDP Continuation Resolution is proposed to the holders of ZDP Shares and not passed, vote in favour of any Winding-Up Resolution proposed to the members of Ranger ZDP in general meeting;
- not, without the sanction of a special resolution of the holders of ZDP Shares passed at a separate class meeting of the holders of ZDP Shares, issue (or procure the issue of) any further Shares or Group Shares (or any securities convertible into Shares or Group Shares) which would rank in priority or *pari passu* to the obligations of the Company under the Loan Agreement and the Undertaking, unless, immediately following such issue, (i) the Cover would be not less than 2.75 times or (ii) such issuance of Group Shares is undertaken in connection with establishing a subsidiary undertaking of the Company for the purposes of holding investments in accordance with the Company's investment policy;
- not, without the sanction of a special resolution of the holders of ZDP Shares passed at a separate class meeting of the holders of ZDP Shares, amend the investment policy of the Company in such a way that would, in the reasonable opinion of the directors of Ranger ZDP, be materially prejudicial to the rights of the holders of ZDP Shares;
- not incur Bank Borrowings if, following such borrowing, the Group's aggregate Bank Borrowings would thereby exceed an amount equal to the sum of: (a) (i) $46,627,120.60 (being 20 per cent. of the Net Asset Value attributable to the Ordinary Shares in issue as at 1 August 2016); plus (ii) an amount equal to 50 per cent. of the net proceeds of any issue of C shares or Ordinary Shares completed on or after 2 August 2016; less (b) £23.805 million plus the gross proceeds of any further issue of ZDP Shares by Ranger ZDP;
- not make any distribution out of income or capital, other than a distribution which: (i) is required to maintain the Company's status as an investment trust; or (ii) has been determined by the Directors to not reduce the Cover (as defined below) of the ZDP Shares below 2.75 times immediately following such distribution;
- not purchase any of its own Shares out of capital reserves if such purchase would result in the ZDP Shares having a Cover of less than 2.75 times immediately after the purchase has been made;
- not implement any reduction of capital which would, immediately following such reduction of capital, reduce the Cover of the ZDP Shares below 2.75 times; and

- calculate the Cover as soon as practicable following the finalisation of the Group's monthly valuations and, in any event, at least once in each calendar month, and shall notify the Directors without delay in the event that the Cover shall at any time be less than 2.75 times.

"**Cover**" shall represent, in respect of the ZDP Shares, a fraction where the numerator is equal to the Net Asset Value of the Company and its Group on a consolidated basis adjusted to: (i) add back any liability to shareholders of Ranger ZDP; and (ii) deduct the estimated liquidation costs of Ranger ZDP, and the denominator is equal to the amount which would be paid on the ZDP Shares as a class (and on all ZDP Shares ranking as to capital in priority thereto or *pari passu* therewith, save to the extent already taken into account in the calculation of the Net Asset Value) in a winding up of Ranger ZDP on the ZDP Repayment Date.

Dividend policy

The Company intends to distribute at least 85 per cent. of its distributable income earned in each financial year by way of dividends. The Shareholders approved the Company's policy of paying quarterly interim dividends at the annual general meeting of the Company held on 24 May 2016. In accordance with this policy, the Company has declared the following interim dividends:

- 8.36 pence per Ordinary Share for the period from 1 May 2015 to 30 September 2015;
- 14.62 pence per Ordinary Share for the three month period to 31 December 2015;
- 20.45 pence per Ordinary Share for the three month period to 31 March 2016;
- 26.87 pence per Ordinary Share for the three month period to 30 June 2016; and
- 27.67 pence per Ordinary Share for the three month period to 30 September 2016.

To ensure that the Company maintains its status an Investment Trust, the Company will not (except to the extent permitted by those regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period.

Pursuant to the Undertaking, described above, the Company has undertaken to Ranger ZDP that, until payment of the Final Capital Entitlement, the Company will not make any distribution of capital or income unless such distribution:

- is required to maintain the Company's status as an Investment Trust; or
- would not result in the ZDP Shares having a Cover of less than 2.75 times immediately following such distribution.

Any dividends that are declared will be paid in Sterling.

Dividend reinvestment plan

The Company has arranged, a dividend reinvestment plan (the "**Plan**") that gives Shareholders the opportunity to use any cash dividends to buy Ordinary Shares through a special dealing arrangement. The Ordinary Shares to be bought will be existing Ordinary Shares in the Company and will be bought on the open market. No new Ordinary Shares will be created. The Plan will only be available to Shareholders over the age of 18 and who are resident in the United Kingdom, the EEA, the Channel Islands or the Isle of Man.

Shareholders electing to join the Plan will have as many Ordinary Shares as possible purchased for them from the proceeds of their cash dividends. A dealing commission and stamp duty reserve tax (at the prevailing rate) will be charged on the value of any Ordinary Shares purchased.

The Plan is administered by Capita IRG Trustees Limited. Details of the terms and conditions of the Plan and information on how to elect to join the Plan are available on the Company's website.

Hedging Policy

While the Shares are denominated in Sterling, the Company accounts in, and the majority of its interests in Debt Instruments are denominated in US Dollars. In addition, the Company may invest in Debt Instruments

and Direct Lending Company Equity which are denominated in Euros, Sterling, Canadian Dollars or other currencies.

Save as described below, the Company does not currently hedge its currency exposure between Sterling and US Dollars. The Company has put in place hedging arrangements with respect to its currency exposure between US Dollars and the other currencies in which its assets are denominated (including Sterling, Canadian Dollars and Australian Dollars). The Company also currently puts in place hedging arrangements in respect of US Dollar exposure against Sterling on any dividend amounts that are declared during the period from declaration to payment to ensure that the amount of any declared dividend is not subject to exchange rate risk in respect of US Dollar Sterling foreign exchange rates.

In addition, the Company entered into hedging arrangements in respect of the principal amount of the Loan under the Loan Agreement and also hedges the interest that accrues on the Loan on a monthly basis. The Board intends to enter into similar hedging arrangements in respect of further advances made under the Loan Agreement.

It should be noted that the Company is not required to hedge currency exposures but, to the extent it is able to do so on terms that the Investment Manager considers to be commercially acceptable, it may, at its discretion, arrange suitable hedging contracts, such as currency swap agreements, futures contracts, options and forward currency exchange and other derivative contracts (including, but not limited to, interest rate swaps and credit default swaps) in a timely manner and on terms acceptable to the Company in order to implement the above intention.

There is no guarantee that the Company will be able to, or will elect to, hedge currency exposures at all times and nothing in the above policy shall restrict the Company from applying a partial hedge to currency exposures or no hedge at all and there is no guarantee that hedging arrangements, where entered into, will be successful.

The Company does not intend to hedge interest rate risk on a regular basis. However, where it enters floating-rate liabilities against fixed-rate loans, it may at its sole discretion seek to hedge out the interest rate exposure, taking into consideration amongst other things the cost of hedging and the general interest rate environment.

Discount and Premium Management

Further Issues of Ordinary Shares

The Board obtained shareholder authority at the annual general meeting of the Company on 24 May 2016 to allot Ordinary Shares up to an aggregate nominal value of £14,848.65, representing up to 10 per cent. of the Company's issued share capital at the date of the notice convening such meeting, such authority lasting until the next annual general meeting of the Company to be held in 2017. Although the Board has not yet exercised this authority, to the extent that the authority is used up before the next annual general meeting in 2017, the Company may convene a general meeting or general meetings to refresh the authority. Shareholders' pre-emption rights over this unissued share capital have been disapplied so that the Board will not be obliged to offer any such new Ordinary Shares to Shareholders *pro rata* to their existing holdings. The reason for this is to retain flexibility to issue new Ordinary Shares (including Ordinary Shares issued in accordance with the authority referred to above) 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.

Purchase of own Ordinary Shares

The Company may seek to address any significant discount to NAV at which its Ordinary Shares may be trading by purchasing its own Ordinary Shares in the market on an ad hoc basis.

The Directors have the authority to purchase in the market up to 2,225,813 Ordinary Shares, being 14.99 per cent. of the Ordinary Shares in issue at the date of the notice convening the annual general meeting of the Company on 24 May 2016. As at the Latest Practicable Date, the Company has not repurchased any Ordinary Shares in the market. This authority will expire at the conclusion of the Company's next 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. Ordinary Shares which are bought back may be cancelled or held in treasury.

It is the current intention of the Directors to hold any Ordinary Shares which have been bought back in treasury. This would give the Company the ability to re-issue Ordinary Shares quickly and cost effectively, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base. Ordinary Shares held in treasury may be sold by the Company at prices equal to or above the prevailing Net Asset Value per Ordinary Share.

Continuation vote

The Company has no fixed life but pursuant to the Articles an ordinary resolution for the continuation of the Company will be proposed at the annual general meeting of the Company to be held in 2020 and, if passed, every five years thereafter. Upon any such resolution not being passed, proposals will be put forward by the Directors to the effect that the Company be wound up, liquidated, reconstructed or unitised.

C Shares

The Directors have authority to issue up to 20 million C Shares on a non-pre-emptive basis until the fourth annual general meeting of the Company.

As provided for in the Articles, C Shares are shares which convert into Ordinary Shares only when a specified proportion of the net proceeds attributable to such C Shares have been invested in accordance with the Company's investment policy. Prior to conversion the assets of the Company attributable to the C Shares are segregated from the assets of the Company attributable to the Ordinary Shares in the Company's accounting records. Accordingly, the issue of C Shares pursuant to the Issue and the Placing Programme will enable 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 right of the C Shares to receive dividends that the Directors resolve to pay out of the net assets attributable to the C Shares and from income received and accrued which is attributable to the C Shares.

It is expected that the Net Proceeds will be invested in cash deposits, cash equivalents and fixed income instruments for cash management purposes, pending investment in Debt Instruments. The Investment Manager expects the Net Proceeds of the Issue to be largely fully invested within four months of Initial Admission.

The Articles permit the Directors to determine what assets are attributable to the C Shares for the purposes of calculating the NAV of the C Shares (and, ultimately, the conversion ratio that will apply on the Conversion Date).

For this purpose, the Directors intend that, as new investments are made by the Company in Debt Instruments following the Issue and prior to Conversion, the C Shares are allocated a *pro rata* share of the Company's entire portfolio of Debt Instruments based on the investable cash attributable to the C Shares on the one hand and the Ordinary Shares on the other (in both cases as measured immediately before such new investment is made). The C Shares will, accordingly, be credited from day to day with a share of the income attributable to the Company's entire holding of Debt Instruments based on the allocation of Debt Instruments to the C Shares.

This approach will ensure that the Ordinary Shares do not suffer a "cash drag" attributable to the Net Proceeds whilst such amounts remain uninvested. It also provides for greater diversification of the C Share portfolio than would be the case if newly acquired instruments were attributed solely to the C Shares.

In accordance with the requirements set out in the Articles, the Company will operate its bank and custody accounts so that the assets attributable to the C Shares can at all times be separately identified, including by ensuring that separate cash and investment ledger accounts are maintained on the basis set out above. Assets and liabilities that are attributable solely to the C Shares (including, without limitation, cash balances and the costs and expenses of the Issue and the publication of this Prospectus) will be allocated solely to the C Shares. The liability attributable to the Final Capital Entitlement and any unamortised issued

expenses relating to the issue of the ZDP Shares by Ranger ZDP shall be allocated solely to the Ordinary Shares (on the basis that the net proceeds are also solely attributed to the Ordinary Shares).

The Conversion Date shall be a date determined by the Directors occurring not more than 10 Business Days after the Calculation Date (that is, the date on which the Investment Manager shall have given notice to the Directors that at least 90 per cent. of the net proceeds from the relevant issue of C Shares pursuant to the Issue and/or the Placing Programme (or such other percentage as the Directors and Investment Manager shall agree) shall have been invested (or, if earlier, nine months after the date of the relevant issue of C Shares)).

The Conversion Ratio will then be calculated and the C Shares in issue will convert into a number of Ordinary Shares calculated by reference to the Net Asset Value per C Share of compared to the Net Asset Value per Ordinary Share. Entitlements to Ordinary Shares will be rounded down to the nearest whole number.

The Articles contain the C Share rights, full details of which are set out in paragraph 3 of Part X of this Prospectus.

Investment Trust Status

The Company currently conducts, and intends at all times to conduct, its affairs so as to enable it to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010, as amended.

In summary, in order for the Company to be eligible as an investment trust in an accounting period, the following conditions must be satisfied throughout the period:

- all or substantially all of the Company's business consists of investing its funds in shares, land or other assets with the aim of spreading investment risk and giving Shareholders the benefit of the results of the management of its funds;
- the Company's Shares must be admitted to trading on a regulated market, such as the Main Market of the London Stock Exchange, throughout the accounting period; and
- the Company must not be a venture capital trust (within the meaning of Part 6 of the Income Tax Act 2007) or UK REIT (within the meaning of Part 12 of the Corporation Tax Act 2010).

In order for the Company to maintain its investment trust status it must:

- not be a close company;
- not retain in respect of any accounting period an amount which is greater than 15 per cent. of its income for the period; and
- notify HMRC if it revises its investment policy or breaches the regime.

The AIFM Directive

Under the AIFM Directive, certain conditions must be met to permit the marketing of shares in AIFs to prospective and existing investors in the EEA, including that prescribed disclosures are made to such investors. These disclosures are set out in the Appendix to this Prospectus. Certain provisions of the AIFM Directive still require the establishment of guidelines, and the AIFM Directive is still being implemented in a number of EEA member states. It is also possible that interpretation of the AIFM Directive may vary among the EEA member states. It is therefore difficult to predict the full impact of the AIFM Directive on the Company and the Investment Manager and the effect on the Company and the Investment Manager may vary over time. The AIFM Directive may result in requirements to make certain reports and disclosures to regulators of EEA member states and of members of the EEA in which any Shares are marketed. Such reports and disclosures may become publicly available.

The Company currently operates as an externally managed EEA domiciled AIF with a non-EEA AIFM for the purposes of the AIFM Directive and as such neither it nor the Investment Manager is required to seek full-scope authorisation under the AIFM Directive. However, following national transposition of the AIFM Directive in a given EEA member state, the marketing of shares in EEA AIFs that are managed by a non-EEA AIFM (such as the Investment Manager) to investors in that EEA member state is prohibited unless certain conditions are met. The Investment Manager has filed a notification with the FCA pursuant to Article 42 of

the AIFM Directive to market Shares issued by the Company in the UK under the UK national private placement regime.

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

Any regulatory changes arising from implementation of the AIFM Directive (or otherwise) that limit the Company's ability to market future issues of its Ordinary Shares and/or C Shares may materially adversely affect the Company's ability to carry out its investment policy successfully and to achieve its investment objective, which in turn may adversely affect the Company's business, financial condition, results of operations, Net Asset Value and/or the market price of its Shares.

The Company and the Investment Manager may, in the future, if considered operationally efficient transfer the portfolio management and risk management functions for the Company to an FCA authorised affiliate of the Investment Manager which is authorised to act as a full-scope AIFM under the AIFM Directive.

NMPI Status

As the Company is an investment trust, the Shares will be "excluded securities" under the FCA's rules on non-mainstream pooled investments. Accordingly, the promotion of the Shares is not subject to the FCA's restriction on the promotion of non-mainstream pooled investments.

Taxation

Potential investors are referred to Part IX of this Prospectus for details of the taxation of the Company and Shareholders in the UK. Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their professional advisers prior to making a subscription for Shares.

Risk Factors

The Company's performance is dependent on many factors and potential investors should read the whole of this Prospectus and, in particular, the section entitled "Risk Factors" on pages 18 to 39 of this Prospectus.

PART IV

DIRECTORS AND ADMINISTRATION

The Directors

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

The Directors may delegate certain functions to other parties such as the Investment Manager, the Administrator, the Company Secretary, the Custodian and the Registrar. In particular, the Directors have delegated responsibility for day to day management of the investments comprised in the Company's portfolio to the Investment Manager. The Directors have responsibility for exercising supervision of the Investment Manager.

Christopher Waldron *(Chairman) (independent)* (aged 52)

Mr Waldron has over thirty years' experience in investment management and is a director of a number of listed funds and investment companies, including UK Mortgages Limited, DW Catalyst Fund and JZ Capital Partners. He began his career with James Capel as an institutional equity broker and subsequently held investment management positions with Bank of Bermuda, the Jardine Matheson Group and Fortis before joining the Edmond de Rothschild Group in Guernsey as Investment Director in 1999, overseeing a team of managers specialising in fixed income and alternative investment strategies. He was appointed CEO of the Edmond de Rothschild companies in Guernsey in 2008, a position he held until 2013, when he stepped down to concentrate on non-executive work. Mr Waldron is also a member of the States of Guernsey's Policy and Resources' Investment and Bond sub-committee. He is a Fellow of the Chartered Institute for Securities and Investment.

Dr Matthew Mulford *(independent)* (aged 52)

Dr Mulford is a Senior Research Fellow at the London School of Economics, an Affiliate Professor at ecole des Hautes Etudes Commerciales de Paris (HEC-Paris) and a Visiting Faculty member at the European School of Management and Technology (ESMT) in Berlin. He is formally a founding Dean of the TRIUM Global Executive MBA programme which is currently ranked as the top EMBA programme in the world. Dr Mulford has extensive research and senior executive training experience in negotiation analysis, psychology of judgement and decision making, quantitative methods and game theory. Dr Mulford has designed, directed and/or taught executive training courses in more than 20 countries for a variety of clients, including: Boehringer Ingelheim, Bosch, Deutsche Bank, EADS, Ericsson, Gallup, Gold Fields, Indian National Railroad, King Faisal Specialist Hospital, Linklaters, MAP – Carrefour, MTS, Qtel, Rusal, Siemens, Standard Chartered Bank, Syngenta, ThyssenKrupp, Total, the UK's National Audit Office and Home Office and the United Nations Development Programme.

Jonathan Schneider *(independent)* (aged 46)

Mr Schneider is a chartered accountant and an active entrepreneur and investor. From 2006 to 2012, he was the co-founder and managing partner of the Novator Credit Opportunities Fund, a UK based special situations hedge fund. Mr Schneider currently has a portfolio of alternative lending interests which he actively supports and manages, the majority of which he conceived and co-founded. Some of these include African Financial Services, a pan African consumer finance business, Iwoca.com, a business to business working capital lender and Mode, an emerging market airtime credit provider. Mr Schneider previously served as the Executive Chairman of Taurus Gold Limited, which he was responsible for creating. Taurus is a West African focused gold mine developer with projects in Cote D'Ivoire, Mali and Burkina Faso. Mr Schneider has held numerous previous directorships, including serving as on the board of publically listed Talon Metals Inc. and Aqua Online Limited.

K. Scott Canon *(non-independent)* (aged 54)

Details regarding Mr Canon are set out in Part V of this Prospectus.

Corporate Governance

The Listing Rules require that the Company must "comply or explain" against the UK Corporate Governance Code (the "**Governance Code**"). In addition, the Disclosure Guidance and Transparency Rules require the Company to: (i) make a corporate governance statement in its annual report and accounts based on the code to which it is subject, or with which it voluntarily complies; and (ii) describe its internal control and risk management arrangements.

The Directors have considered the principles and recommendations of the AIC Code by reference to the AIC Guide. The AIC Code, as explained in the AIC Guide, addresses all the principles set out in the Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company as an investment company.

The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the Governance Code) will provide better information to Shareholders. Accordingly, the Board has resolved that the Company will comply, so far as is possible given the Company's size and nature of business, with the AIC Code. Save as explained below, there are currently no instances of non-compliance by the Company with the AIC Code.

Senior independent director

The Directors have determined that the size of the Board does not warrant the appointment of a senior independent director.

Internal audit function

Due to the current size and nature of the Company's operations, no internal audit function is considered necessary. The Company has engaged the Administrator to provide administration and accounting services pursuant to the Accounting and Administration Services Agreement, details of which are set out in paragraph 9 of Part X below.

Shareholder information

The Company does not provide a complete portfolio listing as the Board has determined that to do so would not be in the interests of the Company and its Shareholders. Instead, the Board provides relevant portfolio information and summaries in its annual reports and monthly updates.

Audit Committee

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

Management Engagement Committee

The Company's management engagement committee, comprising all the independent Directors of the Company (which as at the date of this Prospectus is all the Directors of the Company other than Scott Canon), meets formally at least once a year for the purpose, amongst other things, of reviewing the actions and judgments of the Investment Manager and also the terms of the Investment Management Agreement. The Chairman acts as chairman of the Management Engagement Committee.

Remuneration and Nomination Committee

The Company's remuneration and nomination committee, comprising all the independent Directors of the Company (which as at the date of this Prospectus is all the Directors of the Company other than Scott Canon), meets formally at least once a year for the purpose of, amongst other things, considering the framework and policy for the remuneration of the Directors pursuant to the Articles and to review the structure, size and composition of the Board. No Director shall be involved in any decisions as to their own remuneration. Jonathan Schneider is the chairman of the remuneration and nomination committee.

Directors' share dealings

The Directors have adopted a code of directors' dealings in the Shares, which is in accordance with the Market Abuse Regulation. The Board is responsible for taking all proper and reasonable steps to ensure any dealings by Directors, and any persons closely associated with such Directors are in compliance with Market Abuse Regulation.

Administrator

Sanne Fiduciary Services Limited has been appointed as Administrator to the Company pursuant to the Accounting and Administration Services Agreement (further details of which are set out in paragraph 9 of Part X of this Prospectus).

The Administrator is responsible for the maintenance of the books and financial accounts of the Company and the calculation, in conjunction with the Investment Manager, of the Net Asset Value of the Company, and the Ordinary Shares and the C Shares.

Company Secretary

Capita Company Secretarial Services Limited provides company secretarial services to the Company pursuant to the Company Secretarial Agreement (further details of which are set out in paragraph 9 of Part X of this Prospectus).

The Company Secretary is responsible for overseeing the production of the Company's accounts, regulatory compliance of the Company and providing support to the Board's corporate governance process and its continuing obligations under the Listing Rules and the Disclosure Guidance and Transparency Rules. In addition, the Company Secretary is responsible for liaising with the Company, the Investment Manager, the Registrar and the Administrator in relation to the payment of any dividends, as well as general secretarial functions required by the Companies Act (including but not limited to the maintenance of the Company's statutory books).

Registrar

Capita Asset Services has been appointed as the Company's Registrar pursuant to the Registrar Agreement (further details of which are set out in paragraph 9 of Part X of this Prospectus).

Custodian and custody arrangements

Merrill Lynch, Pierce, Fenner & Smith Incorporated has been appointed as the Company's custodian pursuant to the Custodian Agreement (further details of which are set out in paragraph 9 of Part X of this Prospectus). The Custodian is regulated by the US Securities and Exchange Commission as a qualified custodian under the Investment Advisers Act of 1940, as amended. The Custodian is entitled to engage its affiliates and other members of the Bank of America Corporation and Merrill Lynch & Co., Inc group (of which the Custodian forms part) to provide services under the Custodian Agreement to the Company.

As part of the servicing arrangements agreed with each Direct Lending Platform, the loan documentation that forms, or is referenced by, a Debt Instrument acquired by the Company will generally remain in the custody of the relevant Direct Lending Platform in order to allow it to perform its servicing activities. The Company and the Investment Manager will generally have access to such documentation on demand.

Broker

Liberum has been appointed as corporate broker to the Company.

Auditor

Deloitte LLP provides audit services to the Company.

Fees and expenses

Issue expenses

The costs and expenses of the Issue, Initial Admission and the establishment of the Placing Programme which will be paid by the Company are not expected to exceed 1.7 per cent. of the Gross Issue Proceeds, assuming Gross Issue Proceeds are £40 million. To the extent that the Gross Issue Proceeds are less than £40 million, such costs and expenses will be a greater amount as a percentage of the Gross Issue Proceeds. The Investment Manager has agreed that any expenses in excess of £1 million will be borne by it.

The costs and expenses of the Issue will be paid out of Gross Issue Proceeds and will therefore be borne indirectly by the holders of the C Shares to be issued pursuant to the Issue.

The costs and expenses of the Issue will be paid on or around Initial 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.

If the target number of C Shares permitted to be issued under the Issue are issued, namely 4 million C shares, the Net Asset Value of the Company immediately following Initial Admission is expected to increase by £39,320,160 (in other words, 98.3 per cent. of Gross Issue Proceeds) assuming expenses of the Issue being £679,840.

Ongoing expenses

Placing Programme

The costs and expenses of the Placing Programme will depend on subscriptions received in respect of individual Subsequent Placings.

Investment Manager's fees

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

The management fee is payable monthly in arrear and is at the rate of 1/12 of 1.0 per cent. per month of Net Asset Value of the Ordinary Shares and 1/12 of 1.0 per cent. of the Net Asset Value of the C Shares (the "**Management Fee**"). The Investment Manager also retains the discretion to charge a fee based on a percentage of Gross Assets of the Ordinary Shares and also on a percentage of Gross Assets of any tranche of C Shares in issue (in each case, such percentage not to exceed 1.0 per cent. and provided that the aggregate Management Fee payable by the Company shall not exceed an amount equal to 1.0 per cent. of the total Gross Assets of the Company or its group in aggregate (as applicable)) to any entity which is within the Company's group (including the Company), provided that such entity employs leverage for the purpose of its investment policy or strategy.

In addition, to seek to avoid fee layering, if at any time the Company invests in or through any other investment fund or special purpose vehicle and a management fee or advisory fee is charged to such investment fund or special purpose vehicle by the Investment Manager or any of its affiliates and not waived, the value of such investment will be excluded from the calculation of Net Asset Value of the Ordinary Shares and the Net Asset Value of any tranche of C Shares in issue (as applicable) for the purposes of determining the Management Fee. As such, there will be no fee layering as a result of an investment by the Company in any investment fund or special purpose vehicle managed or advised by the Investment Manager or any of its affiliates.

The Management Fee is calculated and payable monthly in arrear.

The Investment Manager agreed that, in connection with the First Issue, Qualifying Investors were entitled to receive a trail commission. The trail commission is calculated and paid annually in arrears by the Investment Manager out of the Management Fee.

Trail commissions are only payable to Qualifying Investors in respect of Ordinary Shares subscribed pursuant to the First Issue and must be claimed, together with such proof supporting the claim as the Investment Manager may require at its discretion, within 30 calendar days of the relevant Eligibility Date. Trail commissions are paid within 60 days of receipt of a valid claim. Trail commissions not claimed within the relevant period will be forfeited in respect of the relevant period and all future periods. No trail commissions will be paid to investors who were not Qualifying Investors in respect of the First Issue. The trail commission will only be paid to Qualifying Investors in respect of those Ordinary Shares acquired by the Qualifying Investor in the First Issue and which remain held by the Qualifying Investor on the relevant Eligibility Date. Trail commissions will not be pro-rated to take account of Ordinary Shares disposed of between Eligibility Dates. Investors should note that payments of trail commissions will be made net of any amounts required by law to be deducted in respect of tax.

The Investment Manager is also entitled to a performance fee calculated by reference to the movements in the Adjusted Net Asset Value of the Ordinary Shares or the Adjusted Net Asset Value (as defined below) of any tranche of C Shares in issue since the end of the Calculation Period (as defined below) in respect of which a performance fee was last earned or the date of admission of the relevant class of Shares if no performance fee has yet been earned (the Adjusted Net Asset Value at such earlier date being the "**High Water Mark**").

The performance fee will be a sum equal to 10 per cent. of the amount by which the Adjusted Net Asset Value of the relevant class of Shares at the end of a Calculation Period exceeds the High Water Mark.

"**Adjusted Net Asset Value**" means in respect of each class of Shares the Net Asset Value of such class of Shares adjusted for: (i) any increases or decreases in Net Asset Value arising from issues or repurchases of Shares; (ii) adding back the aggregate amount of any dividends or distributions (for which no adjustment has already been made under (i)) made by the Company at any time; (iii) before deduction for any accrued performance fees; and (iv) to the extent that the Company invests in any pooled investment vehicle or managed account (other than a pooled investment vehicle or managed account where the Investment Manager (or its affiliate) waives its performance fee in respect of the Company's investment) pursuant to which the Investment Manager or an affiliate of the Investment Manager is entitled to (including where it is not yet earned) receive a performance fee or performance allocation at the level of that investee entity or under such separate managed account arrangement, excluding any gain or loss attributable to those investments. As such, the calculation of the Adjusted Net Asset Value is not a calculation made in accordance with IFRS.

The performance fee will be calculated in respect of each twelve month period starting on 1 January and ending on 31 December in each calendar year (a "**Calculation Period**"), save that the first Calculation Period (i) was, in respect of the Ordinary Shares currently in issue, the period commencing from First Admission and ending on 31 December 2015; and (ii) shall be, in respect of any tranche of C Shares admitted prior to 1 January 2017, the period commencing on the admission of such shares to the Official List and to trading on the Main Market of the London Stock Exchange, and ending on 31 December 2016, and in respect of any tranche of C Shares so admitted on or after 1 January 2017, from that date to 31 December 2017. The last Calculation Period shall end on the date that the Investment Management Agreement is terminated or, where the Investment Management Agreement has not previously been terminated, the Business Day prior to the date on which the Company enters into liquidation. If at the end of what would otherwise be a Calculation Period no performance fee has been earned in respect of that period, the Calculation Period shall carry on for the next 12 month period and shall be deemed to be the same Calculation Period and this process shall continue until a performance fee is next earned at the end of the relevant period. A Calculation Period in respect of C Shares shall be deemed to end on the applicable Conversion Date.

The performance fee shall be payable to the Investment Manager in arrear within 30 calendar days of the end of the relevant Calculation Period.

The Management Fee and performance fee (if any) is payable in US Dollars.

Fees payable to Direct Lending Platforms

The amount of fees and expenses payable by the Company to a Direct Lending Platform varies depending on the amount of Debt Instruments acquired from a particular platform, and in certain cases, the performance of the Debt Instruments acquired from that platform. Generally, fees payable to a Direct Lending Platform consist of some or all of: (i) an acquisition cost Spread that reflects a premium to the outstanding principal value of the relevant Debt Instrument; (ii) a servicing fee; (iii) a variable platform fee that is calculated by reference to the performance of Debt Instruments originated or issued by that platform; and (iv) in respect of pooled investment vehicle investments only, management and performance fees. Further information on the fees payable to each platform that has entered into a Platform Agreement with the Company is set out in paragraph 9 of Part X of this Prospectus.

Other fees and expenses

The Company will also incur further on-going annual fees and expenses, including those set out below. For the avoidance of doubt, the ongoing fees and expenses of Ranger ZDP (including, without limitation, fees and expenses incurred on any further offer and/or issuance of ZDP Shares) will be borne by, or funded through the subscription of further ordinary shares in Ranger ZDP by the Company, in accordance with the Undertaking.

- Administrator

  Under the terms of the Accounting and Administration Services Agreement, the Administrator is entitled to an annual fee in respect of the valuation and accounting services it will provide of £15,000 plus an additional amount equal to 6 basis points of the NAV of the Company. In addition, a further fee of £25,000 (plus a variable amount based on the number of reports) per annum will be payable in respect of the tax reporting services provided by the Administrator.

  Under the terms of the Ranger ZDP Accounting and Administration Services Agreement, the Administrator is entitled to an annual fee in respect of the administration and accounting services it provides to Ranger ZDP of £40,000.

  The Administrator is also entitled to recover third party expenses and disbursements.

- Company Secretary

  Under the terms of the Company Secretarial Agreement, the Company Secretary is entitled to an annual fee of £50,000 per annum (plus VAT) in respect of the secretarial services it will provide, including corporate governance, regulatory compliance and Listing Rule continuing obligations.

  Under the terms of the Ranger ZDP Company Secretarial Agreement, the Company Secretary is entitled to an annual fee of £15,000 per annum (plus VAT) in respect of the secretarial services it provides to Ranger ZDP.

  The Company Secretary is also entitled to a fee of £7,500 plus VAT and disbursements in respect of services provided in connection with the Issue and the Placing Programme.

  The Company Secretary is, in addition, entitled to recover reasonable third party expenses and disbursements.

- Registrar

  The Registrar is entitled to an annual fee from the Company with a minimum of £2,500 per annum. Other registrar activity will be charged for in accordance with the Registrar's normal tariffs as published from time to time.

- Custodian

  The Custodian is entitled to be paid a fee of between US$180 and US$500 per annum per holding of securities in an entity (depending on the type of entity). In addition, the Custodian is entitled to be paid a fee of up to US$300 per account per annum (but subsequent fees will be charged at US$150 per annum per account) and will be entitled to recover reasonable third party expenses and disbursements.

- Directors

  The Directors (other than Scott Canon who has waived his entitlement to an annual fee) are currently entitled to be paid a fee of £18,750 per annum (£23,750 for the Chairman and £21,250 for the chair of the Audit Committee). With effect from Initial Admission, they will be entitled to an increased fee of £25,000 per annum (£30,000 for the Chairman and £27,250 for the chair of the Audit Committee). No additional fees will be payable to the Directors of the Company.

  Further information in relation to the remuneration of the Directors is set out in Part X of this Prospectus.

- Other operational expenses

  All other ongoing operational expenses (excluding fees and expenses paid to service providers and the Direct Lending Platforms as detailed above) of the Company are borne by the Company including, without limitation, the incidental costs of making its investments and the implementation of its investment objective and policy (including any fees or commissions payable to intermediaries in respect of the sourcing of investments to the extent that the Investment Manager is unable to source such investments directly and any fees or commissions payable to any due diligence agents or other specialists engaged by the Investment Manager in connection with the implementation of the investment 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 Manager, the Administrator, the Company Secretary, the Custodian and the Registrar and the Directors relating to the Company are also be borne by the Company. No fees or expenses, including those listed above, will be borne directly by investors.

Meetings and reports

All the annual general meetings of the Company are expected to be held in the second quarter of each calendar year. The next annual general meeting is expected to be held in May 2017.

The Company's audited annual report and financial statements will be prepared to 31 December each year, with copies sent to Shareholders by the following April or earlier if possible. An unaudited interim report will be made available to Shareholders each year in respect of the six month period to 30 June, expected to be published in September each year, or earlier if possible. The Company's audited financial statements and the unaudited interim report are available on the Company's website.

Net Asset Value publication and calculation

The unaudited Net Asset Value of each class of Shares will be calculated by the Administrator (on the basis of information provided by the Investment Manager) on a monthly basis, as described below. The NAV of each class of Shares is published through a Regulatory Information Service and is available through the Company's website.

For each class of Shares, the Administrator will calculate and publish the unaudited Net Asset Value and the Net Asset Value per Share based on a valuation point of 5.00 p.m. (UK time) on the last Business Day of each month. Each monthly Net Asset Value for each class of Shares is calculated in Sterling. The NAV is published with the equivalent US Dollar amount based on preceding exchange rates also stated. Each monthly Net Asset Value is published through a Regulatory Information Service, normally within ten Business Days of such month end. Valuations produced by the Administrator as at the relevant month end are conclusive and binding on all Shareholders. In addition, the Company, the Investment Manager and the Administrator may, in their sole discretion, arrange for additional valuations to be published or extend the ten Business Days period to cater for exceptional circumstances or significant new developments. The calculation of the Net Asset Value for each class of Shares will only be suspended in circumstances where the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained or where required by the Articles or other applicable law and regulation. Details of any suspension in making such calculations will be announced through a Regulatory Information Service as soon as reasonably practicable. The Company, Investment Manager and the Administrator may, however, where the underlying data necessary to value the investments of the Company has not been received from the Direct Lending Platforms in good time to prepare the monthly valuations, elect to calculate the current

Net Asset Value and Net Asset Value per Share relating to a particular Share class using previously provided data in order to avoid the suspension of the calculation of publication of Net Asset Value.

The Net Asset Value for each class of Shares is the value of all assets of the Company attributable to that class of Shares less its liabilities to creditors, less any reserves against Debt Instruments or platforms (including provisions for such liabilities) determined in accordance with the Association of Investment Companies' valuation guidelines and in accordance with IFRS as adopted by the European Union.

All Debt Instruments are accounted for on the trade date based on an amortised cost basis. At acquisition, Debt Instruments are valued at the initial advance amount inclusive of any fees paid to the Direct Lending Platforms or, at the purchase consideration paid, if acquired from a third party. Thereafter, all Debt Instruments are valued at this amount less cumulative amortisation calculated using the Effective Interest Rate ("**EIR**") method. The EIR method spreads the expected net income from a Debt Instrument over its expected life. The EIR is that rate of interest which, at inception, exactly discounts the future cash payments and receipts from the Debt Instrument to the initial carrying amount.

Debt Instruments advanced are assessed by the Investment Manager for indications of impairment during and at the end of each reporting period. Evidence of impairment includes: (a) significant financial difficulty of the Direct Lending Platform or of a specific Debt Instrument; (b) breach of contract, such as default or delinquency in interest or principal payments; and (c) probability that a borrower will enter bankruptcy or financial reorganisation.

Debt Instruments advanced are further assessed for impairment on a collective basis even if they are assessed not to be impaired individually. Observable changes in economic conditions or changes in forecasted default or delinquency in interest or principal payments based on the Investment Manager's past experience are applied. The level of impairment loss recognised is the difference between the asset's outstanding principle balance amount and the estimated fair value associated with all Debt Instruments within the portfolio. The carrying amount is reduced directly by the applied impairment loss. Changes in the level of impairment are recognised in the profit and loss account although if in a subsequent period the previously recognised impairment loss is reversed the sum reversed is not more than that which is required to ensure that the carrying amount of the Debt Instrument advance is not more than what the amortised cost would have been had the impairment not been recognised.

Investments in unlisted equity are valued at fair value through the profit and loss. The fair value is determined by the Investment Manager at the date of measurement relative to comparable instruments. If deemed appropriate by the Company or the Investment Manager, the Company may engage third party valuation professionals to provide a valuation of such investments.

Borrowings are originally valued as the principal amount of borrowings less any discounts and costs of issuance and accrued interest.

If the Directors consider that any of the above bases of valuation are inappropriate in any particular case, or generally, they may adopt such other valuation procedures as they consider reasonable in the circumstances. For example, in the event that a liquid secondary market or exchange in Debt Instruments is established and the Company elects to buy and sell Debt Instruments via this exchange, the Company may adopt a different fair value accounting methodology.

The Directors may temporarily suspend the calculation, and publication, of the Net Asset Value of any class of Shares (or all classes of Shares) during a period when, in the opinion of the Directors:

- there are political, economic, military or monetary events or any circumstances outside the control, responsibility or power of the Board, and disposal or valuation of investments of the Company or other transactions in the ordinary course of the Company's business is not reasonably practicable without this being materially detrimental to the interests of Shareholders or if, in the opinion of the Board, the Net Asset Value cannot be fairly calculated;
- there is a breakdown of the means of communication normally employed in determining the calculation of the Net Asset Value; or
- it is not reasonably practicable to determine the Net Asset Value on an accurate and timely basis.

PART V

THE INVESTMENT MANAGER, PROCESS AND STRATEGY

The Investment Manager

Ranger Alternative Management II, LP serves as the investment manager of the Company and is registered as an investment adviser with the US Securities and Exchange Commission pursuant to the Investment Advisers Act of 1940, as amended. The Investment Manager was established in 2013 and is headquartered in Dallas, Texas USA.

The Investment Manager is controlled and supported by Ranger Capital Group Holdings, LP ("**Ranger Capital Group**"), whose affiliated investment advisers manage approximately US$2 billion as at 31 October 2016. In addition, Ranger Capital Group provides institutional quality back office and operations support for the Investment Manager, including legal, compliance, accounting, information technology, administration and investor relations services. Ranger Capital Group was established in 2002 and is headquartered in Dallas, Texas USA.

Biographies of the key personnel of the Investment Manager involved in the provision of services to the Company are as follows:

K. Scott Canon

Scott Canon is the CEO of Ranger Capital Group. Mr Canon has previously served in a variety of roles within the broker-dealer affiliate of Security Capital Group, a global real estate research, investment and operating management company. Previously, Mr Canon was a member of the affiliate's Board of Directors and head of the Capital Placement Group. He formerly worked for Chase Manhattan Bank and Goldman, Sachs & Co. Mr Canon served as a member of the Board of Directors for Green Mountain Energy Company before it was purchased by NRG Energy.

William Kassul

William Kassul manages platform relationships and business development. Mr Kassul is a senior level technology marketing executive with first-hand experience resolving technology disruptions in the travel, video and financial industries. Mr. Kassul was formerly VP of Marketing and Sales for Wizetrade, a leading stock trading software platform.

Wes McKnight

Wes McKnight is a Senior Credit and Risk Analyst with 15 years of prior lending and portfolio management experience, including consumer, inventory, accounts receivable, real-estate and equipment. Mr. McKnight previously served as a Credit Specialist with Ford Motor Credit, managing a US$600 million vehicle and working-capital funding loan book. Mr McKnight was formerly Senior Vice President of SunTrust Bank.

Gary Melara

Gary Melara is a Senior Credit and Risk Analyst responsible for developing the TruSight credit analysis software used by the Company and the Ranger Specialty Income Fund. Mr Melara is the founder and former CEO of five companies, two of which became public with valuations in excess of US$100 million. Additionally, Mr Melara developed software that automated most mainframe application programming and was later acquired by IBM.

Cas Milner

Cas Milner, a consultant to the Investment Manager, is a Senior Quantitative and Risk Analyst. Mr Milner has 10 years of prior investment experience with a dual-background in particle physics and quantitative investing. Mr. Milner has expertise in portfolio risk management and optimisation as well as experience in advanced data analytic techniques for data mining and forecasting. He has previously held senior positions at IBM and TIAA-CREF and has also founded two hedge funds.

Investment Selection and Due Diligence

The Investment Manager aims to diversify the Company's portfolio of Debt Instruments in order to minimise risk while providing a flow of income. To reduce risk, the investment strategy looks to balance diversity in three ways:

(i) by investing in a diversified portfolio of Debt Instruments (including having diversification through the different asset class sub-categories to which Debt Instruments relate);

(ii) by investing, directly or indirectly, in Debt Instruments originated or issued (as applicable) by a number of Direct Lending Platforms; and

(iii) by inclusion of Debt Instruments in the Company's portfolio across a wide distribution of those available from each Direct Lending Platform in each asset class sub-category, in each case in accordance with the specific restrictions set out in the Company's investment policy.

The Company's asset selection and due diligence process can be divided into four stages (each of which are explained in further detail below):

(i) initial due diligence by the Investment Manager on any Direct Lending Platform that the Company is considering entering into a Platform Agreement with;

(ii) the Direct Lending Platform's own underwriting procedures in respect of borrower applicants;

(iii) the Investment's Manager's additional investment selection due diligence on underlying borrowers to Debt Instruments that are proposed to the Company (in cases where the Investment Manager is able to actively select Debt Instruments pursuant to the relevant Platform Agreement); and

(iv) ongoing monitoring of Debt Instruments by the Investment Manager.

- *Direct Lending Platform due diligence and determination of allocations to Debt Instruments originated or issued by that platform*

  Prospective Direct Lending Platforms and other lending sources of Debt Instruments are, in all cases, subject to due diligence by the Investment Manager prior to the Company entering into an agreement with that platform. The due diligence procedures undertaken by the Investment Manager include an evaluation of past investment history, size and scope of present and future investment volume, underwriting and other business practices, any past or predicted Debt Instrument performance, and counter-party risk. The objective of this due diligence is to estimate overall risk associated with investments originating from such lending source; and to estimate the potential comparative return the Company may expect from such investment in the context of such risk.

  In addition, prior to the Company entering into a platform agreement with a prospective Direct Lending Platform, the Investment Manager requires that Direct Lending Platform to provide representations and/or warranties as to its regulatory status and to confirm that it complies with any applicable local law and regulation that applies to the lending activities that it carries out.

  To the extent a Direct Lending Platform and asset class are judged to have an acceptable risk for the potential return on investment, the Investment Manager assigns an allocation to the Direct Lending Platform and the corresponding asset class sub-category. Such allocation will be based upon the competing attractiveness of Direct Lending Platforms and asset class sub-categories available, in light of the investment policy of the Company. While investments are and will always be made within the limitations set out in the Company's investment policy, as the Company's portfolio expands, previous Debt Instrument allocations may be rebalanced in order to ensure an appropriate diversification in the Company's portfolio by reference to asset class sub-category and/or Direct Lending Platform originator.

  Once the allocations for Direct Lending Platforms and associated asset class sub-categories for an applicable period have been established, investments for such period are initiated. When available, the Investment Manager seeks Debt Instruments in a broad range of borrowers and from a variety of Direct Lending Platforms and asset class sub-categories. Diversifying Debt Instruments in this balanced, hierarchical way is intended to both reduce risk and provide a stable cash flow.

- *Direct Lending Platform diligence on borrower applicants*

  Each Debt Instrument in the Company's portfolio is subject to a multi-level underwriting process.

At the base level, the Direct Lending Platforms selected typically have well established underwriting processes which seek to choose the most favourable lending opportunities from the large volume of applications that they receive.

Direct Lending Platforms typically use multi-level credit and risk rating models within their underwriting criteria used to assess the creditworthiness of borrowers that apply to them for loans.

Borrower applicants are required to submit detailed information about themselves, their commercial history (in the case of business loans), employment status (in the case of consumer loans or guarantees), their general finances and the purpose of their loan. Their applications are often subject to detailed review and credit scoring by the Direct Lending Platforms. Many applications are automatically declined as a result of failing on one or more basic criteria, for example, insufficient credit scores, debt-to-income ratios that are too high, or, in the case of SMEs, insufficient commercial history. The Direct Lending Platforms, where applicable, also obtain information and a credit assessment rating from one or more independent credit ratings agencies. Applications are then further reviewed through their underwriting process, which includes both identification and fraud checks. In the case of consumer loans, employed borrowers and/or their employers may, at the discretion of the Direct Lending Platform, be contacted individually in order to verify information provided. In addition, a number of Direct Lending Platforms take security over assets in connection with the loans made and the application process also covers an analysis of the proposed collateral to the loan.

The emergence of online underwriting and big data processing has often enabled Direct Lending Platforms to develop efficient and effective ways to analyse and categorise credit risk across numerous asset classes. Big data optimisation is the technologically driven process that allows the Direct Lending Platforms to design underwriting models utilising high volumes of information, obtained through third party sources, to make educated decisions on a borrower's creditworthiness. The transparency and scale of information via credit ratings agencies in conjunction with online businesses that facilitate data analytics allows credit decisions and transactions to be made in a more accurate, efficient and cost effective manner with borrowing rates being set having regard to such data. In addition, the Direct Lending Platform and the borrower commonly share the margin that a traditional banking intermediary would normally capture; meaning borrowers are often able to access capital at attractive rates while investors are able to benefit from an attractive yield.

- *Additional borrower applicant due diligence undertaken by the Investment Manager where it is actively selecting Debt Instruments*

  In respect of actively selected Debt Instruments, the Investment Manager generally rescreens the approved applicants with its own investment selection process to accept or decline the proposed Debt Instrument. This process focuses less on indicators like credit scores, instead placing more emphasis on the underlying information from credit bureaus as well as other sources.

  Where possible, the Investment Manager employs a unique and proprietary Debt Instrument selection technology ("**TruSight Technology**") which uses an artificial intelligence engine to automatically generate a set of algorithms based on the prior history of Debt Instruments originated on the Direct Lending Platforms. The resulting algorithms isolate borrower and Debt Instrument characteristics that they deem most likely to provide the highest return on an aggregated basis. Information and guidance provided by the Investment Manager's team may influence the criteria to be used, along with the combined confidence from the set of algorithms to determine which loans are to be selected and the investment amounts. After analysing new Debt Instruments available on the Direct Lending Platforms, Debt Instruments or portions of Debt Instruments for investment are then selected, investment amounts are determined, and investments are generally made by TruSight Technology.

  The Investment Manager employs TruSight Technology when sufficient history of past loans from a lending source exists. In those cases where TruSight Technology would be the preferred investment process but insufficient history exists, when and if such time when sufficient history has been collected, TruSight Technology will be incorporated into the investment process.

  Whenever available, high performance technical interfaces to the Direct Lending Platforms (called Application Program Interfaces or API) are used to provide rapid access to underwriting data and borrower applications, past investment history, and transaction processing.

Where a Platform Agreement provides that all Debt Instruments sourced by the relevant platform that fall within certain defined investment selection criteria will be acquired by the Company (noting that the Company shall always have the right to cease to make such acquisitions at any time in accordance with the terms of the relevant Platform Agreement), the Company generally includes a term in the relevant Platform Agreement that the relevant Direct Lending Platform will be required to repurchase a Debt Instrument from the Company in circumstances where it is later discovered that the relevant Debt Instrument did not in fact fall within the defined criteria (for example, as a result of fraud on the part of the underlying borrower when providing information in the initial loan application).

Once a borrower is approved for funding by both a Direct Lending Platform and an investor such as the Company, the Debt Instrument is activated, the borrower receives funding and payment obligations in accordance with the terms of the Debt Instrument commence for the specified term of the Debt Instrument.

- *Ongoing monitoring of Debt Instruments*

  The entire investment process is reviewed on an ongoing basis by the Investment Manager's investment team. Using a "dashboard" of key performance indicators and automated email alerts, members of the Investment Manager are made aware of material changes in, amongst other items, Debt Instrument selection, investment amounts and Debt Instrument performance.

  In addition to the use of the dashboard, overall credit and economic conditions are monitored by the Investment Manager to provide insight with respect to potential warnings on adverse changes at a macro level. Parameters used by TruSight Technology and the investment selection programs can then be modified by the Investment Manager as they endeavour to adapt to the changing economic environment.

Conflicts of Interest

Investment Manager Conflicts of Interest

The Investment Manager and its affiliates and their respective officers and employees may from time to time act for other clients or manage other funds (including Ranger Specialty Income Fund) which may have similar investment objectives and policies to that of the Company. Circumstances may arise where investment opportunities will be available to the Company which are also suitable for one or more of such clients of the Investment Manager or such other funds. The Directors have satisfied themselves that the Investment Manager has procedures in place to address potential conflicts of interest and that, where a conflict arises, the Investment Manager will allocate the opportunity on a fair basis.

The basis of allocation between the Company and other funds managed by the Investment Manager with similar investment objectives in respect of the available Debt Instruments under the Platform Agreements is as follows:

(a) for Debt Instruments where the acquisition can be split between entities (such as Debt Instruments acquired from the Invoice Factoring Platform or the MCA Platform), *pro rata* based on the amount of deployable capital of the Company and the other entities managed by the Investment Manager; and

(b) for Debt Instruments where the acquisition cannot be split between entities (such as Debt Instruments acquired from the SME Loans Platform or the Equipment Loans Platform), on a rotating daily basis such that the Company and the other entities managed by the Investment Manager are each given priority to such Debt Instruments for one day and not the next. For example, if one entity has only 10 per cent. of the capital to invest as another entity, then the first investments for that entity will only take place on one day out of ten.

The Investment Manager has a conflicts of interest policy which contains the details of identified conflicts or potential conflicts of interest and the procedures it follows in order to avoid, minimise and manage such conflicts or potential conflicts.

The Investment Manager is structured and organised in a way so as to mitigate the risks of a client's interests being prejudiced by conflicts of interest and will wherever possible try to ensure that a conflict of interest does not arise. In the event that a conflict of interest between the Company and the Investment Manager

cannot be avoided the Investment Manager will always act in what it believes to be the best interests of the Company.

If circumstances arise such that the Investment Manager's arrangements for avoiding and managing conflicts of interest are not sufficient to ensure with reasonable confidence that the risks of material damage to the interests of the Company or its Shareholders will be prevented, the senior management of the Investment Manager must act to ensure that appropriate action is taken in what it believes to be the best interests of the Company and its Shareholders.

Any such situation will be disclosed to the Shareholders in the next annual or half yearly report together with details of the action taken by the Investment Manager to resolve the situation in the best interests of the Company.

The conflicts of interest policy is reviewed by senior management of the Investment Manager's chief compliance officer at least once a year or whenever there are material changes in the business services to be offered by the Investment Manager.

Other clients or funds managed by the Investment Manager or its affiliates may make Direct Lending Platform Equity investments in securities issued by Direct Lending Platforms which have originated and/or issued Debt Instruments acquired by the Company. The Company's investments in Debt Instruments originated and/or issued by such Direct Lending Platforms may impact on the value attributable to the relevant Direct Lending Platform Equity investment.

Other Conflicts of Interest

Each of the other service providers to the Company may from time to time serve other investment funds, however, this does not give rise to any conflicts in respect of their provision of services to the Company.

Each of the Direct Lending Platforms that the Company enters into a Platform Agreement with are third parties who do not owe any duties to the Company other than the contractual obligations set out in the relevant Platform Agreement. The Company will seek to include terms in each Platform Agreement that it enters into to ensure that, so far as is possible, the interests of the relevant Direct Lending Platform and the Company are aligned (for example, where the Company invests in a syndicate headed by the relevant Direct Lending Platform or agreement as to the terms of debt collections). Where the Company does not agree exclusivity with a Direct Lending Platform to be offered Debt Instruments falling within defined investment selection criteria, the Direct Lending Platform may offer such Debt Instruments to other third party investors where it chooses to do so.

PART VI

THE ISSUE

The Issue

The Issue comprises a maximum of 4 million C Shares to be issued at the Issue Price of £10 each.

Under the Open Offer, C Shares will be made available to Existing Shareholders *pro rata* to their holdings of existing Ordinary Shares, on the terms and subject to the conditions of the Open Offer, on the basis of 1 C Share for every 6 Ordinary Shares held at close of business on 18 November 2016.

The balance of any C Shares not taken up pursuant to the Open Offer, will be made available under the Excess Application Facility and the Initial Placing in such proportion as is determined by the Company, the Investment Manager, Liberum and Fidante Capital. There is no order of priority under which C Shares will be issued pursuant to the Excess Application Facility and the Initial Placing.

The total number of C Shares issued under the Initial Placing will be determined by the Company and the Investment Manager after taking into account demand for the C Shares, subject to a maximum of 4 million C Shares being issued under the Issue. Applications under the Initial Placing must be for C Shares with a minimum subscription amount of £1,000.

The actual number of C Shares to be issued pursuant to the Issue is not known as at the date of this Prospectus but will be notified by the Company via an RIS announcement and the Company's website, prior to Initial Admission.

If the Issue does not proceed, subscription monies received under the Issue will be returned without interest at the risk of the applicant. The target issue size of the Issue should not be taken as an indication of the number of C Shares to be issued.

The Issue is not being underwritten.

The Issue is designed to be suitable for institutional investors and professionally-advised private investors seeking exposure to alternative finance investments and related instruments, including Debt Instruments issued or originated by Direct Lending Platforms. The C Shares may also be suitable for other private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in C Shares in the Issue.

C Shares

The Issue is designed to overcome the potential disadvantages for existing holders of Ordinary Shares which could arise out of a conventional fixed price issue of further Ordinary Shares for cash. In particular:

- the C Shares will not convert into Ordinary Shares until at least 90 per cent. of the Net Proceeds of the Issue (or such other percentage as the Directors and Investment Manager shall agree) have been invested in accordance with the Company's investment policy (or, if earlier, nine months after the date of their issue);
- the assets representing the Net Proceeds from the Issue of the C Shares will be accounted for and managed as a distinct pool of assets until the Conversion Date. By accounting for the Net Proceeds of the Issue separately, holders of existing Ordinary Shares will not be exposed to a portfolio containing a substantial amount of uninvested cash arising from the issue before Conversion;
- the Net Asset Value of the existing Ordinary Shares will not be diluted by the expenses associated with the Issue, which will be borne by the subscribers for C Shares; and
- the basis upon which the C Shares will convert into Ordinary Shares is such that the number of Ordinary Shares to which holders of C Shares will become entitled will reflect the relative Net Asset Values per Share of the C Shares and the Ordinary Shares. As a result, the Net Asset Value per Ordinary Share can be expected to be unchanged by the issue and conversion of any C Shares.

The new Ordinary Shares arising on Conversion of the C Shares will rank *pari passu* with the Ordinary Shares then in issue and will have the rights set out in the Articles which are summarised in Part X of this Prospectus.

Conversion of C Shares

The Net Proceeds of the Issue and the investments made with such proceeds will be accounted for and managed as a separate pool of assets until the date (as determined by the Directors) which is not more than 10 Business Days after the date on which at least 90 per cent. of the Net Proceeds of the Issue (or such other percentage as the Directors and Investment Manager shall agree) has been invested in accordance with the Company's investment policy (or, if earlier, nine months after the date of issue of the C Shares pursuant to the Issue). The Conversion Ratio will then be calculated and the C Shares in issue will convert into a number of Ordinary Shares calculated by reference to the Net Asset Values per C Share compared to the Net Asset Values per Ordinary Share. Entitlements to Ordinary Shares will be rounded down to the nearest whole number.

The following example is provided for the purpose of illustrating the basis on which the number of new Ordinary Shares arising on Conversion will be calculated. The example is not, and is not intended to be, a profit forecast or a forecast of the number of Ordinary Shares which will arise on Conversion.

The example illustrates the number of Ordinary Shares which would arise in respect of the Conversion of 100 C Shares held at the Calculation Date, using assumed Net Asset Values per C Share and per Ordinary Share, in each case as at the Calculation Date. The assumed Net Asset Value per Ordinary Share is as at the close of business on 31 October 2016, being US$15.70 (£12.84) per Ordinary Share (unaudited). The assumed Net Asset Value per C Share is calculated on the basis that there are no returns on the Net Proceeds of the Initial Placing in the expected period from Initial Admission to the Calculation Date, no costs other than the costs of the Issue are charged to the C Share pool.

Number of C Shares subscribed	100
Amount subscribed	£1000
Net Asset Value per C Share at the Calculation Date	£9.83
Net Asset Value per Ordinary Share at the Calculation Date	£12.84
Conversion Ratio	12.84 : 9.83
Number of new Ordinary Shares per C Share arising on Conversion	0.765

The detailed calculation methodology for the Conversion Ratio is set out in Part X of this Prospectus. Pursuant to the Articles, the Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider are fair and reasonable having regard to the interests of all Shareholders. Any adjustments to the terms and timing of Conversion would be announced via a Regulatory Information Service.

The Open Offer

Open Offer Entitlement

Under the Open Offer, C Shares will be made available to Existing Shareholders at the Issue Price *pro rata* to their holdings of existing Ordinary Shares, on the terms and subject to the conditions of the Open Offer, on the basis of 1 C Share for every 6 Ordinary Shares held at close of business on 18 November 2016.

The balance of any C Shares not taken up pursuant to the Open Offer, will be made available under the Excess Application Facility and the Initial Placing.

Existing Shareholders should be aware that the Open Offer is not a rights issue and Application Forms cannot be traded. C Shares not applied for under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Existing Shareholders who do not apply to take up C Shares available under the Open Offer will have no rights under the Open Offer.

Fractional entitlements under the Open Offer will be rounded down to the nearest whole number of C Shares and will be disregarded in calculating Open Offer Entitlements. All fractional entitlements will be aggregated and made available to Existing Shareholders under the Excess Application Facility and to prospective investors under the Initial Placing.

The latest time and date for acceptance and payment in full in respect of the Open Offer will be 11.00 a.m. on 12 December 2016. If the Issue proceeds, valid applications under the Open Offer will be satisfied in full up to applicants' Open Offer Entitlements. Existing Shareholders are also being offered the opportunity to subscribe for C Shares in excess of their Open Offer Entitlements under the Excess Application Facility, described below.

The terms and conditions of application under the Open Offer are set out at in Part XI of this Prospectus. These terms and conditions should be read carefully before an application is made. Investors who are in any doubt about the Issue arrangements should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser.

Excess Application Facility under the Open Offer

Subject to availability, Existing Shareholders who take up all of their Open Offer Entitlements may also apply under the Excess Application Facility for additional C Shares in excess of their Open Offer Entitlement. The Excess Application Facility will comprise such number of C Shares as may be allocated to the Excess Application Facility, as determined by the Company, that have not been allocated to either Existing Shareholders pursuant to their Open Offer Entitlements or the Initial Placing.

Existing Non-CREST Shareholders who wish to apply to subscribe for more than their Open Offer Entitlement should complete the relevant sections on the Application Form.

Existing CREST Shareholders will have Excess CREST Open Offer Entitlements credited to their stock account in CREST and should refer to paragraph 4.2 of the terms and conditions of the Open Offer in Part XI of this Prospectus for information on how to apply for Excess Shares pursuant to the Excess Application Facility.

Excess applications may be allocated in such manner as determined by the Company, in its absolute discretion, and no assurance can be given that applications by Existing Shareholders under the Excess Application Facility will be met in full or in part or at all.

Action to be taken under the Open Offer

Certificated Shareholders

Existing certificated Shareholders will be sent an Application Form giving details of their Open Offer Entitlement.

Persons that have sold or otherwise transferred all of their existing Ordinary Shares before the shares were marked ex-entitlement should forward this Prospectus, together with any Application Form, if and when received, at once to the purchaser or transferee, or the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee, except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

Any Existing Shareholder that has sold or otherwise transferred only some of their existing Ordinary Shares held in certificated form prior to 8.00 a.m. on 22 November 2016, should refer to the instructions regarding split applications in the terms and conditions of the Open Offer in Part XI of this Prospectus and in the Application Form.

CREST Shareholders

Existing CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlement and their Excess CREST Open Offer Entitlement as soon as practicable after 8.00 a.m. on 22 November 2016. In the case of any Existing Shareholder that has sold or otherwise transferred only part of their holding of existing Ordinary Shares held in uncertificated form prior to 8.00 a.m. on 22 November 2016, a claim transaction will automatically be generated by CREST which, on settlement, will transfer the appropriate Open Offer Entitlement and Excess CREST Open Offer Entitlement to the purchaser or transferee.

Full details of the Open Offer are contained in the terms and conditions of the Open Offer set out in Part XI of this Prospectus. If you have any doubt as to what action you should take, you should seek your own

financial advice from your stockbroker, solicitor or other independent financial adviser duly authorised under FSMA immediately.

The ISIN for entitlements relating to C Shares under the Open Offer is GB00BYVGLH80.

The ISIN for entitlements relating to Excess Shares under the Excess Application Facility is GB00BYVGLX49.

The Initial Placing

Each of the Placing Agents has agreed to use its reasonable endeavours to procure Placees to subscribe for the C Shares on the terms and subject to the conditions set out in the Placing Agreement and, in respect of Stone Mountain, the Placing Agent Agreement. Details of the Placing Agreement and Placing Agent Agreement are set out in paragraph 9 of Part X of this Prospectus.

The terms and conditions which shall apply to any subscription for C Shares pursuant to the Initial Placing are contained in Part XII of this Prospectus.

The Initial Placing is expected to close at 11.00 a.m. on 12 December 2016.

The ISIN number of the C Shares to be issued pursuant to the Issue is GB00BYZKH015 and the SEDOL code is BYZKH01.

Conditions

The Issue is conditional, *inter alia*, on:

(i) the Placing Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms prior to Initial Admission;

(ii) the conditions for Initial Admission being achieved, including there being a sufficient number of C Shares held in public hands for the purposes of the Listing Rules; and

(iii) Initial Admission occurring by 8.00 a.m. on 16 December 2016 (or such later time and date as may be agreed between Liberum, Fidante Capital, the Company and the Investment Manager, being not later than 8.00 a.m. (London time) on 23 December 2016) and the Company, Liberum and Fidante Capital agreeing to proceed with the Issue having regard to the number and amount of orders received.

Pricing

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

Voting dilution

If 4 million C Shares are issued pursuant to the Issue, there would be a dilution of approximately 21.2 per cent. in the voting control of existing Shareholders (assuming existing Shareholders do not take up their rights to subscribe for C Shares under the Open Offer).

Subscriber warranties

Each subscriber of C Shares in the Open Offer and each subsequent investor in the C Shares will be deemed to have represented, warranted, acknowledged and agreed to the representations, warranties, acknowledgments and agreements set out in paragraphs 5 and 6 in Part XI of this Prospectus.

Each subscriber of C Shares in the Initial Placing and each subsequent investor in the C 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 Part XII of this Prospectus.

The Company, the Investment Manager, each Placing Agent and their respective directors, officers, members, 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.

Issue arrangements

The Placing Agreement contains provisions entitling Liberum and Fidante Capital to terminate the Issue (and the arrangements associated with it) at any time prior to Initial Admission in certain circumstances. If this right is exercised, the Issue and these arrangements will lapse and any monies received in respect of the Issue will be returned to applicants without interest.

The Placing Agreement and Placing Agent Agreement provides for each of the Placing Agents to be paid a commission in respect of the C Shares allotted to the Issue. Any commission received by the Placing Agents may be retained, and any C Shares subscribed for by the Placing Agents may be retained, or dealt in, by the relevant Placing Agent for its own benefit.

Further details of the terms of the Placing Agreement and Placing Agent Agreement are set out in paragraph 9 of Part X of this Prospectus.

Scaling back and allocation under the Initial Placing

The maximum size of the Initial Placing is 1,525,225 C Shares plus any C Shares not taken up under the Open Offer that are allocated to the Initial Placing by the Company. To the extent that commitments under the Initial Placing exceed such amount in aggregate, the Company, in consultation with the Placing Agents and the Investment Manager, reserves the right to scale back applications in such amounts as it considers appropriate. The Company reserves the right to decline in whole or in part any application for C Shares pursuant to the Initial Placing. Accordingly, applicants for C Shares may, in certain circumstances, not be allotted the number of C Shares for which they have applied.

There will be no priority given to applications under the Initial Placing.

The Company will notify investors of the number of C Shares in respect of which their application has been successful and the results of the Initial Placing will be announced by the Company on or around 13 December 2016 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.

General

The Net Proceeds of the Issue, assuming the target Gross Issue Proceeds of £40 million are raised, to the Company will amount to an estimated £39,320,160, after the deduction of commissions relating to the Issue and the other fees and expenses payable by the Company which are related to the Issue which are estimated to amount to £679,840 in aggregate if 4 million C Shares are issued.

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

In the event that there are any significant changes affecting any of the matters described in this Prospectus or where any significant new matters have arisen after the publication of this Prospectus and prior to Initial 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).

Clearing and settlement

Payment for the C Shares applied for under the Open Offer should be made in accordance with the instructions set out in Part XI of this Prospectus. Payment for the C Shares, in the case of the Initial Placing, should be made in accordance with settlement instructions to be provided to Placees by the relevant Placing

Agent. To the extent that any subscription or application for C Shares is rejected in whole or in part, monies received will be returned without interest at the risk of the applicant.

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

CREST

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

It is expected that the Company will arrange for Euroclear to be instructed on 16 December 2016 to credit the appropriate CREST accounts of the subscribers concerned or their nominees with their respective entitlements to C 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 C 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.

CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so. An investor applying for C Shares in the Issue may elect to receive C Shares in uncertificated form if such investor is a system-member (as defined in the Regulations) in relation to CREST. If a Shareholder or transferee requests C Shares to be issued in certificated form and is holding such C 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 C 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 certificates.

Admission and dealings

Initial Admission is expected to take place and dealings in the C Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 16 December 2016 in respect of the Issue. There will be no conditional dealings in C Shares prior to Initial Admission.

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

Where applicable, definitive share certificates in respect of the C Shares are expected to be despatched, by post at the risk of the recipients, to the relevant holders, not later than the week commencing 19 December 2016 in respect of the Issue. The C Shares are in registered form and can also be held in uncertificated form. Prior to the despatch of definitive share certificates in respect of any C Shares which are held in certificated form, transfers of those C Shares will be certified against the register of members of the Company. No temporary documents of title will be issued.

Use of proceeds

The Directors intend to use the Gross Issue Proceeds of the Issue, after paying the expenses (including the Issue commissions) of the Issue, to fund investments in Debt Instruments and Direct Lending Company Equity in accordance with the Company's investment policy as well as to fund the Company's operational expenses. Such expenses include:

(i) acquisition costs and expenses (such as due diligence costs, legal, tax advice and taxes);

(ii) the Management Fee;

(iii) Directors' fees; and

(iv) other operational costs and expenses. Suitable acquisition opportunities may not be immediately available. It is likely, therefore, that for a period following Initial Admission, any Programme Admission and at certain other times, the Company will have surplus cash.

The Directors expect that the annual running costs of the Company will be approximately £1.2 million per annum assuming Gross Issue Proceeds of £40 million. The Company may use part of the Net Proceeds to meet the running costs of the Company from time to time. To the extent that Net Proceeds are used, before Conversion, to meet costs or discharge liabilities attributable to the Ordinary Shares, such use will be appropriately reflected in respective Net Asset Values per C Share and per Ordinary Share, and, accordingly, the Conversion Ratio.

Purchase and transfer restrictions

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, C Shares or 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, the Investment Manager or the Placing Agents.

Neither the C Shares nor the Ordinary Shares have been (or will be) registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States and neither the C Shares nor the Ordinary Shares may be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the Securities Act. There will be no public offer of the C Shares or the Ordinary Shares in the United States. The C Shares are being offered and sold only in "offshore transactions" to non-US Persons as defined in and pursuant to Regulation S.

Moreover, the Company has not been and will not be registered under the Investment Company Act and investors will not be entitled to the benefits of the Investment Company Act. No offer, purchase, sale or transfer of the C Shares or the Ordinary Shares may be made except under circumstances which will not result in the Company being required to register as an investment company under the Investment Company Act.

The Company has elected to impose the restrictions described above on the Issue and on the future trading of the C Shares and the Ordinary Shares so that the Company will not be required to register the offer and sale of the C Shares under the Securities Act and will not have an obligation to register as an investment company under the 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 C Shares and the Ordinary Shares to trade such securities. The Company and its agents will not be obligated to recognise any resale or other transfer of either the C Shares or the Ordinary Shares made other than in compliance with the restrictions described above.

PART VII

THE PLACING PROGRAMME

The Placing Programme

Following completion of the Initial Placing, the Directors will implement the Placing Programme to enable the Company to raise additional capital in the period from 21 November 2016 to 20 November 2017, should the Board determine that market conditions are appropriate. The Placing Programme is not conditional upon Initial Admission occurring.

The Placing Programme may include the issue of Ordinary Shares and/or C Shares provided that the aggregate issue price (together with the Gross Issue Proceeds) of Shares issued pursuant to the Placing Programme shall not exceed £200 million. The Directors are currently authorised to issue and allot up to 20 million C Shares and up to 1,484,865 Ordinary Shares without having to offer those Shares to existing Shareholders first. To the extent that Ordinary Shares in excess of 1,484,865 are proposed to be issued pursuant to the Placing Programme, the Company will convene a general meeting or general meetings to obtain Shareholder authority to increase the number of issued Ordinary Shares and issue such Ordinary Shares on a non-pre-emptive basis. The total number of Shares issued under the Placing Programme will be determined by the Company and the Investment Manager after taking into account demand for the Shares.

The Placing Programme is intended to be flexible and may have a number of closing dates in order to provide the Company with the ability to issue and allot Ordinary Shares and/or C Shares over a period of time.

The number of Shares available under the Placing Programme is intended to provide flexibility and should not be taken as an indication of the number of Shares to be issued. Any issues of Shares under the Placing Programme will be notified by the Company through an RIS announcement and the Company's website prior to each Programme Admission.

The Placing Programme is not being underwritten. The terms and conditions which shall apply to any subscription for Shares pursuant to the Placing Programme are contained in Part XII of this Prospectus.

Conditions

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

(i) the applicable Placing Programme Price being determined by the Directors, Liberum and Fidante Capital (to the extent that Ordinary Shares are to be issued) as described below;

(ii) Programme Admission occurring in respect of the relevant issue of Shares under the Placing Programme; and

(iii) to the extent required under the Prospectus Rules and FSMA, a valid supplementary prospectus being published by the Company.

In circumstances where these conditions are not met, the relevant issue of Shares pursuant to the Placing Programme will not take place.

Pricing

The Placing Programme Price will be determined by the Directors, Liberum and Fidante Capital (to the extent that Ordinary Shares are to be issued) by reference to the prevailing cum-income NAV per Share and a premium to cover the costs of the relevant Subsequent Placing. In determining the Placing Programme Price in respect of the Ordinary Shares, the Directors will also take into consideration, *inter alia*, the prevailing market conditions at that time.

The Placing Programme Price in respect of Ordinary Shares will be notified via an RIS announcement as soon as practicable in conjunction with each issue.

C Shares issued under the Placing Programme will be issued at a Placing Programme Price of £10 per C Share.

Voting dilution

If 20 million C Shares (being the maximum number of C Shares available under the Issue and the Placing Programme) are issued pursuant to the Placing Programme, there would be a dilution of approximately 57 per cent. in the voting control of existing Shareholders.

Subscriber warranties

Each subscriber of Shares in the Placing Programme and each subsequent investor in the Shares will be deemed to have represented, warranted, acknowledged and agreed to the representations, warranties, acknowledgements and arrangements set out in paragraphs 4 and 5 in Part XII of this Prospectus.

The Company, the Investment Manager, Liberum, Fidante Capital and/or any other placing agent, and their respective directors, officers, members, 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.

Scaling back and allocation

The Directors are permitted to issue and allot Ordinary Shares and/or C Shares with an aggregate issue price (including the Gross Issue Proceeds of the C Shares issued pursuant to the Issue) of up to £200 million pursuant to the Placing Programme. To the extent that commitments under the Placing Programme (taken together with commitments received under the Issue) exceed £200 million in aggregate, the Company reserves the right, in consultation with the relevant Placing Agents and the Investment Manager, to scale back applications in such amounts as it considers appropriate. To the extent that commitments under a Subsequent Placing pursuant to the Placing Programme exceed the intended size of that placing, the Company reserves the right, in consultation with the relevant Placing Agents and the Investment Manager, to scale back applications in such amounts as it considers appropriate or to increase the intended size of the relevant placing. The Company reserves the right to decline in whole or in part any application for Shares pursuant to the Placing Programme. Accordingly, applicants for Shares may, in certain circumstances, not be allotted the number of Shares for which they have applied.

The Company will notify investors of the number of Shares in respect of which their application has been successful and the results of each issue under the Placing Programme will be announced by the Company 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.

Placing Programme arrangements

Arrangements in respect of any issue of Shares under the Placing Programme will be entered into prior to the relevant Programme Admission.

General

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

In the event that there are any significant changes affecting any of the matters described in this Prospectus or where any significant new matters have arisen after the publication of this Prospectus and prior to the date on which dealings in the last Shares that may be issued under this Prospectus were to begin, the Company will publish a supplementary prospectus. The supplementary prospectus will give details of the significant change(s) or the significant new matter(s). In the event that a supplementary prospectus is published after applications have been made in respect of a Subsequent Placing but before the relevant Programme Admission, applicants may have a statutory right of withdrawal.

Clearing and settlement

Payment for the Shares, in the case of the Placing Programme, should be made in accordance with settlement instructions to be provided to Placees. To the extent that any application for 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.

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

CREST

CREST is a paperless settlement procedure operated by Euroclear enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles will permit the holding of Shares under the CREST system. Prior to the issue of any Shares, application will be made for the Shares to be admitted to CREST with effect from the applicable Programme Admission.

The transfer of Shares out of the CREST system following an issue of Shares under the Placing Programme 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.

CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so. An investor applying for Shares under the Placing Programme may elect to receive Shares in uncertificated form if such investor is a system-member (as defined in the Regulations) in relation to CREST. If a Shareholder or transferee requests Shares to be issued in certificated form and is holding such 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 Shares. Shareholders holding definitive certificates may elect at a later date to hold such Shares through CREST or in uncertificated form provided they surrender their definitive certificates.

Programme Admission and dealings

There will be no conditional dealings in Shares prior to each Programme Admission.

The ISIN number of the Ordinary Shares is GB00BW4NPD65 and the SEDOL code is BW4NPD6.

The ISIN number and SEDOL code of any C Shares issued pursuant to the Placing Programme will be announced via an RIS announcement.

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

The Shares are in registered form and can also be held in uncertificated form. Prior to the despatch of definitive share certificates in respect of any Shares which are held in certificated form, transfers of those Shares will be certified against the register of members of the Company. No temporary documents of title will be issued.

Use of proceeds

The Directors intend to use the Net Proceeds of the Placing Programme to acquire investments sourced by the Investment Manager in line with the Company's investment policy and to pay ongoing operational expenses. Suitable acquisition opportunities may not be immediately available. It is likely, therefore, that for a period following each Programme Admission and at certain other times, the Company will have surplus cash.

The net proceeds of the Placing Programme are dependent, among other things, on:

(i) the Directors determining to proceed with an issue of Shares under the Placing Programme;

(ii) the level of subscriptions received; and

(iii) the Placing Programme Price determined in respect of each Subsequent Placing.

Purchase and transfer restrictions

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, C Shares or 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, the Investment Manager or the Placing Agents.

Neither the C Shares nor the Ordinary Shares have been (or will be) registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States and neither the C Shares nor the Ordinary Shares may be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the Securities Act. There will be no public offer of the C Shares or the Ordinary Shares in the United States. The C Shares are being offered and sold only in "offshore transactions" to non-US Persons as defined in and pursuant to Regulation S.

Moreover, the Company has not been and will not be registered under the Investment Company Act and investors will not be entitled to the benefits of the Investment Company Act. No offer, purchase, sale or transfer of the C Shares or the Ordinary Shares may be made except under circumstances which will not result in the Company being required to register as an investment company under the Investment Company Act.

The Company has elected to impose the restrictions described above in respect of the Placing Programme and on the future trading of the C Shares and the Ordinary Shares so that the Company will not be required to register the offer and sale of the C Shares under the Securities Act and will not have an obligation to register as an investment company under the 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 C Shares and the Ordinary Shares to trade such securities. The Company and its agents will not be obligated to recognise any resale or other transfer of either the C Shares or the Ordinary Shares made other than in compliance with the restrictions described above.

PART VIII

FINANCIAL INFORMATION

The Company's first accounting reference date was 9 April 2015 and audited financial statements were published by the Company on 11 November 2015 for the period from incorporation (on 25 March 2015) to this date (the "**April 2015 Report**"). The Company also prepared statutory financial statements for the Company for the period from the date of incorporation to 9 April 2015 which were audited by Deloitte LLP whose report was unqualified and did not contain any statements under sub-sections 498(2) and 298(3) of the Act.

The Company subsequently shortened its accounting reference period from 9 April 2016 to 31 December 2015. Accordingly, audited financial statements were published by the Company on 11 April 2016 for the period from 10 April 2015 to 31 December 2015 (the "**December 2015 Report**") and the latest unaudited interim reports of the Company were prepared in respect of the period from 1 January 2016 to 30 June 2016 (the "**Interim Report**").

1. Financial information incorporated by reference

Part A – Audited financial statements for the period 25 March 2015 to 9 April 2015

On 6 November 2015, the Company gave notice to the registrar of companies to change its accounting reference date to 9 April 2015. The Company shortened the first accounting period of the Company to cover the period from the Company's incorporation on 25 March 2015 to 9 April 2015. The April 2015 Report comprises the Company's audited accounts for its first accounting period and, as such, constitutes audited accounts which can be used by the Directors of the Company when declaring the Company's quarterly dividends in order to satisfy the requirements of the Act relating to the declaration of dividends.

The April 2015 Report has been prepared in accordance with International Financial Reporting Standards adopted by the International Accounting Standards Board ("**IASB**") and interpretations issued by the International Financial Reporting Interpretations Committee ("**IFRIC**") of the IASB (together "**IFRS**") as adopted by the European Union, the requirements of the Act applicable to companies reporting under IFRS, and the Listing Rules. The Report has been audited by Deloitte LLP (the "**Auditor**") who has issued an unqualified audit report under section 495 of the Act, which did not contain any reference to any matters required pursuant to section 495(4)(b).

Selected financial information set out in paragraph (b) below from the April 2015 Report is incorporated into this Prospectus by reference. Information in the April 2015 Report that is not incorporated by reference is either not relevant to investors or covered elsewhere in this Prospectus.

(a) *Selected financial information*

The Company did not trade during the period to which the April 2015 Report relates and key audited figures that summarise the Company's financial condition in respect of the period from 25 March 2015 to 9 April 2015 which have been extracted without material adjustment from the April 2015 Report are set out in the table below:

	9 April 2015 (USD)
Current assets	
Receivables	74,500
TOTAL ASSETS	74,500
Capital and reserves	
Called up share capital	74,500
TOTAL SHAREHOLDERS' EQUITY	74,500

(b) *Information incorporated by reference*

The information set out below and relating to the Company is incorporated by reference and is available online at www.rangerdirectlending.com and www.morningstar.co.uk/uk/nsm and is also available for inspection at the address referred to in paragraph 13 of Part X of this Prospectus.

Information incorporated by reference	*Page references in the 2015 April Report*
Strategic Report	2-7
Governance Report	8-14
Audit Committee Report	15-17
Directors Report	18-24
Statement of Directors' Responsibilities in Respect of the Financial Statements	25
Independent Auditor's Report to the Members of Ranger Direct Lending Fund plc	26-29
Statement of Financial Position	30-33
Shareholder Information	34-37
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Part B – Audited financial statements for the period from 10 April 2015 to 31 December 2015

On 3 December 2015, the Company gave notice to the registrar of companies to shorten its second accounting period from ending on 9 April 2016 to instead end on 31 December 2015. Accordingly, the December 2015 Report comprises Company's audited accounts for its second accounting period. Going forward, the accounting reference date of the Company will be 31 December.

The December 2015 Report has been prepared in accordance IFRS as adopted by the European Union, the requirements of the Act applicable to companies reporting under IFRS, and the Listing Rules. The December 2015 Report has been audited by the Auditor who has issued an unqualified audit report under section 495 of the Act, which did not contain any reference to any matters required pursuant to section 495(4)(b).

Selected financial information set out in paragraph (b) below from the December 2015 Report is incorporated into this Prospectus by reference. Information in the December 2015 Report that is not incorporated by reference is either not relevant to investors or covered elsewhere in this Prospectus.

(a) *Selected financial information*

Key figures that summarise the Company's financial condition in respect of the period from 10 April 2015 to 31 December 2015 which have been extracted without material adjustment from the December 2015 Report are set out in the table below:

	31 December 2015 (USD)	*9 April 2015 (USD)*
ASSETS		
Non-current assets		
Financial assets at fair value through profit or loss	–	–
Loans held at amortised cost	576,248	–
Investment in subsidiary	195,780,355	–
	196,356,603	–
Current assets		
Amounts owed by subsidiary undertaking	7,766,089	–
Prepayments and other receivables	109,518	74,500
Cash and cash equivalents	27,148,037	–
Total current assets	35,023,644	74,500
TOTAL ASSETS	231,380,247	74,500
Current liabilities		
Accrued expenses and other liabilities	2,535,783	–
Total current liabilities	2,535,783	–
NET ASSETS	228,844,464	74,500
SHAREHOLDERS' EQUITY		
Capital and reserves		
Share capital	228,201	74,500
Share premium account	20,989,992	–
Other reserves	204,225,570	–
Revenue reserves	1,710,268	–
Realised capital losses	(883,532)	–
TOTAL SHAREHOLDERS' EQUITY	228,844,464	74,500
NAV per Ordinary Share	15.41	0.02

(b) *Information Incorporated by reference*

The information set out below and relating to the Company is incorporated by reference and is available online at www.rangerdirectlending.com and www.morningstar.co.uk/uk/nsm and is also available for inspection at the address referred to in paragraph 13 of Part X of this Prospectus.

Information incorporated by reference	*Page references in the December 2015 Report*
Overview and Investment Strategy	3-7
Chairman's Statement	8
Investment Manager's Report	9-10
Group Strategic Report	11-21
Audit Committee Report	28-30
Director's Remuneration Report	31-35
Director's Report	36-42
Statement of Directors' Responsibilities	43
Independent Auditor's Report	44-50
Consolidated and Company Statements of Financial Position	51
Consolidated and Company Statements of Comprehensive Income	52-53
Consolidated and Company Statements of Changes in Shareholders' Equity	54-55
Consolidated and Company Statements of Cash Flows	56
Notes to the Consolidated Financial Statements	57-74
Alternative Investment Fund Managers Directive Disclosures (Unaudited)	75-76
Company Information	77

Part C – Unaudited half-yearly financial statements for the period from 1 January 2016 to 30 June 2016

The Company has prepared unaudited half-yearly financial statements from 1 January 2016 to 30 June 2016 (the "**Interim Report**").

The Interim Report has been prepared in accordance with International Accounting Standards 34 "Interim Financial Reporting" as adopted by the European Union and, as required by the Disclosure Guidance and Transparency Rules, applying the accounting policies and presentation that were applied in the preparation of the December 2015 Report. The Interim Report has been reviewed by the Auditor in accordance with the International Standard on Review Engagements (UK and Ireland) 2410, Review of Interim Financial Information Performed by Independent Auditor of the Entity issued by the Auditing Practices Board for use in the United Kingdom. The Interim Report has not been audited.

Selected financial information set out in paragraph (c) below from the Interim Report is incorporated into this Prospectus by reference. Information in the Interim Report that is not incorporated by reference is either not relevant to investors or covered elsewhere in this Prospectus.

(a) *Selected financial information*

Key figures that summarise the Company's financial condition in respect of the period from 1 January 2016 to 30 June 2016 which have been extracted without material adjustment from the Interim Report are set out in the table below:

		(Unaudited) 30 June 16 (USD)	*(Unaudited) 30 June 15 (USD)*
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss		55,640,028	10,123,750
Loans held at amortised cost		168,460,525	29,319,895
		224,100,553	39,443,645
Current assets			
Derivative assets		745,919	–
Cash and cash equivalents		8,934,034	160,297,886
Advances to/funds receivable from direct lending platforms		1,123,194	5,096,889
Prepayments and other receivables		676,654	201,150
TOTAL ASSETS		235,580,354	205,039,570
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		228,201	207,819
Share premium account		20,989,992	204,225,570
Other reserves		204,225,570	183,606
Revenue reserves		3,893,437	–
Realised capital profits		2,487,638	–
Unrealised capital profits		(526,579)	–
TOTAL SHAREHOLDERS' EQUITY		231,298,259	204,616,995
Current liabilities			
Derivative liabilities		193,875	–
Funds payable to direct lending platforms		1,006,900	227,425
Accrued expenses and other liabilities		3,081,320	195,150
TOTAL EQUITY AND LIABILITIES		231,298,259	205,039,570
NAV per Ordinary Share (in GBP Sterling)	£	11.74	9.64
NAV per Ordinary Share (in USD)	USD	15.58	15.16

(b) *Operating and financial review*

The Interim Report (which is incorporated in this Prospectus by reference) included, on the pages specified in the table below, descriptions of the Company's financial condition (in both capital and revenue terms); details of the Company's investment activity and portfolio exposure; and changes in its financial condition for that period.

Nature of information	*Page no(s)*
Investment Manager's Report	3-5
Strategy and Investment Objectives	3
Risks and Uncertainties	6
Condensed Consolidated Statement of Financial Position	12
Condensed Consolidation Statement of Comprehensive Income	13-14
Condensed Consolidation Statement of Changes in Equity	15-16
Condensed Consolidation Statement of Cash Flows	17

(c) *Information incorporated by reference*

The information set out below and relating to the Company is incorporated by reference and is available online at www.rangerdirectlending.com and www.morningstar.co.uk/uk/nsm and is also available for inspection at the address referred to in paragraph 13 of Part X of this Prospectus.

Information incorporated by reference	*Page references in the Interim Report*
Chairman's Report	2
Investment Manager's Report	3-5
Director's Responsibility Statement	6-9
Interim Management Report	3-5
Independent Review Report	10-11
Condensed Consolidated Statement of Financial Position	12
Condensed Consolidation Statement of Comprehensive Income	13-14
Condensed Consolidation Statement of Changes in Equity	15-16
Condensed Consolidation Statement of Cash Flows	17
Condensed Consolidated Statement of Financial Statements	18-27
Company Information	28

The Interim Report is unaudited and has been prepared in accordance with IFRS and the Statement of Recommended Practice, issued by the Association of Investment Companies in January 2009.

2. Working Capital

The Company is of the opinion that the Group has sufficient working capital for its present requirements that is for at least the next 12 months from the date of this Prospectus.

3. Capitalisation and indebtedness

Save for its obligations pursuant to the Loan and the Undertaking, as at the date of this Prospectus, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness.

The following table shows the Company's unaudited capitalisation as at 31 October 2016:

	31 October 2016 (Unaudited) (USD)
Called up share capital	228,201
Share premium account	20,989,992

The following table shows the Company's unaudited net indebtedness as at 31 October 2016:

		31 October 2016 (Unaudited) (USD)
A.	Cash	12,375,010
B.	Cash equivalent	–
C.	Securities	–
D.	Liquidity (A+B+C)	12,375,010
E.	Current financial receivables	1,682,609
F.	Current bank debt	–
G.	Current portion of non-current debt	–
H.	Other current financial debt	–
I.	Current financial debt (F+G+H)	–
J.	Net-current financial indebtedness (I-E-D)	(14,057,619)
K.	Non-current bank loans	–
L.	Bonds issued	–
M.	Other non-current loans	36,416,772
N.	Non-current financial indebtedness (K+L+M)	36,416,772
O.	Net financial indebtedness (J+N)	22,359,153
P.	Other current liabilities	5,636,378

4. No Significant Change

(a) Save as set out in paragraphs 4(b) to 4(e) below, there has been no significant change in the financial or trading position of the Company since 30 June 2016, being the date to which the Interim Report has been prepared.

(b) On 1 August 2016 Ranger ZDP issued 30 million ZDP Shares pursuant to the First ZDP Issue, the net proceeds of which were loaned to the Company pursuant to the Loan Agreement.

(c) On 10 August 2016 the Company declared that it would pay an interim dividend of 26.87p on the Ordinary Shares, payable on 16 September 2016 to holders of Ordinary Shares on the register on 19 August 2016.

(d) On 4 November 2016 Ranger ZDP issued 23 million ZDP Shares pursuant to the Second ZDP Issue, the net proceeds of which were loaned to the Company pursuant to the Loan Agreement.

(e) On 9 November 2016 the Company declared that it would pay an interim dividend of 27.67p on the Ordinary Shares, payable on 16 December 2016 to holders of Ordinary Shares on the register on 18 November 2016.

PART IX

UK TAXATION

Introduction

This section of the Prospectus summarises certain UK tax consequences of investing in the Company as a Shareholder. These summaries are based upon the law and practice in force in the UK as at the date of this Prospectus. The tax treatment applicable to each prospective Shareholder will depend on their particular circumstances and may differ from the summary below. Prospective Shareholders should also note that such law and practice may change as a result of legislative, judicial and administrative actions, which may have retrospective effect.

The summaries provide general guidance only and are not intended to provide a comprehensive guide to the taxation of the Company or any of its Shareholders. There may be other tax consequences of an investment in the Company and all prospective Shareholders, in particular those who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the UK, should consult their own professional advisors on the potential tax consequences of subscribing for, purchasing, holding or disposing of any Shares under the laws of their country and/or state of citizenship, domicile or residence, and should not rely on the summary provided in this Prospectus to determine their own particular tax position. The tax treatment of an investment in the Company will depend on the individual circumstances of each Shareholder and may be subject to future change. Nothing in this Prospectus should be taken as providing personal tax advice and neither the Company nor any of its officers, directors, employees, agents or advisors can take any responsibility in this regard.

The following paragraphs summarise certain UK tax consequences for Shareholders. It is intended as a general guide only and is not intended to be comprehensive. It does not refer to UK inheritance tax – should a Shareholder be concerned about any potential UK inheritance tax implications in relation to their holding of Shares, they should consult their own independent tax advice. Unless otherwise stated, the following summary does not address:

- Shareholders who hold their Shares in the Company in connection with a trade, profession or vocation;
- Shareholders who have (or are deemed to have) acquired their Shares in connection with an office or employment or who play a role in investment management for the Company;
- Shareholders who hold their Shares as part of a hedging transaction;
- Shareholders subject to special tax rules such as insurance companies, investment trusts, charities, dealers in securities, broker-dealers or persons connected with the Company; or
- Shareholders who hold their Shares otherwise than as absolute beneficial owners, such as Trustees.

Unless expressly stated, Shareholders are assumed to be resident and domiciled in the UK for UK tax purposes.

The Company

The Directors conduct the affairs of the Company in compliance with the conditions in section 1158 CTA 2010 and the Investment Trust Regulations 2011 and the Company was approved by HMRC as an investment trust on 11 May 2015 for accounting periods commencing on or after 1 May 2015. However, neither the Investment Manager nor the Directors can guarantee that this approval will be maintained.

In respect of each accounting period for which the Company continues to be approved by HMRC as an investment trust, the Company will be exempt from UK corporation tax on its chargeable gains. The Company will, however, (subject to what follows) be liable to UK corporation tax on its income in the normal way.

In principle, the Company will be liable to UK corporation tax on any dividend income it receives. However, there are exemptions from this charge which are expected to be applicable in respect of many of the dividends it receives.

A company that is an investment trust in respect of an accounting period is able to take advantage of modified UK tax treatment in respect of its "qualifying interest income" for an accounting period (referred to here as the "streaming regime"). Pursuant to the streaming regime, the Company may, if it so chooses, designate as an "interest distribution" all or part of any amount it distributes to Shareholders as dividends, to the extent that it has "qualifying interest income" for the accounting period. Were the Company to designate any dividend it pays in this manner, it would be able to deduct such interest distributions from its income in calculating its taxable profit for the relevant accounting period.

It is expected that the Company will have material amounts of qualifying interest income and that it may, therefore, decide to designate some or all of the dividends paid in respect of a given accounting period as interest distributions.

Income arising from overseas investments may be subject to foreign withholding tax at the applicable rate of the jurisdiction in question. In the event that withholding taxes are imposed with respect to any of the Company's investments, the effect will generally be to reduce the income received by the Company on such investments unless relief is available under the terms of an applicable double tax treaty.

Shareholders

Taxation of chargeable gains – C Shares acquired through the Initial Placing

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

Taxation of chargeable gains – C Shares acquired pursuant to the Open Offer

As a matter of UK tax law, the acquisition of C Shares pursuant to the Open Offer may not, strictly speaking, constitute a reorganisation of share capital for the purposes of UK taxation of chargeable gains. The published practice of HMRC to date has been to treat any subscription of shares by an existing shareholder which is equal to or less than the shareholder's minimum entitlement pursuant to the terms of an open offer as a reorganisation, but it is not certain that HMRC will apply this practice in circumstances where an open offer is not made to all shareholders. HMRC's treatment of the Open Offer cannot therefore be guaranteed and specific confirmation has not been requested in relation to the Open Offer.

To the extent that the acquisition of the C Shares pursuant to the Open Offer is regarded as a reorganisation of the share capital of the Company for the purposes of UK taxation of chargeable gains, the C Shares issued to a Shareholder will be treated as the same asset as, and as having been acquired at the same time as, the Shareholder's existing holding of Ordinary Shares. The amount of subscription monies paid for the C Shares will be added to the base cost of Shareholder's existing holding of Ordinary Shares. To the extent necessary to calculate any gain or loss on a subsequent disposal of the Ordinary Shares or C Shares, the base cost will be apportioned between the Ordinary Shares and the C Shares by reference to their respective values as at the first date on which quoted market values for the Shares are available following the Open Offer.

An acquisition of C Shares pursuant to the Excess Application Facility will not be treated as a reorganisation of the share capital of the Company for the purposes of UK taxation of chargeable gains.

If, or to the extent that, the acquisition of C Shares under the Open Offer is not regarded as a reorganisation of the share capital, the C Shares will generally be treated as having been acquired as part of a separate acquisition of shares, with the price paid for those C Shares constituting their base cost.

Taxation of chargeable gains – disposal of Shares

Individual Shareholders who are resident in the UK for tax purposes will generally be subject to capital gains tax in respect of any gain arising on a disposal, or deemed disposal, of their Shares. Each such individual has an annual exemption, such that capital gains tax is only chargeable on gains arising from all sources during the tax year in excess of this figure.

The annual exemption for individuals for the 2016-2017 tax year is £11,100. Subject to available reliefs and allowances, gains arising on a disposal of Ordinary Shares to an individual shareholder who is resident in the UK for tax purposes will be taxed at the rate of 10 per cent., except to the extent that the gain, when it

is added to the shareholder's other taxable income and gains in the relevant tax year, exceeds the upper limit of the income tax rate band (£32,000 for the tax year ending 5 April 2017), in which case it will be taxed at the rate of 20 per cent. The capital gains tax rate in relation to "upper rate gains" (being gains from non-residential property and carried interest) is set at 18 per cent. for basic rate taxpayers and 28 per cent. for higher and additional rate tax payers. No indexation allowance will be available to individual Shareholders.

A gain on the disposal or deemed disposal of Ordinary Shares by a shareholder within the charge to UK corporation tax will form part of the shareholder's profits chargeable to corporation tax (the rate of which is currently 20 per cent., but set to reduce to 19 per cent. from 2017 and 17 per cent. from 2020). Indexation allowance may be available to reduce the amount of chargeable gain that is subject to corporation tax but cannot create or increase an allowable loss.

Subject to the paragraph below (dealing with temporary non-residents) shareholders who are not resident in the UK for UK tax purposes will not generally be subject to UK tax on chargeable gains, unless they carry on a trade, profession or vocation in the UK through a branch or agency or (in the case of a company) permanent establishment and the Ordinary Shares disposed of are used or held for the purposes of that branch, agency or permanent establishment. However, shareholders who are not resident in the UK may be subject to charges to foreign taxation depending on their personal circumstances.

A shareholder who is an individual, who has ceased to be resident for tax purposes in the UK for a period of less than five years and who disposes of Ordinary Shares during that period may be liable to UK taxation on capital gains (subject to any available exemption or relief). If applicable, the tax charge will arise in the tax year that the individual returns to the UK.

Taxation of dividends – individuals

(A) *Dividends which are not designated as "interest distributions"*

The Company will not be required to withhold tax at source when paying a dividend. From 6 April 2016 UK resident individuals receive an annual tax free allowance of £5,000 in relation to dividend receipts. Dividend receipts in excess of this allowance will be taxed at the rates of 7.5 per cent. for basic rate income tax payers, 32.5 per cent. for higher rate income tax payers, and 38.1 per cent. for additional rate income tax payers.

(B) *"Interest distributions"*

Should the Directors elect to apply the streaming regime to any dividends paid by the Company, a UK resident individual Shareholder in receipt of such a dividend would be treated as though they had received a payment of interest. Such a Shareholder would be subject to UK income tax at the current rates of 20 per cent., 40 per cent. or 45 per cent., depending on whether the Shareholder is a basic, higher or additional rate taxpayer. Such distributions would generally be paid to the individual Shareholder after the deduction of 20 per cent. income tax.

HM Revenue and Customs have announced that they intend to include some changes in the Finance Bill 2017 which would provide that interest distributions paid by investment trusts could be paid without the deduction of income tax at source. If such rules are introduced then the Company may, if it is allowable under the legislation and if the Directors consider it appropriate in the circumstances, distribute interest without deducting any UK income tax.

An individual Shareholder who is not UK tax resident should generally be entitled to receive dividends designated as interest distributions without deduction of UK tax, provided the Company has received the necessary declarations of non-residence.

Taxation of dividends – companies

(A) *Dividends which are not designated as "interest distributions"*

Subject to the discussion of "interest distributions" below, UK resident Shareholders within the charge to corporation tax may be exempt from corporation tax on dividends paid by the Company (if the conditions set out in Part 9A of the Corporation Tax Act 2009) are satisfied.

(B) *"Interest distributions"*

If the Directors were to elect for the streaming regime to apply, and such UK resident corporate Shareholders were to receive dividends designated by the Company as interest distributions, they would be subject to corporation tax on any such amounts received.

Dividends paid by the Company to a Shareholder which is a company (whether or not UK resident) should not generally be subject to any deduction at source of UK tax (regardless of whether the dividends are designated as "interest distributions").

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

SIPPs and SSASs

The Directors have been advised that the Shares should be eligible for inclusion in a UK self-invested pension plan (a "**SIPP**") or a UK small self-administered scheme (a "**SSAS**"), subject to the terms of, and the discretion of the trustees (or, where applicable, the providers) of, the SIPP or the SSAS, as the case may be.

ISAs

With effect from 1 July 2015, the Shares should qualify as investments which are eligible for inclusion in an ISA.

Individuals wishing to invest in Shares through an ISA should contact their professional advisers regarding their eligibility.

Disguised Management Fees

The Finance Act 2015 introduced new rules which apply to sums arising on or after 6 April 2015 from investment trusts and collective investment schemes to individuals if such sums constitute "disguised management fees". If the sums arising are caught by the new rules then they are taxed as UK-source trading income (to the extent that the relevant services are performed in the UK) in the hands of the individual and are subject to UK income tax. HMRC has indicated that national insurance contributions will also be due in respect of such sums.

The rules may apply in relation to the Company if sums arise to an individual from the Company, and that individual performs investment management services for the Company. Investment management services include, but are not limited to fundraising activity and portfolio management.

Shareholders who perform such investment management services for the Company should take their own tax advice on the applicability of these new rules to them.

Stamp duty and stamp duty reserve tax

Neither UK stamp duty nor stamp duty reserve tax ("**SDRT**") should arise on the issue of the C Shares.

Transfers on sale of Shares outside of CREST will generally be subject to UK stamp duty at the rate of 0.5 per cent. of the consideration given for the transfer, rounded up to the nearest £5. The purchaser normally pays the stamp duty.

However, where the consideration for the transfer is £1,000 or less (and the instrument of transfer is certified that the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000) no stamp duty will be payable.

An agreement to transfer Shares will normally give rise to a charge to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer. If a duly stamped transfer in respect of the agreement is produced within six years of the date on which the agreement is made (or, if the agreement is

conditional, the date on which the agreement becomes unconditional) any SDRT paid is repayable, generally with interest, and otherwise the SDRT charge is cancelled. SDRT is, in general, payable by the purchaser.

Paperless transfers of Shares within the CREST system will generally be liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable. Such SDRT will generally be collected through the CREST system. Deposits of Shares into CREST will not generally be subject to SDRT, unless the transfer into CREST is itself for consideration.

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

Financial Transactions Tax

Certain countries within the EU ("**FTT jurisdictions**") propose to introduce a financial transaction tax ("**FTT**") on certain financial transactions which have a requisite connection with an FTT jurisdiction. A financial transaction (as defined under the draft directive) will be connected with an FTT jurisdiction where one party is established (or deemed to be established) in an FTT jurisdiction. One of the factors that may be taken into account is where the transaction is of a financial instrument issued in an FTT jurisdiction. The UK is currently not an FTT Jurisdiction. As at the date of this Prospectus, many of the details relating to the FTT are still being discussed, and a draft directive has not yet been published. The end of June 2016 deadline which was previously stated has now passed, and there is no update on a new proposed timescale to introduce this measure.

Base Erosion and Profit Shifting ("BEPS")

Investors in the Company should be aware that the OECD published its final reports in relation to its Action Plan on BEPS on 5 October 2015, which were endorsed at the G20 summit in November 2015. Jurisdictions are now considering their domestic responses to BEPS, and a draft EU directive has now been published which tackles the implementation of some of the BEPS recommendations. Depending on how BEPS is introduced, changes to tax laws based on recommendations made by the OECD in relation to BEPS may, for example, result in: the restriction or loss of existing access by the Company to tax relief under applicable double taxation agreements; or restrictions on permitted levels of deductibility of expenses (such as interest) for tax purposes. Such effects could lead to additional tax being suffered which may adversely affect the value of the Shares. There could also be additional tax reporting and disclosure obligations.

PART X

ADDITIONAL INFORMATION

1. The Company

(a) The Company was incorporated and registered in England and Wales on 25 March 2015 with registered number 9510201 as a public company limited by shares with the name Ranger Direct Lending Fund plc. The Company is not authorised or regulated as a collective investment scheme by the FCA. However, it is subject to the Listing Rules and the Disclosure Guidance and Transparency Rules. The principal legislation under which the Company operates and under which the Shares will be issued is the Companies Act.

(b) The Company has one, wholly owned subsidiary, Ranger ZDP, which was incorporated and registered in England and Wales on 23 June 2016 with registered number 10247619 as a public company limited by shares.

(c) The Company is also the sole beneficiary of Ranger Direct Lending Fund Trust. Ranger Direct Lending Fund Trust was established on 22 April 2015 as a Delaware trust pursuant to a declaration of trust and trust agreement entered into between the Company as depositor and managing holder and Delaware Trust Company (a Delaware state chartered trust company) as the Delaware trustee.

Under the terms of the declaration of trust and trust agreement, the Company has administrative powers in respect of the trust's assets (for example, to undertake investment activities on its behalf). The Company holds certain of its US investments through Ranger Direct Lending Fund Trust.

(d) On 1 April 2015, the Company was granted a certificate under section 761 of the Companies Act entitling it to commence business and exercise its borrowing powers.

(e) The Company has given notice to the Registrar of Companies of its intention to carry on business as an investment company pursuant to section 833 of the Companies Act.

(f) The registered office of the Company is at 40 Dukes Place, London EC3A 7NH and the telephone number of the Company is +44 (0) 207 204 1601.

(g) The registrars of the Company are Capita Asset Services. They will be responsible for maintaining the register of members of the Company.

2. Share and loan capital of the Company

(a) On incorporation, the issued share capital of the Company was one Ordinary Share of a nominal value of £0.01 and 50,000 Management Shares of a nominal value of £1.00 each which were subscribed by the Investment Manager.

(b) On 1 May 2015, the Company issued 13,499,999 Ordinary Shares pursuant to the First Issue (in addition to the one Ordinary Share already in issue) and the Management Shares were redeemed by the Company at par value out of the proceeds of the First Issue.

(c) On 16 December 2015, RDLF issued a further 1,348,650 Ordinary Shares pursuant to the Tap Placing. Accordingly, the issued share capital of the Company as at the date of this Prospectus is as follows:

	Nominal value (£)	*Number*
Ordinary Shares	148,486.50	14,848,650

All of the Ordinary Shares in issue are fully paid up. No share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

(d) Set out below is the issued share capital of the Company as it will be following the Issue (assuming that 4 million C Shares are allotted):

	Nominal value (£)	*Number*
Ordinary Shares	148,486.50	14,848,650
C Shares	400,000	4,000,000

All Shares will be fully paid.

(e) By ordinary and special resolutions passed at the general meeting of the Company on 2 April 2015 (in respect of (iii) and (iv)) and 24 May 2016 (in respect of (i), (ii) and (v)) it was resolved:

(i) the Directors were generally and unconditionally authorised in accordance with section 551 of the Companies Act to exercise all the powers of the Company to allot Ordinary Shares up to an aggregate nominal amount of £14,848.65, such authority to expire at the conclusion of the next annual general meeting of the Company save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of Ordinary Shares in pursuance of such an offer or agreement as if such authority had not expired;

(ii) the Directors were empowered (pursuant to section 570 of the Companies Act) to allot Ordinary Shares for cash pursuant to the authority referred to in paragraph 2(e)(i) above as if section 561 of the Companies Act did not apply to any such allotment, such power to expire at the conclusion of the next annual general meeting of the Company, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the Ordinary Shares to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if such power had not expired;

(iii) the Directors were generally and unconditionally authorised in accordance with section 551 of the Companies Act to exercise all the powers of the Company to allot 20 million C Shares, such authority to expire at the conclusion of the fourth annual general meeting of the Company, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of C Shares in pursuance of such an offer or agreement as if such authority had not expired;

(iv) the Directors were empowered (pursuant to section 570 of the Companies Act) to allot C Shares for cash pursuant to the authority referred to in paragraph 2(e)(iii) above as if section 561 of the Companies Act did not apply to any such allotment, such power to expire at the conclusion of the fourth annual general meeting of the Company, save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require equity securities to be allotted after the expiry of such power, and the Directors may allot equity securities in pursuance of such an offer or an agreement as if such power had not expired; and

(v) to authorise the Company generally and unconditionally for the purpose of section 701 of the Companies Act to make market purchases (as defined in section 693 of the Companies Act) of Ordinary Shares on such terms and in such manner as the Directors may from time to time determine, provided that:

(aa) the maximum number of Ordinary Shares authorised to be purchased under the authority is 2,225,813 Ordinary Shares being 14.99 per cent. of the currently allotted and fully paid up share capital of the Company;

(bb) the minimum price (exclusive of expenses) which may be paid for such Ordinary Shares is 1 penny per share, being the nominal amount thereof;

(cc) the maximum price (exclusive of expenses) which may be paid for such Ordinary Shares is an amount equal to the higher of (i) five per cent. above the average of the middle market quotations for such shares taken from The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the purchase is made and (ii) the price stipulated by Article 5(1) of the Buyback and Stabilisation Regulations;

(dd) the authority will (unless previously renewed or revoked) expire on the earlier of the end of the next annual general meeting of the Company and the date which is 18 months after the date on which the resolution was passed;

(ee) the Company may make a contract to purchase its own Ordinary Shares under the authority conferred by the resolution prior to the expiry of the authority, and such contract will or may be executed wholly or partly after the expiry of the authority, and the Company may make a purchase of its own Ordinary Shares in pursuance of any such contract; and

(ff) Ordinary Shares purchased pursuant to the authority conferred by this resolution shall be either: (i) cancelled immediately upon completion of the purchase; or (ii) be held, sold, transferred or otherwise dealt with as treasury shares in accordance with the provisions of the Act.

(f) The Directors have absolute authority to allot the Ordinary Shares and the C Shares under the Articles and are expected to resolve to do so shortly prior to Initial Admission and/or each Programme Admission (as applicable).

(g) The provisions of section 561(1) of the Companies Act (to the extent not disapplied pursuant to sections 570-571 of the Companies Act) confer on Shareholders certain rights of pre-emption in respect of the allotment of equity securities (as defined in section 560 of the Companies Act) which are, or are to be, paid up in cash and, upon Admission, will apply to any shares to be allotted by the Directors, except to the extent disapplied by the resolutions referred to in paragraph 2(e) above.

(h) No share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

(i) The Shares will be listed on the Official List and will be traded on the Main Market of the London Stock Exchange. The Shares are not listed or traded on, and no application has been or is being made for the admission of the Shares to listing or trading on, any other stock exchange or securities market.

(j) The Shares are in registered form and, from Initial Admission or the relevant Programme Admission (as applicable), will be capable of being held in uncertificated form and title to such Shares may be transferred by means of a relevant system (as defined in the Regulations). Where the Shares are held in certificated form, share certificates will be sent to the registered members or their nominated agent (at their own risk) within 21 days of the completion of the registration process or transfer, as the case may be, of the Shares. Where 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 47 of this Prospectus, maintains a register of Shareholders holding their Shares in CREST.

(k) C Shares are being issued pursuant to the Issue and the Placing Programme at a price of £10 per C Share which represents a premium of £9.90 over their nominal value of ten pence each. The issue price of the Ordinary Shares issued pursuant to the Placing Programme will be determined by the Directors and the Placing Agents by reference to the prevailing cum-income NAV per Ordinary Share and a premium to cover the costs of the relevant Subsequent Placing and having regard to prevailing market conditions. No expenses are being charged to any subscriber or purchaser.

(l) Both the Companies Act and the Listing Rules allow for disapplication of pre-emption rights which may be waived by a special resolution of the Shareholders, either generally or specifically, for a maximum period not exceeding five years. As set out in 2(e)(ii) and (iv) above, the Company has disapplied these pre-emption rights in respect of a defined number of Ordinary Shares until the next annual general meeting of the Company and a defined number of C Shares until the fourth annual general meeting of the Company.

(m) Each new Share will rank in full for all dividends and distributions declared made or paid after their issue and otherwise *pari passu* in all respects with each other Share of the same class (and tranche, in respect of C Shares) and will have the same rights (including voting and dividend rights and rights on a return of capital) and restrictions as each existing other Share issued of the same class (or tranche), as set out in the Articles. The Shares will be denominated in Sterling.

3. Articles of Association

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

(a) ***Voting rights***

Subject to any special terms as to voting upon which any shares may be issued, or may for the time being be held and any restriction on voting referred to below, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative and every proxy (regardless of the number of members for whom he is proxy) shall have one vote on a show of hands. On a poll every member present in person or by proxy or by representative (in the case of a corporate member) shall have one vote for each Share of which he is the holder, proxy or representative. On a poll, a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes in the same way.

The duly authorised representative of a corporate shareholder may exercise the same powers on behalf of that corporation as it could exercise if it were an individual shareholder.

A shareholder is not entitled to vote unless all calls due from him have been paid.

A shareholder is also not entitled to attend or vote at meetings of the Company in respect of any shares held by him in relation to which he or any other person appearing to be interested in such shares has been duly served with a notice under section 793 of the Companies Act and, having failed to comply with such notice within the period specified in such notice (being not less than 28 days from the date of service of such notice), is served with a disenfranchisement notice. Such disentitlement will apply only for so long as the notice from the Company has not been complied with or until the Company has withdrawn the disenfranchisement notice, whichever is the earlier.

(b) ***General meetings***

The Company must hold an annual general meeting each year in addition to any other general meetings held in the year. The Directors can call a general meeting at any time.

At least 21 clear days' written notice must be given for every annual general meeting. For all other general meetings, not less than 14 days' written notice must be given. The notice for any general meeting must state: (i) whether the meeting is an annual general meeting; (ii) the date, time and place of the meeting; (iii) the general nature of the business of the meeting and (iv) any intention to propose a resolution as a special resolution. All members who are entitled to receive notice under the Articles must be given notice.

Before a general meeting starts, there must be a quorum, being two members present in person or by proxy.

Each Director can attend and speak at any general meeting.

(c) ***Dividends***

Subject to the Companies Act, the Company may, by ordinary resolution, declare dividends to be paid to members of the Company according to their rights and interests in the profits of the Company available for distribution, but no dividend shall be declared in excess of the amount recommended by the Board. Subject to the Companies Act, the Board may from time to time pay to the shareholders of the Company such interim dividends as appear to the Board to be justified by the profits available for distribution and the position of the Company, on such dates and in respect of such periods as it thinks fit.

Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide (no such shares presently being in issue), all dividends shall be apportioned and paid *pro rata* according to the amounts paid or credited as paid up (other than in advance of calls) on the Shares during any portion or portions of the period in respect of which the dividend is paid. Any dividend unclaimed after a period of 12 years from the date of declaration shall be forfeited and shall revert to the Company.

The Board may, if authorised by an ordinary resolution, offer the holders of shares the right to elect to receive additional shares, credited as fully paid, instead of cash in respect of any dividend or any part of any dividend.

Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company.

The Board may withhold dividends payable on shares representing not less than 0.25 per cent. by number of the issued shares of any class (calculated exclusive of treasury shares) after there has been a failure to comply with any notice under section 793 of the Companies Act requiring the disclosure of information relating to interests in the shares concerned as referred to in paragraph 3(a) above.

(d) ***Return of capital***

On a voluntary winding-up of the Company the liquidator may, with the sanction of a special resolution of the Company and subject to the Companies Act and the Insolvency Act 1986 (as amended), divide amongst the shareholders of the Company in specie the whole or any part of the assets of the Company, or vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as the liquidator, with the like sanction, shall determine. Any such division shall be in accordance with the existing rights of members.

(e) ***Ordinary Shares, C Shares, Deferred Shares and Management Shares***

The Articles permit the Directors to issue Ordinary Shares, C Shares, Deferred Shares and Management Shares on the following terms. Defined terms used in this paragraph are set out at the end of the paragraph.

(a) The holders of the Ordinary Shares, the C Shares, the Deferred Shares and the Management Shares shall, subject to the provisions of the Articles, have the following rights to be paid dividends: (a) the Deferred Shares (to the extent that any are in issue) shall entitle the holders thereof to a non-cumulative dividend at a fixed rate of one per cent. of the nominal amount thereof (the "**Deferred Dividend**") on the date six months after the Conversion Date on which such Deferred Shares were created in accordance with paragraph (g) below (the "**Relevant Conversion Date**") and on each anniversary of such date payable to the holders thereof on the register of members on that date as holders of Deferred Shares but shall confer no other right, save as provided herein, on the holders thereof to share in the profits of the Company. The Deferred Dividend shall not accrue or become payable in any way until the date six months after the Conversion Date and shall then only be payable to those holders of Deferred Shares registered in the register of members of the Company as holders of Deferred Shares on that date. It should be noted that given the proposed repurchase of the Deferred Shares as described below, it is not expected that any dividends will accrue or be paid on such shares; (b) the holders of any tranche of C Shares shall be entitled to receive in that capacity such dividends as the Directors may resolve to pay out of net assets attributable to the C Shares of that tranche and from income received and accrued which is attributable to the C Shares of that tranche; (c) the Existing Ordinary Shares shall confer the right to dividends declared in accordance with the Articles; (d) the Management Shares shall entitle the holders thereof to receive a fixed annual dividend equal to 0.01 per cent. of the nominal amount of each of the Management Shares, payable on demand and in priority to the payment of a dividend to the holders of any other class of share of the Company but, for so long as there are shares of any other class in issue, the Management Shares do not confer any further right to participate in the Company's profits; and (e) the Ordinary Shares into which any tranche of C Shares shall convert shall rank *pari passu* with the Existing Ordinary Shares for dividends and other distributions made or declared by reference to a record date falling after the Calculation Date; and (e) no dividend or other distribution shall be made or paid by the Company on any of its shares (other than any Deferred Shares for the time being in issue) between the Calculation Date and the Conversion Date relating to a tranche of C Shares (both dates inclusive) and no such dividend shall be declared with a record date falling between the Calculation Date and the Conversion Date (both dates inclusive).

(b) The holders of the Ordinary Shares, the C Shares, the Deferred Shares and the Management Shares shall, subject to the provisions of the Articles, have the following rights as to capital:

(i) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase by the Company of any of its shares) at a time when any

tranche of C Shares are for the time being in issue and prior to the Conversion Date be applied amongst the holders of the Existing Ordinary Shares *pro rata* according to the nominal capital paid up on their holdings of Existing Ordinary Shares, after having deducted therefrom: (i) first, an amount equivalent to (C-D) using the methods of calculation of C and D given in the definition of Conversion Ratio, which amount shall be applied amongst the C shareholders *pro rata* according to the nominal capital paid up on their holdings of C Shares of the relevant tranche (ii) secondly, in paying to the holders of the Management Shares in respect of each such share the amount paid up or treated as paid up thereon, and (iii) thirdly, if there are Deferred Shares in issue, in paying to the holders of Deferred Shares one penny in aggregate in respect of every one million Deferred Shares (or part thereof) of which they are respectively the holders; and

(ii) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase by the Company of any of its shares) at a time when no C Shares of any tranche are for the time being in issue be applied as follows: (i) first, if there are Deferred Shares in issue, in paying to the deferred shareholders one pence in aggregate in respect of every one million Deferred Shares (or part thereof) of which they are respectively the holders (ii) secondly, there will be paid to the holders of the Management Shares in respect of each such share the amount paid up or treated as paid up thereon and (iii) thirdly, the surplus shall be divided amongst the holders of Ordinary *pro rata* according to the nominal capital paid up on their holdings of Ordinary Shares.

(c) As regards voting: (a) the holders of Ordinary Shares and any tranche of C Shares shall have the right to receive notice of and to attend and vote at any general meeting of the Company. The voting rights of holders of C Shares will be the same as that applying to holders of Existing Ordinary Shares as set out in the Articles as if the C Shares and Existing Ordinary Shares were a single class; (b) for so long as there are shares of any other class of shares in issue, the holders of Management Shares shall have no right to receive notice of, or vote at, any general meeting of the Company. If there are no shares of any other class of shares in issue, the holders of Management Shares shall be entitled to receive notice of, and vote at, any general meeting of the Company; and (c) the Deferred Shares shall not carry any right to receive notice of nor to attend or vote at any general meeting of the Company.

(d) The following shall apply to the Deferred Shares: (a) the C Shares of any tranche shall be issued on such terms that the Deferred Shares arising upon Conversion (but not the Ordinary Shares arising on Conversion) may be repurchased by the Company in accordance with the terms set out in the Articles; (b) immediately upon Conversion, the Company shall repurchase all of the Deferred Shares which arise as a result of Conversion for an aggregate consideration of one pence for every 1,000,000 Deferred Shares and the notice referred to in paragraph (g)(b) below shall be deemed to constitute notice to each C Shareholder (and any person or persons having rights to acquire or acquiring C Shares on or after the Calculation Date) that the Deferred Shares shall be repurchased immediately upon Conversion for an aggregate consideration of one pence for each holding of 1,000,000 Deferred Shares. On repurchase, each Deferred Share shall be treated as cancelled in accordance with section 706 of the Act without further resolution or consent; and (c) the Company shall not be obliged to: (i) issue share certificates to the deferred shareholders in respect of the Deferred Shares; or (ii) account to any deferred shareholder for the repurchase moneys in respect of such Deferred Shares.

(e) Without prejudice to the generality of the Articles, for so long as any tranche of C Shares are for the time being in issue it shall be a special right attaching to the Existing Ordinary Shares as a class and to each tranche of the C Shares as a separate class that without the sanction or consent of such holders given in accordance with the Company's Articles: (a) no alteration shall be made to the Articles of the Company; (b) no allotment or issue will be made of any security convertible into or carrying a right to subscribe for any share capital of the Company other than the allotment or issue of further C Shares; and (c) no resolution of the Company shall be passed to wind-up the Company.

For the avoidance of doubt but subject to the rights or privileges attached to any other class of shares, the previous sanction of a special resolution of the holders of Existing Ordinary Shares and/or any tranche of C Shares, as described above, shall not be required in respect of: (a) the issue of further Ordinary Shares ranking *pari passu* in all respects with the Existing Ordinary Shares (otherwise than in respect of any dividend or other distribution declared, paid or made on the

Existing Ordinary Shares by the issue of such further Ordinary Shares); or (b) the sale of any shares held as treasury shares (as such term is defined in section 724 of the Act) in accordance with sections 727 and 731 of the Act or the purchase or redemption of any shares by the Company (whether or not such shares are to be held in treasury).

(f) For so long as any tranche of C Shares are for the time being in issue, until Conversion of such tranche of C Shares and without prejudice to its obligations under applicable laws the Company shall: (a) procure that the Company's records, and bank and custody accounts shall be operated so that the assets attributable to the C Shares of that tranche can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall, without prejudice to any obligations pursuant to applicable laws, procure that separate cash accounts, broker settlement accounts and investment ledger accounts shall be created and maintained in the books of the Company for the assets attributable to the tranche of C Shares; (b) allocate to the assets attributable to the tranche of C Shares such proportion of the income, expenses and liabilities of the Company incurred or accrued between the date on which the Company first receives the Net Proceeds and the Calculation Date relating to such tranche of C Shares (both dates inclusive) as the Directors fairly consider to be attributable to that tranche of C Shares; and (c) give appropriate instructions to the Investment Manager to manage the Company's assets so that such undertakings can be complied with by the Company.

(g) The C Shares of a particular tranche for the time being in issue shall be sub-divided and converted into Ordinary Shares and Deferred Shares on the Conversion Date in accordance with the following provisions of this paragraph (g):

(a) the Directors shall procure that within 10 Business Days of the Calculation Date the Conversion Ratio as at the Calculation Date and the numbers of Ordinary Shares and Deferred Shares to which each C Shareholder shall be entitled on Conversion shall be calculated. Such calculations shall become final and binding on the Company and all holders of the Company's shares and any other securities issued by the Company which are convertible into the Company's shares, subject to the proviso immediately after the definition of H below.

(b) The Directors shall procure that, as soon as practicable following such confirmation and in any event within 10 Business Days of the Calculation Date, a notice is sent to each C shareholder advising such shareholder of the Conversion Date, the Conversion Ratio and the numbers of Ordinary Shares and Deferred Shares to which such C shareholder will be entitled on Conversion.

(c) On conversion each C Share shall automatically subdivide into 10 conversion shares of one pence each and such conversion shares of one pence each shall automatically convert into such number of Ordinary Shares and Deferred Shares as shall be necessary to ensure that, upon such Conversion being completed:

(i) the aggregate number of Ordinary Shares into which the same number of conversion shares of one pence each are converted equals the number of C Shares in issue on the Calculation Date multiplied by the Conversion Ratio (rounded down to the nearest whole Ordinary Share).

(ii) each conversion share of one pence which does not so convert into an Ordinary Share shall convert into one Deferred Share.

(d) The Ordinary Shares and Deferred Shares arising upon Conversion shall be divided amongst the former C shareholders *pro rata* according to their respective former holdings of C Shares (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to Ordinary Shares and Deferred Shares arising upon Conversion including, without prejudice to the generality of the foregoing, selling any Ordinary Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company).

(e) Forthwith upon Conversion, the share certificates relating to the C Shares of the relevant tranche shall be cancelled and the Company shall issue to each former C Shareholder new certificates in respect of the Ordinary Shares which have arisen upon Conversion to which he or she is entitled. Share certificates in respect of the Deferred Shares will not be issued.

(f) The Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider are fair and reasonable having regard to the interests of all Shareholders.

The following definitions are only relevant for the purpose of the foregoing:

"Calculation Date" means the earliest of the:

(i) close of business on the date to be determined by the Directors after the day on which the Investment Manager shall have given notice to the Directors that at least 90 per cent. of the Net Proceeds (or such other percentage as the Directors and Investment Manager shall agree) shall have been invested; or

(ii) close of business on the date falling nine calendar months after the allotment of the C Shares or if such a date is not a Business Day the next following Business Day; or

(iii) close of business on the day on which the Directors resolve that Force Majeure Circumstances have arisen or are imminent;

"Conversion" means conversion of any tranche of C Shares into Ordinary Shares and Deferred Shares in accordance with paragraph (g) above;

"Conversion Date" means the close of business on such Business Day as may be selected by the Directors falling not more than 10 Business Days after the Calculation Date;

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

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

$$A = \frac{C–D}{E}$$

$$B = \frac{F–C–G+D}{H}$$

and where:

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

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

E is the number of the C Shares in issue on the Calculation Date;

F is the aggregate value of: (a) value of all the investments of the Company; and (b) the amount which, in the Directors' opinion, fairly reflects, on the Calculation Date, the value of the current assets of the Company (excluding the investments valued under (a) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature);

G is the amount (to the extent not otherwise deducted in the calculation of F) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company on the Calculation Date; and

H is the number of Ordinary Shares in issue on the Calculation Date (excluding any Ordinary Shares held in treasury), provided always that the Directors shall make such adjustments to the value or amount of A and B as the Auditors shall report to be appropriate having regard among other things, to the assets of the Company immediately prior to the date on which the Company first receives the Net Proceeds relating to the C Shares of the relevant tranche and/or to the reasons for the issue of the C Shares of the relevant tranche.

"Deferred Shares" means deferred shares of one pence each in the capital of the Company arising on Conversion;

"Existing Ordinary Shares" means the Ordinary Shares in issue immediately prior to Conversion;

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

"Net Proceeds" means the net cash proceeds of the issue of the C Shares (after deduction of those commissions and expenses relating thereto and payable by the Company);

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

References to the Auditors confirming any matter should be construed to mean confirmation of their opinion as to such matter whether qualified or not.

(f) ***Transfer of shares***

Both the C Shares and the Ordinary Shares are in registered form.

The Articles provide for shares to be held in CREST accounts, or through another system for holding shares in uncertificated form, such shares being referred to as "Participating Securities". Subject to such of the restrictions in the Articles as shall be applicable, any member may transfer all or any of his shares. In the case of shares represented by a certificate ("**Certificated Shares**") the transfer shall be made by an instrument of transfer in the usual form or in any other form which the Board may approve. A transfer of a Participating Security need not be in writing, but shall comply with such rules as the Board may make in relation to the transfer of such shares, a CREST transfer being acceptable under the current rules.

The instrument of transfer of a Certificated Share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee and the transferor is deemed to remain the holder of the share until the name of the transferee is entered in the register of members.

The Board may, in its absolute discretion and without assigning any reason therefor, refuse to register any instrument of transfer of shares, all or any of which are not fully paid.

The Board may also refuse to register a transfer unless:

(1) in the case of a Certificated Share, the duly stamped instrument of transfer (if required) is lodged at the registered office of the Company or at some other place as the Board may appoint accompanied by the relevant share certificate and such other evidence of the right to transfer as the Board may reasonably require;

(2) in the case of a Certificated Share, the instrument of transfer is in respect of only one class of share; and

(3) in the case of a transfer to joint holders of a Certificated Share, the transfer is in favour of not more than four such transferees.

In the case of Participating Securities, the Board may refuse to register a transfer if the Uncertificated Securities Regulations 2001 (as amended) allow it to do so, and must do so where such regulations so require.

The Board may also decline to register a transfer of shares if they represent not less than 0.25 per cent. by number of their class and there has been a failure to comply with a notice requiring disclosure of interests in the shares (as referred to in paragraph (i) below) unless the shareholder has not, and

proves that no other person has, failed to supply the required information. Such refusal may continue until the failure has been remedied, but the Board shall not decline to register:

(1) transfer in connection with a *bona fide* sale of the beneficial interest in any shares to any person who is unconnected with the shareholder and with any other person appearing to be interested in the share;

(2) a transfer pursuant to the acceptance of an offer made to all the Company's shareholders or all the shareholders of a particular class to acquire all or a proportion of the shares or the shares of a particular class; or

(3) a transfer in consequence of a sale made through a recognised investment exchange or any stock exchange outside the United Kingdom on which the Company's shares are normally traded.

If at any time the holding or beneficial ownership of any shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Directors: (i) would cause the assets of the Company to be treated as "plan assets" of any benefit plan investor under Section 3(42) of ERISA or the US Code; (ii) would or might result in the Company and/or its shares and/or any of its appointed investment managers or investment advisers being required to be registered or qualified under the US Investment Company Act and/or the US Investment Advisers Act of 1940 and/or the Securities Act and/or the Exchange Act and/or any similar legislation (in any jurisdiction) that regulates the offering and sale of securities; (iii) may cause the Company not to be considered a "Foreign Private Issuer" under the Exchange Act; (iv) may cause the Company to be a "controlled foreign corporation" for the purpose of the US Code; or (v) may cause the Company to become subject to any withholding tax or reporting obligation under FATCA or any similar legislation in any territory or jurisdiction, or to be unable to avoid or reduce any such tax or to be unable to comply with any such reporting obligation (including by reason of the failure of the shareholder concerned to provide promptly to the Company such information and documentation as the Company may have requested to enable the Company to avoid or minimise such withholding tax or to comply with such reporting obligation), then the Board may declare the Shareholder in question a "Non-Qualified Holder" and the Board may require that any shares held by such Shareholder ("**Prohibited Shares**") shall (unless the Shareholder concerned satisfies the Board that he is not a Non-Qualified Holder) be transferred to another person who is not a Non-Qualified Holder, failing which the Company may itself dispose of such Prohibited Shares at the best price reasonably obtainable and pay the net proceeds to the former holder.

(g) ***Variation of rights***

Subject to the Companies Act, all or any of the rights attached to any class of share may (unless otherwise provided by the terms of issue of shares of that class) be varied (whether or not the Company is being wound up) either with the written consent of the holders of not less than three-quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of such holders. The quorum at any such general meeting is two persons holding or representing by proxy at least one-third in nominal value of the issued shares of that class and at an adjourned meeting the quorum is one holder present in person or by proxy, whatever the amount of his shareholding. Any holder of shares of the class in question present in person or by proxy may demand a poll. Every holder of shares of the class shall be entitled, on a poll, to one vote for every share of the class held by him. Except as mentioned above, such rights shall not be varied.

The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the Articles or the conditions of issue of such shares, be deemed to be varied by the creation or issue of new shares ranking *pari passu* therewith or subsequent thereto.

(h) ***Share capital and changes in capital***

Subject to and in accordance with the provisions of the Companies Act, the Company may issue redeemable shares. Without prejudice to any special rights previously conferred on the holders of any existing shares, any share may be issued on terms that they are, at the option of the Company or a member liable, to be redeemed on such terms and in such manner as may be determined by the Board (such terms to be determined before the shares are allotted).

Subject to the provisions of the Articles and the Companies Act, the power of the Company to offer, allot and issue any new shares in the Company and any shares lawfully held by the Company or on its

behalf (such as shares held in treasury) shall be exercised by the Board at such time and for such consideration and upon such terms and conditions as the Board shall determine.

The Company may by ordinary resolution alter its share capital in accordance with the Companies Act. The resolution may determine that, as between the holders of shares resulting from the sub-division, any of the shares may have any preference or advantage or be subject to any restriction as compared with the others.

(i) ***Disclosure of interests in shares***

Section 793 of the Companies Act provides a public company with the statutory means to ascertain the persons who are, or have within the last three years been, interested in its relevant share capital and the nature of such interests. When a shareholder receives a statutory notice of this nature, he or she has 28 days (or 14 days where the shares represent at least 0.25 per cent. of their class) to comply with it, failing which the Company may decide to restrict the rights relating to the relevant shares and send out a further notice to the holder (known as a "**disenfranchisement notice**"). The disenfranchisement notice will state that the identified shares no longer give the shareholder any right to attend or vote at a shareholders' meeting or to exercise any other right in relation to shareholders' meetings.

Once the disenfranchisement notice has been given, if the Directors are satisfied that all the information required by any statutory notice has been supplied, the Company shall, within not more than seven days, withdraw the disenfranchisement notice.

The Articles do not restrict in any way the provisions of section 793 of the Companies Act.

(j) ***Non-UK shareholders***

Shareholders with addresses outside the United Kingdom are not entitled to receive notices from the Company unless they have given the Company an address within the United Kingdom at which such notices shall be served.

(k) ***Untraced shareholders***

Subject to various notice requirements, the Company may sell any of a shareholder's shares in the Company if, during a period of 12 years, at least three dividends on such shares have become payable and no dividend has been claimed during that period in respect of such shares and the Company has received no communication from such shareholder.

(l) ***Borrowing powers***

The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any of its undertaking, property and assets (present and future) and uncalled capital and subject to any relevant statutes, to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligations of the Company or any third party provided that the Board shall restrict the borrowings of the Company, and exercise all powers of control exercisable by the Company in relation to its subsidiaries, so as to secure (in relation to its subsidiaries so far as the Board is able) that the aggregate amount for the time being of all borrowings by the Company shall not at any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to 1000 times the adjusted capital and reserves of the Company.

These borrowing powers may be varied by an alteration to the Articles which would require a special resolution of the shareholders.

(m) ***Directors***

Subject to the Companies Act, and provided he has made the necessary disclosures, a Director may be a party to or otherwise directly or indirectly interested in any transaction or arrangement with the Company or in which the Company is otherwise interested or a proposed transaction or arrangement with the Company.

The Board has the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director under section 175 of the Companies Act to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with,

the interests of the Company. Any such authorisation will only be effective if the matter is proposed in writing for consideration in accordance with the Board's normal procedures, any requirement about the quorum of the meeting is met without including the Director in question and any other interested director and the matter was agreed to without such directors voting (or would have been agreed to if the votes of such directors had not been counted). The Board may impose terms or conditions in respect of its authorisation.

Save as mentioned below, a Director shall not vote in respect of any matter in which he has, directly or indirectly, any material interest (otherwise than by virtue of his interests in shares or debentures or other securities of, or otherwise in or through, the Company) or a duty which conflicts or may conflict with the interests of the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

A Director shall (in the absence of material interests other than those indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters:

(1) the giving of any guarantee, security or indemnity to him or any other person in respect of money lent to, or an obligation incurred by him or any other person at the request of or for the benefit of, the Company or any of its subsidiaries;

(2) the giving of any guarantee, security or indemnity to a third party in respect of an obligation of the Company or any of its subsidiaries for which he himself has assumed any responsibility in whole or in part alone or jointly under a guarantee or indemnity or by the giving of security;

(3) any proposal concerning his being a participant in the underwriting or sub-underwriting of an offer of shares, debentures or other securities by the Company or any of its subsidiaries;

(4) any proposal concerning any other company in which he is interested, directly or indirectly, and whether as an officer or shareholder or otherwise, provided that he is not the holder of or beneficially interested in 1 per cent. or more of any class of the equity share capital of such company (or of any corporate third party through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed to be a material interest in all circumstances);

(5) any arrangement for the benefit of employees of the Company or any of its subsidiaries which does not accord to any Director any privilege or advantage not generally accorded to the employees to which such arrangement relates; and

(6) any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for the benefit of any of the Directors or for persons who include Directors, provided that for that purpose "insurance" means only insurance against liability incurred by a Director in respect of any act or omission by him in the execution of the duties of his office or otherwise in relation thereto or any other insurance which the Company is empowered to purchase and/or maintain for, or for the benefit of any groups of persons consisting of or including, Directors.

The Directors shall be paid such remuneration by way of fees for their services as may be determined by the Board, save that, unless otherwise approved by ordinary resolution of the Company in general meeting, the aggregate amount of such fees of all Directors shall not exceed £250,000 per annum. The Directors shall also be entitled to be repaid by the Company all hotel expenses and other expenses of travelling to and from board meetings, committee meetings, general meetings or otherwise incurred while engaged in the business of the Company. Any Director who by request of the Board performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine.

The Company may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, to or for the benefit of past directors who held executive office or employment with the Company or any of its subsidiaries or a predecessor in business of any of them or to or for the benefit of persons who are or were related to or dependants of any such Directors.

The Directors and officers of the Company are entitled to be indemnified against all losses and liabilities which they may sustain in the execution of the duties of their office, except to the extent that such an indemnity is not permitted by sections 232 or 234 of the Companies Act. Subject to sections 205(2)

to (4) of the Companies Act, the Company may provide a Director with funds to meet his expenditure in defending any civil or criminal proceedings brought or threatened against him in relation to the Company. The Company may also provide a Director with funds to meet expenditure incurred in connection with proceedings brought by a regulatory authority and indemnify a Director in connection with the Company's activities as a trustee of a pension scheme.

The Directors are obliged to retire by rotation and are eligible for re-election at the third annual general meeting after the annual general meeting at which they were elected. Any non-executive Director who has held office for nine years or more or who is not independent from the Investment Manager is subject to re-election annually. Any Director appointed by the Board holds office only until the next annual general meeting, when he is eligible for re-election.

There is no age limit for Directors.

Unless and until otherwise determined by ordinary resolution of the Company, the Directors (other than alternate Directors) shall not be less than 2 nor more than 10 in number.

(n) ***Redemption***

Neither the C Shares, nor the Ordinary Shares are redeemable.

The Management Shares may be redeemed by the Company at any time by notice in writing and upon tendering the amount of capital paid up thereon to the registered holder of such Management Shares. In such circumstances, the holder of Management Shares shall be bound to deliver any certificate which he may have representing such Management Shares and, upon redemption, the name of the holder of the Management Shares shall be removed from the Register and the Management Shares that have been redeemed shall be cancelled.

(o) ***Electronic communication***

The Company may communicate electronically with its members in accordance with the provisions of the Electronic Communications Act 2000.

The above is a summary only of certain provisions of the Articles, the full provisions of which are available for inspection as described in paragraph 15 below.

4. Mandatory bids and compulsory acquisition rules relating to the Ordinary Shares

(a) ***Mandatory bid***

The City Code on Takeovers and Mergers applies to the Company. Under Rule 9 of the City Code, if:

(i) a person acquires an interest in shares in the Company which, when taken together with shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the Company; or

(ii) a person who, together with persons acting in concert with him, is interested in not less than 30 per cent. and not more than 50 per cent. of the voting rights in the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested, the acquiror and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for any interests in the Ordinary Shares, or the C Shares (as applicable) by the acquiror or its concert parties during the previous 12 months.

Prior to the Tap Placing the Company announced that, should Invesco Asset Management Limited ("**Invesco**") opt to participate in the Tap Placing, it would result in its holding more than 30 per cent. of the aggregate voting rights in the Company, thereby triggering Rule 9 of the City Code. Accordingly, the Tap Placing was made conditional upon Invesco receiving a waiver from the requirement under Rule 9 for it to make a mandatory offer to the holders of all of the Ordinary Shares in the Company. The waiver was duly granted and following admission of the Ordinary Shares pursuant to the Tap Placing Invesco became interested in 5,179,918 Ordinary Shares, representing 34.9 per cent. of the Company's issued share capital immediately following the Tap Placing.

(b) ***Compulsory acquisition***

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

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

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

5. Information on the Directors

(a) Details of the names of companies and partnerships (excluding directorships of the Company) of which the Directors are or have been members of the administrative, management or supervisory bodies or partners at any time in the five years preceding the date of this Prospectus:

Name	*Current directorships/partnerships*	*Past directorships/partnerships*
Christopher Waldron	GBD Limited DW Catalyst Fund Limited Lancaster Investment Services Limited JZ Capital Partners Limited MMIP PCC Limited Fair Oaks Income Fund (GP) Limited Crystal Amber Fund Limited Vela Fund Limited UK Mortgages Limited Mediterra Private Equity Limited	Omnium Investments PCC Limited Edmond de Rothschild Holdings (CI) Limited Edmond de Rothschild Asset Management(CI) Limited Edmond de Rothschild (CI) Limited Prosperity Quest II GP Limited Prosperity Quest II Unlisted Limited
Jonathan Schneider	JMS Capital Limited IWOCA Limited Worldwide Royalties Investments Limited	AFB Limited Talon Metals, Inc Red Rose Limited Taurus Gold Limited
Matthew Mulford	N/A	N/A
K. Scott Canon	Ranger Capital Group	Green Mountain Energy Company

(b) None of the Directors:

(i) has any convictions in relation to fraudulent offences for at least the previous five years; or

(ii) has been declared bankrupt or been a director or member of the administrative, management or supervisory body of a company or a senior manager of a company at the time of any receivership or liquidation for at least the previous five years; or

(iii) has been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including designated professional bodies) or has ever been disqualified by a court from

acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company for at least the previous five years.

6. Directors' and others' interests

(a) Christopher Waldron holds 500 Ordinary Shares, representing an interest of 0.003 per cent. in the voting rights of the Company and intends to subscribe for a further 583 C Shares pursuant to the Issue at the Issue Price. No other Director currently holds any interests in the share capital of the Company.

(b) Immediately following Initial Admission, no other Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

(c) The voting rights of the Company's Shareholders are the same in respect of each Share of the relevant class held in the share capital of the Company.

(d) As at the date of this Prospectus and save as set out below, the Company is not aware of any person who currently holds (or will, immediately following Initial Admission, hold) three per cent. or more of the voting rights in the Company as a Shareholder or through a direct or indirect holding of financial instruments (in each case for the purposes of Chapter 5 of the Disclosure Guidance and Transparency Rules of the FCA).

Name	*Number of voting rights held*	*% voting rights*
Invesco Ltd	5,179,918	34.88
Bank of Montreal	1,881,662	12.67
Aviva plc and its subsidiaries	786,250	5.82
City Financial Investment Company Ltd	671,500	4.97
Artemis Investment Management LLP	611,150	4.53

The Company is not aware of any person who, directly or indirectly owns or controls the Company. The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.

(e) The Directors are in addition to the Company, directors/partners of the companies listed in paragraph 5 of this Part X. The Articles contain provisions whereby a Director shall not vote *inter alia* in respect of any matter in which he has, directly or indirectly, any material interest. Save, in relation to the directorships listed in paragraph 5 of this Part X, there are no potential conflicts of interest between any duties owed by the Directors to the Company and their private interests and/or other duties.

7. Directors' Appointments

Under the terms of their appointments as non-executive Directors of the Company, the Directors (other than Scott Canon who has waived his entitlement to an annual fee) are entitled to the following annual fees:

Position	*Current annual fee*	*Annual fee following the Issue*
Chairman	£23,750	£30,000
Chairman of the Audit Committee	£21,250	£27,250
Other Non-executive Directors	£18,750	£25,000

The Directors may elect to apply the cash amount equal to their annual fee to subscribe for or purchase Ordinary Shares. The Directors hold their office in accordance with the Articles and their appointment letters. No Director has a service contract with the Company, nor are any such contracts proposed. The retirement, disqualification and removal provisions relating to the Directors (in their capacity as directors) are summarised in paragraph 3(m) of this Part X.

8. Employees

The Company does not have any employees.

9. Material Contracts and Related Party Transactions

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

(i) A placing agreement dated 21 November 2016 entered into by the Company, the Investment Manager, Liberum and Fidante Capital pursuant to which, subject to certain conditions, Liberum has agreed to act as sponsor in respect of the Issue and the Placing Programme and joint bookrunner in respect of the Initial Placing and the Placing Programme and Fidante Capital has agreed to act as joint bookrunner in respect of the Issue and Placing Programme.

The Placing Agreement is conditional on, among other things, Initial Admission occurring by 8.00 a.m. on 16 December 2016 (or such later date, being not later than 23 December 2016, as the Company, Liberum, Fidante Capital and the Investment Manager may agree).

In the event that any of the conditions in the Placing Agreement are not met, neither Liberum nor Fidante Capital shall, amongst other things, be under any obligation to complete the Initial Placing, the Company shall withdraw its application for Initial Admission (making such announcement as reasonably required by Liberum and Fidante Capital) and appropriate arrangements for the return of Initial Placing monies received shall be made.

Each of Liberum and Fidante Capital has agreed to use its reasonable endeavours to procure subscribers for the applicable Shares pursuant to the Initial Placing and, subject to the satisfaction of certain conditions, to the Placing Programme. In consideration for its services under the Placing Agreement and conditional upon completion of the Initial Placing or the applicable Subsequent Placing, each of Liberum and Fidante Capital will be paid a customary placing commission calculated by reference to the relevant gross proceeds raised by each pursuant to the Initial Placing and Placing Programme.

The Company and the Investment Manager have, in the Placing Agreement, given certain customary warranties and have agreed to provide customary indemnities to Liberum and Fidante Capital.

(ii) An agreement dated 21 November 2016 between the Company and Stone Mountain pursuant to which, subject to certain conditions, Stone Mountain has agreed to act as placing agent and to use its reasonable endeavours to procure subscribers for C Shares in respect of the Initial Placing.

In consideration for its services under the Placing Agent Agreement and conditional upon completion of the Initial Placing, Stone Mountain will be paid a customary placing commission calculated by reference to the gross proceeds raised by it pursuant to the Initial Placing and Placing Programme.

The Company has, in the Placing Agent Agreement, given certain customary warranties to Stone Mountain.

(iii) An agreement dated 10 April 2015 between the Company and the Investment Manager whereby the Investment Manager is appointed to act as investment manager of the Company. The Investment Manager provides customary services of a discretionary investment manager that is also appointed as a non-EU AIFM to the Company.

Under the terms of the Investment Management Agreement, the Investment Manager is entitled to a management fee together with reimbursement of all reasonable costs and expenses incurred by it in the performance of its duties. The Investment Manager is also entitled to a performance fee in certain circumstances. Details of the management fee and performance fee are set out in Part IV of this Prospectus under the sub-heading "On-going expenses".

The Investment Management Agreement may be terminated by either party on 12 months' notice, such notice not to be served before the third anniversary of First Admission, and may

be immediately terminated by either party in certain circumstances such as a material breach which is not remedied. The Company has also agreed to indemnify the Investment Manager for losses that the Investment Manager may incur in the performance of its duties pursuant to the Investment Management Agreement or otherwise in connection with the Company's activities that are not attributable to, *inter alia*, a material breach of the Investment Management Agreement by, or the negligence, fraud, wilful default or bad faith of, the Investment Manager.

The Investment Manager has agreed, subject to certain adjustments, to pay each of Liberum, Fidante Capital and Stone Mountain a defined percentage (capped at 20 per cent. in aggregate) of the Management Fee and performance fees payable from time to time received by it in each year.

(iv) An agreement dated 10 April 2015 between the Company and the Administrator whereby the Administrator is appointed to act as administrator of the Company. Under the terms of the Accounting and Administration Services Agreement, the Administrator provides certain valuation and tax reporting services.

Under the terms of the Accounting and Administration Services Agreement, the Administrator was entitled to an initial set-up fee of £30,000 and an annual fee in respect of the administration and accounting services it provides of £15,000 plus an additional amount equal to 6 basis points of the NAV of the Company in respect of the valuation, investor reporting and financial reporting services it provides (subject to a minimum fee of £100,000). In addition, a further fee of £25,000 (plus a variable amount based on the number of reports) per annum is payable in respect of the tax reporting services provided by the Administrator. The Administrator is, in addition, entitled to recover third party expenses and disbursements.

The Accounting and Administration Services Agreement may be terminated by either party on three months' written notice and may be immediately terminated by either party in certain circumstances such as a material breach which is not remedied.

The maximum aggregate liability of the Administrator under the Accounting and Administration Services Agreement in connection with the provision of the services under the agreement is limited in aggregate to (i) in respect of any period when the available fees payable to the Administrator are equal to or less than £100,000, £1 million; or (ii) in respect of any period when the annual fees payable to the Administrator are greater than £100,000 an amount equal to ten times the annual fee payable to the Administrator in the year in which the cause of action occurs up to a maximum of £3 million.

The Accounting and Administration Agreement contains customary indemnities from the Company in favour of the Administrator and is governed by the laws of England and Wales.

(v) An agreement dated 10 April 2015 between the Company and Capita Registrars Limited whereby the Company Secretary is appointed to act as company secretary of the Company.

The Company Secretary was paid an initial set-up fee of £7,500 and is also entitled to receive an annual fee of £50,000 (plus VAT). The Company Secretary is also entitled to reimbursement of all out of pocket costs, expenses and charges reasonably and properly incurred and documented on behalf of the Company.

The Company Secretarial Agreement continued in force for an initial period of one year (the "**Initial Period**"). Since the expiry of the Initial Period, the agreement automatically renews for successive periods of 12 months, unless or until terminated by either party, either in accordance with the agreement (for example, in the case of a material breach of agreement or of the insolvency of a party, whereby the agreement may be terminated immediately upon notice), or at the end of any successive 12 month period, provided written notice is given to the other party at least three months prior to the end of such successive 12 month period.

The maximum aggregate liability of the Company Secretary under the Company Secretarial Agreement for any damage or other loss howsoever caused arising out of or in connection with the agreement or the provision of the services under the agreement is limited to the lesser of £500,000 or an amount equal to 5 times the annual fee payable to the Company Secretary under the agreement. The limit of liability is calculated in accordance with the fee payable in force and agreed at such time as an event happened to give rise to a claim, and not at the date such event is discovered.

The Company Secretarial Agreement contains customary indemnities given by the Company in favour of the Company Secretary.

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

(vi) An agreement dated 10 April 2015 between the Company and the Custodian whereby the Custodian is appointed to act as custodian of the Company.

The Custodian performs the customary services and it is permitted to delegate the performance of its obligations, including the safe keeping of assets, subject to certain conditions being satisfied.

The Custodian is entitled to be paid a fee of between US$180 and US$500 per annum per holding of securities in an entity (depending on the type of entity). In addition, the Custodian is entitled to account fees of up to US$300 per account per annum (but subsequently will be up to US$150 per account per annum) and is also entitled to reimbursement of all out of pocket costs, expenses and charges reasonably and properly incurred on behalf of the Company.

The Custodian Agreement may be terminated by either party on 90 days' prior written notice. The Custodian Agreement contains customary indemnities given by the Company in favour of the Custodian.

The Custodian Agreement is governed by the laws of the State of New York and the parties have agreed that any dispute arising out of the agreement shall be determined by arbitration which will be conducted before the Financial Industry Regulatory Authority Arbitration Facility.

(vii) An agreement dated 10 April 2015 between the Company and the Registrar whereby the Registrar is appointed to act as registrar of the Company. The Registrar is entitled to receive an annual registration fee from the Company based on activity, subject to an annual minimum charge of £2,500. The Registrar is entitled to reimbursement of all out of pocket costs, expenses and charges reasonably and properly incurred and documented on behalf of the Company.

The Registrar Agreement continued in force for an initial period of one year (the "**Initial Period**"). Since the expiry of the Initial Period, the agreement automatically renews for successive periods of 12 months, unless or until terminated by either party, either in accordance with the agreement (for example, in the case of a material breach of agreement or of the insolvency of a party, whereby the agreement may be terminated immediately upon notice), or at the end of any successive 12 month period, provided written notice is given to the other party at least three months prior to the end of such successive 12 month period.

The maximum aggregate liability of the Registrar under the Registrar Agreement for any damage or other loss howsoever caused arising out of or in connection with the agreement or the provision of the services under the agreement is limited to the lesser of £500,000 or an amount equal to 5 times the annual fee payable to the Registrar under the agreement. The limit of liability shall be calculated in accordance with the fee payable in force and agreed at such time as an event happened to give rise to a claim, and not at the date such event is discovered.

The Registrar Agreement contains customary indemnities from the Company in favour of the Registrar.

The Registrar Agreement is governed by the laws of England.

(viii) A Receiving Agent Agreement dated 16 November 2016 between the Company and the Receiving Agent pursuant to which the Receiving Agent is appointed to act as the Company's Receiving Agent in respect of the Open Offer.

The Receiving Agent shall be entitled to a fee at an hourly rate (subject to a minimum fee) plus certain other fees including a processing fee per Application Form (also subject to a minimum fee). The Receiving Agent will also be entitled to reimbursement of all out-of-pocket expenses reasonably incurred by it in connection with its duties. These fees will be for the account of the Company.

The Receiving Agent Agreement shall continue in force unless and until terminated by either party serving written notice in the event of the other party committing a material breach of its

obligations under the agreement or upon the winding up, dissolution or administration of the other party.

The Receiving Agent Agreement contains customary indemnities from the Company in favour of the Receiving Agent.

(ix) A Broker Agreement dated 10 April 2015 between the Company and Liberum pursuant to which Liberum acts as corporate broker to the Company. As part of the engagement, Liberum has agreed, amongst other things, to advise on and co-ordinate an investor liaison programme for the Company, and to monitor and report to the Board where appropriate on the trading of the Ordinary Shares and the C Shares and significant movements in its share price.

The Broker Agreement may be terminated by either party on one month's notice provided that the Company shall not serve any written notice prior to the second anniversary of First Admission.

The Company has agreed to provide a customary indemnity to Liberum against all losses which Liberum may suffer or incur by reason of or arising out of or in connection with its engagement under the Broker Agreement.

The Broker Agreement is governed by and construed in accordance with the laws of England.

(x) A placing agreement dated 4 December 2015 entered into between the Company, the Investment Manager and Liberum pursuant to which Liberum agreed subject to certain conditions to procure placees in respect of the Tap Placing. Each of the Company and the Investment Manager gave certain customary warranties and agreed to provide certain customary indemnities to Liberum pursuant to this agreement.

(xi) A placing agreement dated 16 November 2015 entered into by the Company, the Investment Manager and Liberum pursuant to which, subject to certain conditions, Liberum agreed to act as sponsor in respect of a placing of C Shares.

The Company and the Investment Manager gave certain customary warranties and have agreed to provide customary indemnities to Liberum in respect of this placing of C Shares. The placing contemplated by this agreement was aborted.

(xii) A placing agreement dated 14 April 2015 between the Company, the Investment Manager, Liberum, Sandler O'Neill and the Directors, pursuant to which Liberum agreed, as agent for the Company, to use reasonable endeavours to procure subscribers for Ordinary Shares pursuant to the First Issue. The Company, the Investment Manager and the Directors gave certain warranties and indemnities to Liberum under this placing agreement. Sandler O'Neill also agreed to use its reasonable endeavours to procure purchasers for Ordinary Shares to be issued pursuant to the First issue in the US by way of a private placement.

(xiii) The intermediaries agreement dated 16 November 2015 entered into by the Company, Liberum and the Intermediaries Offer Adviser who were appointed by the Company prior to the date of the C Share prospectus pursuant to which the intermediaries appointed by the Company agreed that, in connection with the offer of C Shares, they would be acting as agent for the investors who wished to acquire C Shares.

The Intermediaries gave certain undertakings regarding their use of information in connection with the intermediaries offer for C Shares. The intermediaries also give undertakings regarding the form and content of written and oral communications with clients and other third parties and the intermediaries also give representations and warranties which were relevant for the intermediaries offer, and indemnify the Company, the Intermediaries Offer Adviser, Liberum and their respective representatives against any loss or claim arising out of any breach or alleged breach by them of the agreement or of any duties or obligations under FSMA or under any rules of the FCA or any applicable laws or as a result of any other act or omission by the intermediary in connection with the subscription for and/or resale of Shares by the intermediaries or any investor.

(xiv) An intermediaries agreement dated 10 April 2015 between the Company, Liberum, the Intermediaries Offer Adviser and the intermediaries appointed by the Company prior to the date of publication of the prospectus published in connection with the First Issue, pursuant to which the Intermediaries Offer Adviser agreed to coordinate applications from intermediaries under the intermediaries offer. The intermediaries gave certain undertakings regarding their use

of information in connection with the intermediaries offer. The intermediaries also gave undertakings regarding the form and content of written and oral communications with clients and other third parties and representations and warranties and an indemnity in favour of the Company, the Intermediaries Offer Adviser, Liberum and their respective representatives against any loss or claim arising out of any breach or alleged breach by them of the agreement or of any duties or obligations under FSMA or under any rules of the FCA or any applicable laws or as a result of any other act or omission by the intermediary in connection with the subscription for and/or resale of Ordinary Shares by the intermediaries or any underlying applicant.

(xv) The Loan Agreement entered into by Ranger ZDP (as lender) and the Company (as borrower) on 25 July 2016 as amended by a side letter dated 24 October 2016. Pursuant to the Loan Agreement Ranger ZDP lent the Company the gross proceeds of the First ZDP Issue and the Second ZDP Issue, which the Company was required to apply towards making investments in accordance with its investment policy and working capital purposes.

The parties agreed that, immediately following any subsequent admission of ZDP Shares, Ranger ZDP shall lend the Company the gross proceeds received as payment for such ZDP Shares, and the Company shall be required to apply such proceeds towards making investments in accordance with its investment policy and working capital purposes.

Under the Loan Agreement the gross proceeds of the First ZDP Issue and the Second ZDP Issue were paid directly to the Company by Liberum following First ZDP Admission and Second ZDP Admission respectively, and will be paid directly to the Company by Liberum following any subsequent admission of ZDP Shares.

Liberum was permitted to deduct from the gross proceeds of each of the First ZDP Issue and the Second ZDP Issue to be transferred to the Company the commission, costs and expenses payable to Liberum in connection with the First ZDP Issue and the Second ZDP Issue pursuant to the relevant placing agreement which is described at paragraph 9(xvii) below and paragraph 9(xviii) below, respectively.

Liberum is permitted to deduct from the proceeds received as payment for the ZDP Shares issued in connection with any subsequent admission of ZDP Shares to be transferred to the Company the commission, costs and expenses payable to Liberum in connection with such admission pursuant to the placing agreement which is described at paragraph 9(xvii) below.

The Loan Agreement also provides that interest will accrue on the Loan at a rate of 2 per cent. per annum compounded on each anniversary of First ZDP Admission or Second ZDP Admission (as applicable) and will be rolled up and paid to Ranger ZDP along with the principal amount of the Loan which shall be repayable by the Company on the date falling three business days before the ZDP Repayment Date, provided that the Loan shall become repayable by the Company immediately upon a Winding-Up Resolution being passed (save in certain circumstances).

(xvi) Ranger ZDP (as beneficiary) and the Company (as grantor) also entered into the Undertaking on 25 July 2016. Pursuant to the Undertaking, to the extent the Final Capital Entitlement multiplied by the number of outstanding ZDP Shares as at the ZDP Repayment Date (or, if earlier, the accrued capital entitlement following the date on which a Winding-Up Resolution is approved) exceeds the aggregate proceeds due from the Company to Ranger ZDP pursuant to the Loan Agreement as at the ZDP Repayment Date (the "**Additional Funding Requirement**"), the Company shall: (i) subscribe an amount equal to or greater than the Additional Funding Requirement for shares in Ranger ZDP (the "**Additional Shares**"); or (ii) make a capital contribution or gift or otherwise pay an amount equal to or greater than (where rounding is required) the Additional Funding Requirement. Where applicable, the Additional Shares shall be ordinary shares or such other class of shares in Ranger ZDP as agreed between the Company and Ranger ZDP.

In addition pursuant to the Undertaking, the Company has undertaken to Ranger ZDP that, for so long as the ZDP Shares are in issue, the Company will not:

(a) without the sanction of a special resolution of the holders of ZDP Shares passed at a separate class meeting of the holders of ZDP Shares, issue (or procure the issue of) any further Shares or Group Shares (or any securities convertible into Shares or Group Shares) which would rank in priority or *pari passu* to the obligations of the Company under the

Loan Agreement and the Undertaking, unless, immediately following such issue, (i) the Cover would be not less than 2.75 times or (ii) such issuance of Group Shares is undertaken in connection with establishing a subsidiary undertaking of the Company for the purposes of holding investments in accordance with the Company's investment policy;

(b) without the sanction of a special resolution of the holders of ZDP Shares passed at a separate class meeting of the holders of ZDP Shares, amend the investment policy of the Company in such a way that would, in the reasonable opinion of the directors of Ranger ZDP, be materially prejudicial to the rights of the holders of ZDP Shares;

(c) incur Bank Borrowings if, following such borrowing, the Group's aggregate Bank Borrowings would thereby exceed an amount equal to the sum of: (i) $46,627,120.60 (being 20 per cent. of the Net Asset Value attributable to the Ordinary Shares in issue as at 1 August 2016); plus (ii) an amount equal to 50 per cent. of the net proceeds of any issue of C shares or Ordinary Shares completed on or after 2 August 2016, provided that this restriction shall not apply to any Bank Borrowings incurred for the purpose of repaying the Loan or satisfying the Additional Funding Requirement;

(d) make any distribution out of income or capital, other than a distribution which: (i) is required to maintain the Company's status as an investment trust; or (ii) has been determined by the Directors to not reduce the Cover (as defined below) of the ZDP Shares below 2.75 times immediately following such distribution has been made;

(e) purchase any of its own shares out of capital reserves if such purchase would result in the ZDP Shares having a Cover of less than 2.75 times immediately after the purchase has been made; or

(f) implement any reduction of capital which would, immediately following such reduction of capital, reduce the Cover of the ZDP Shares below 2.75 times immediately after such reduction of capital.

In addition, the Undertaking provides that the Company shall:

(a) remain the holder of all of the ordinary shares in the share capital of Ranger ZDP from time to time;

(b) meet or otherwise fund through a subscription of further ordinary shares in Ranger ZDP all properly and reasonably incurred operating costs and expenses of Ranger ZDP, including its establishment expenses;

(c) notify Ranger ZDP without delay if (i) the Company becomes aware that it has breached the terms of the Loan Agreement and/or the Undertaking; or (ii) the Directors reasonably consider that the Company may not on the ZDP Repayment Date be able to (1) meet its repayment obligations under the Loan Agreement in full, or (2) subscribe for Additional Shares or otherwise satisfy the Additional Funding Requirement;

(d) vote in favour of any Scheduled Winding-Up Resolution;

(e) in the event that a ZDP Continuation Resolution is proposed to the holders of ZDP Shares and not passed, vote in favour of any Winding-Up Resolution proposed to the members of Ranger ZDP at a meeting called within 20 Business Days of such ZDP Continuation Resolution not having been passed;

(f) calculate the Cover as soon as practicable following the finalisation of the Group's monthly valuations and, in any event, at least once in each calendar month, and shall notify the Directors without delay in the event that the Cover shall at any time be less than 2.75 times.

The Undertaking also provides that, except with the previous sanction of an ordinary resolution of the holders of ZDP Shares passed at a separate general meeting or as required from time to time by the UK Listing Authority or any other relevant legal or regulatory requirement, from the date of allotment and issue of the ZDP Shares, the Company and Ranger ZDP shall ensure that the board of directors of Ranger ZDP as constituted from time to time comprises only individuals who are directors of the Company.

(xvii) A placing agreement dated 26 July 2016 entered into between Ranger ZDP, the Company and Liberum pursuant to which, subject to certain conditions, Liberum agreed to use its reasonable endeavours to procure purchasers for the ZDP Shares to be issued pursuant to the First ZDP Issue.

In consideration for their services under the placing agreement, Liberum receives a customary placing commission calculated by reference to the gross placing proceeds of the First ZDP Issue, together with reimbursement for all out-of-pocket expenses incurred by it in connection with the First ZDP Issue.

The Company and Ranger ZDP gave certain customary warranties and agreed to provide customary indemnities to Liberum.

(xviii) A placing agreement dated 24 October 2016 entered into between Ranger ZDP, the Company and Liberum pursuant to which Liberum agreed subject to certain conditions to procure placees in respect of the Second ZDP Issue and the Ranger ZDP Placing Programme. Each of Ranger ZDP and the Company have given certain customary warranties and have agreed to provide certain customary indemnities to Liberum pursuant to this agreement.

(xix) An agreement dated 25 July 2016 between Ranger ZDP and Capita Registrars Limited whereby the Company Secretary is appointed to act as company secretary of Ranger ZDP.

Under the terms of Ranger ZDP Secretarial Agreement, Ranger ZDP procured the payment to the Company Secretary of an initial set-up fee of £5,000 and an annual fee of £15,000 (plus VAT). The Company Secretary is also entitled to be reimbursed for all out of pocket costs, expenses and charges reasonably and properly incurred and documented on behalf of Ranger ZDP.

The Ranger ZDP Secretarial Agreement shall continue in force for an initial period of one year (the "**Initial Period**"). At the expiry of the Initial Period, the agreement shall automatically renew for successive periods of 12 months, unless or until terminated by either party, either in accordance with the agreement (for example, in the case of a material breach of agreement or of the insolvency of a party, whereby the agreement may be terminated immediately upon notice), or;

(a) at the end of the Initial Period, provided written notice is given to the other party at least three months prior to the end of the Initial Period; or

(b) at the end of any successive 12 month period, provided written notice is given to the other party at least three months prior to the end of such successive 12 month period.

The maximum aggregate liability of the Company Secretary under the Ranger ZDP Secretarial Agreement for any damage or other loss howsoever caused arising out of or in connection with the agreement or the provision of the services under the agreement is limited to the lesser of £500,000 or an amount equal to 5 times the annual fee payable to the Company Secretary under the agreement. The limit of liability shall be calculated in accordance with the fee payable in force and agreed at such time as an event happened to give rise to a claim, and not at the date such event is discovered.

The Ranger ZDP Secretarial Agreement contains customary indemnities given by Ranger ZDP in favour of the Company Secretary.

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

(xx) An agreement dated 25 July 2016 between Ranger ZDP and the Administrator whereby the Administrator is appointed to act as administrator of Ranger ZDP.

Under the terms of the Ranger ZDP Accounting and Administration Services Agreement, Ranger ZDP procured the payment of an initial set-up fee of £3,500 to the Administrator and ensures the Administrator is paid an annual fee of £40,000. The Administrator is, in addition, entitled to recover third party expenses and disbursements from the Company.

The Ranger ZDP Accounting and Administration Services Agreement may be terminated by either party on three months' written notice and may be immediately terminated by either party in certain circumstances such as a material breach which is not remedied.

The maximum aggregate liability of the Administrator under the Ranger ZDP Accounting and Administration Services Agreement in connection with the provision of the services under the agreement is limited in aggregate to (i) in respect of any period when the available fees payable to the Administrator are equal to or less than £100,000, £1 million; or (ii) in respect of any period when the annual fees payable to the Administrator are greater than £100,000 an amount equal to ten times the annual fee payable to the Administrator in the year in which the cause of action occurs up to a maximum of £3 million.

The Ranger ZDP Accounting and Administration Agreement contains customary indemnities from Ranger ZDP in favour of the Administrator and is governed by the laws of England and Wales.

(xxi) An agreement dated 25 July 2016 between Ranger ZDP and the Registrar whereby the Registrar is appointed to act as registrar of Ranger ZDP. The Registrar is entitled to be paid an annual fee based on activity, subject to an annual minimum charge of £2,500. The Registrar is entitled to reimbursement of all out of pocket costs, expenses and charges reasonably and properly incurred and documented on behalf of Ranger ZDP.

The Ranger ZDP Registrar Agreement shall continue in force for an initial period of one year (the "**Initial Period**"). At the expiry of the Initial Period, the agreement shall automatically renew for successive periods of 12 months, unless or until terminated by either party, either in accordance with the agreement (for example, in the case of a material breach of agreement or of the insolvency of a party, whereby the agreement may be terminated immediately upon notice), or;

(a) at the end of the Initial Period, provided written notice is given to the other party at least three months prior to the end of the Initial Period; or

(b) at the end of any successive 12 month period, provided written notice is given to the other party at least three months prior to the end of such successive 12 month period.

The maximum aggregate liability of the Registrar under the Ranger ZDP Registrar Agreement for any damage or other loss howsoever caused arising out of or in connection with the agreement or the provision of the services under the agreement is limited to the lesser of £500,000 or an amount equal to 5 times the annual fee payable to the Registrar under the agreement. The limit of liability shall be calculated in accordance with the fee payable in force and agreed at such time as an event happened to give rise to a claim, and not at the date such event is discovered.

The Ranger ZDP Registrar Agreement contains customary indemnities from Ranger ZDP in favour of the Registrar.

The Ranger ZDP Registrar Agreement is governed by the laws of England.

(xxii) A Platform Agreement (consisting of a loan purchase agreement and a services agreement) dated 13 April 2015 between Ranger Direct Lending Fund Trust, the Consumer Loans Platform and a New Jersey state chartered bank which originates the relevant Debt Instruments pursuant to which the state chartered bank has agreed to sell to Ranger Direct Lending Fund Trust whole unsecured consumer loans which meet the defined investment selection criteria. Ranger Direct Lending Fund Trust is required to pay a servicing fee (calculated by reference to the principal value of Debt Instruments being serviced) and a variable platform fee (calculated by reference to the cumulative net return on Debt Instruments acquired by Ranger Direct Lending Fund Trust) to the Consumer Loans Platform, monthly in arrears. In certain circumstances where the Consumer Loans Platform or the state chartered bank is in breach of the terms of the Platform Agreement in respect of a Debt Instrument sold to Ranger Direct Lending Fund Trust, it may be required to repurchase such Debt Instrument from Ranger Direct Lending Fund Trust. The Platform Agreement may be terminated upon the occurrence of certain events, including a written notice of a default which is not remedied within 10 working days of such notice. Each party has indemnified the other party against any losses arising out of the indemnifying party's breach of agreement. The Platform Agreement is governed by the laws of the State of New York.

(xxiii) A Platform Agreement (consisting of an investor syndication and management agreement) dated 13 April 2015 between Ranger Direct Lending Fund Trust and the Invoice Factoring Platform pursuant to which the Invoice Factoring Platform will use its reasonable endeavours

to make available for investment by Ranger Direct Lending Fund Trust fractional invoice receivables which Ranger Direct Lending Fund Trust may, in its sole discretion, elect to purchase. A transaction fee is payable by Ranger Direct Lending Fund Trust in respect of each election to purchase and Ranger Direct Lending Fund Trust will also pay its *pro rata* share of the servicing expenses attributable to each Debt Instrument acquired. The Platform Agreement is governed by the laws of the State of Maryland.

(xxiv) A Platform Agreement (consisting of an equipment finance purchase agreement and a service agreement) dated 13 April 2015 between Ranger Direct Lending Fund Trust and the Equipment Loans Platform pursuant to which the Equipment Loans Platform will use its reasonable endeavours to make available for investment by Ranger Direct Lending Fund Trust equipment finance agreements, which Ranger Direct Lending Fund Trust may in its sole discretion elect to purchase. The acquisition cost will include a spread and Ranger Direct Lending Fund Trust will pay a separate servicing fee (calculated by reference to the principal outstanding value of the Debt Instruments or, where there is a default under the Debt Instruments, the amount recovered) to the Equipment Loans Platform in respect of each of the Debt Instruments purchased by Ranger Direct Lending Fund Trust. In certain circumstances where the Equipment Loans Platform is in breach of the terms of the Platform Agreement in respect of a Debt Instrument sold to Ranger Direct Lending Fund Trust, it may be required to repurchase such Debt Instrument from the Company. The term of the Platform Agreement will expire on the maturity of all the equipment finance agreements purchased by Ranger Direct Lending Fund Trust. Each party has indemnified the other party against any losses arising out of the indemnifying party's breach of the Agreement. The Platform Agreement is governed by the laws of the State of Delaware.

(xxv) A Platform Agreement (consisting of a master purchase transaction and servicing agreement) dated 13 April 2015 between Ranger Direct Lending Fund Trust and the SME Loans Platform pursuant to which the SME Loans Platform will make available receivables-based business financing transactions (that fall within defined underwriting criteria), which Ranger Direct Lending Fund Trust shall have an option to purchase. Ranger Direct Lending Fund Trust is required to pay a spread on acquisition, a transaction fee, a platform fee and an underwriting fee (which will vary depending on the terms of the relevant Debt Instrument) in respect of each transaction made by Ranger Direct Lending Fund Trust. Servicing fees are also payable on sums collected by the SME Loans Platform on behalf of Ranger Direct Lending Fund Trust. Ranger Direct Lending Fund Trust and the SME Loans Platform may agree to charge the underwriting fee to the underlying customer. The Platform Agreement has an initial term of three years and shall automatically renew for an additional term of one year unless terminated by either party. The Platform Agreement may be terminated on 60 days' notice at the end of the term of the agreement, or on 30 days' notice in the event of breach. Each party has indemnified the other party against any losses arising out of the indemnifying party's breach of the agreement. The Platform Agreement is governed by the laws of the State of Delaware. For the purposes of clarity, the Debt Instruments referenced in this Prospectus in the context of the SME Loans Platform are receivables based business financing transactions.

(xxvi) A Platform Agreement dated 13 April 2015 between Ranger Direct Lending Fund Trust and the SME Credit Line Platform consisting of a subscription agreement pursuant to which Ranger Direct Lending Fund Trust may subscribe for shares in the SME Credit Line Platform. The SME Credit Line Platform is a business company incorporated in the British Virgin Islands which invests substantially all its assets in a limited partnership established under the laws of the State of Delaware (the "**Master Fund**"). The Master Fund's investment objective is to invest substantially all its assets in SME lines of credit. A management fee calculated by reference to net asset value (and in certain circumstances an incentive allocation calculated by reference to profits over a high water mark) is payable to the investment manager of the SME Credit Line Platform. Shares in the SME Credit Line Platform may be transferred with consent. Ranger Direct Lending Fund Trust has agreed to indemnify the SME Credit Line Platform in respect of any losses incurred by the SME Credit Line Platform arising out of a breach of the Subscription Agreement by the Company. The Platform Agreement is governed by the laws of the British Virgin Islands.

(xxvii) A Platform Agreement dated 13 April 2015 between Ranger Direct Lending Fund Trust and the Real Estate Loans Platform (consisting of a side letter, a subscription agreement and a guarantee from Shareholder's controlling existing) pursuant to which Ranger Direct Lending

Fund Trust may subscribe for unsecured borrower performance linked notes issued by the Real Estate Loans Platform. A separate subscription agreement will be entered into by Ranger Direct Lending Fund Trust in respect of each series of notes it decides to acquire (each series of notes referencing a different underlying real estate loan Debt Instrument). A servicing fee (which will vary from investment to investment) may be payable by Ranger Direct Lending Fund Trust in respect of the notes purchased and the notes must be held to maturity. The Platform Agreement has an initial term of two years (and thereafter shall be able to be terminated by either party on 60 days' notice) and the term of each series of notes acquired by Ranger Direct Lending Fund Trust will correspond to the relevant underlying real estate loan. The Real Estate Loans Platform may terminate a subscription early on the occurrence of certain events, including breach of the relevant subscription agreement by Ranger Direct Lending Fund Trust. Ranger Direct Lending Fund Trust has agreed to indemnify the Real Estate Loans Platform in respect of any losses incurred by the Real Estate Loans Platform arising out of a breach of the subscription agreement by Ranger Direct Lending Fund Trust. The Platform Agreement is governed by the laws of the State of Delaware.

(xxviii) An agreed form Platform Agreement between Ranger Direct Lending Fund Trust and a wholly owned subsidiary (the "**Subsidiary**") of the MCA Platform (consisting of a whole loans participation agreement and a merchant cash advance participation agreement) pursuant to which the Subsidiary has agreed to sell to Ranger Direct Lending Fund Trust fractional interests in high yield SME loan and merchant cash advance Debt Instruments which meet the defined investment selection criteria and which Ranger Direct Lending Fund Trust may, in its sole discretion, elect to purchase. The Platform Agreement will be executed when Ranger Direct Lending Fund Trust just co-invests in a Debt Instrument organised or issued by the Subsidiary. Ranger Direct Lending Fund Trust will be required to pay a servicing fee to the Subsidiary calculated by reference to the amount of capital committed by Ranger Direct Lending Fund Trust for the acquisition of interests in the Debt Instruments. The Platform Agreement may be terminated by either party on the occurrence of certain events, including a written notice of default which is not remedied within 10 days of such notice. Each party has indemnified the other party against any losses arising out of the indemnifying party's breach of agreement. The Platform Agreement is governed by the laws of the State of California.

(xxix) A loan referral services agreement dated 13 April 2015 between Ranger Direct Lending Fund Trust and an intermediary/loan broker (the "**Loan Broker**") in relation to the MCA Platform (the "**Loan Referral Services Agreement**"). The Loan Broker has agreed to locate loan underwriters for Ranger Direct Lending Fund Trust and provide introductions to such underwriters. In consideration for its services, Ranger Direct Lending Fund Trust shall pay the Loan Broker a variable fee calculated by reference to the aggregate commitments in Debt Instruments it makes that are issued by Direct Lending Platforms that are introduced by the Loan Broker and the net returns Ranger Direct Lending Fund Trust receives in respect of such Debt Instruments. The Loan Referral Services Agreement is able to be terminated on 30 days written notice of either party provided that Ranger Direct Lending Fund Trust's payment obligations as described above shall survive termination. Each party has indemnified the other party against any losses arising out of the indemnifying party's breach of agreement. The Loan Referral Services Agreement is governed by the laws of the State of New York.

(xxx) A Platform Agreement (consisting of a loan purchase agreement and a servicing agreement) dated 29 April 2015 between Ranger Direct Lending Fund Trust and the Second Consumer Loans Platform pursuant to which the Second Consumer Loans Platform has agreed to sell to Ranger Direct Lending Fund Trust whole unsecured consumer loans which meet the defined investment selection criteria. Ranger Direct Lending Fund Trust is required to pay a servicing fee (calculated by reference to the payments made by borrowers pursuant to the underlying Debt Instruments) to the Consumer Loans Platform. In certain circumstances where the Consumer Loans Platform is in breach of the terms of the Platform Agreement in respect of a Debt Instrument sold to Ranger Direct Lending Fund Trust, it may be required to repurchase such Debt Instrument from Ranger Direct Lending Fund Trust. The Platform Agreement is terminable on 90 days' written notice served by either party. Each party has indemnified the other party against any losses arising out of the indemnifying party's material breach of agreement. Save in certain defined circumstances, the Second Consumer Loans Platform's liability under the servicing agreement is capped at the aggregate amount of fees paid to it

pursuant to the terms of that agreement. The Platform Agreement is governed by the laws of the State of New York.

(xxxi) A Platform Agreement (consisting of a master loan and security agreement) dated 28 August 2015 between Ranger Direct Lending Fund Trust and the Vehicle Services Contract Platform pursuant to which Ranger Direct Lending Fund Trust provides finance (through one or more promissory notes) to the Vehicle Services Contract Platform in order for the Vehicle Services Contract Platform to acquire Debt Instruments that meet certain defined investment selection criteria. The interest rate payable to Ranger Direct Lending Fund Trust under each promissory note is calculated by reference to the assessment of Debt Instruments underlying the relevant note and Ranger Direct Lending Fund Trust benefits from security over such Debt Instruments. In certain circumstances where the loan to value ratio of a promissory note falls below a defined threshold, the Vehicle Services Contract Platform shall be required to pay to Ranger Direct Lending Fund Trust such proportion of the outstanding principal under the promissory note as results in the loan to value ratio being equal to that defined threshold. The Vehicle Services Contract Platform shall be required to repay the outstanding principal in respect of the promissory notes in issue on the occurrence of certain events of default. Each party has indemnified the other party against any losses arising out of the indemnifying party's breach of agreement. The Platform Agreement is governed by the laws of the State of Delaware.

(xxxii) A Platform Agreement (consisting of a loan purchase agreement and a services agreement) dated 14 October 2015 between the Company and the International SME Loans Platform pursuant to which the International SME Loans Platform has agreed to sell to the Company whole SME loans which meet the defined underwriting criteria. the Company is required to pay a servicing fee (calculated by reference to the principal value of Debt Instruments being serviced) to the International SME Loans Platform. In certain circumstances where the International SME Loans Platform is in breach of the terms of the Platform Agreement in respect of a Debt Instrument sold to the Company, it may be required to repurchase such Debt Instrument from the Company. The Platform Agreement is terminable on 90 days' written notice served by either party provided that the International SME Loans Platform may not terminate the Platform Agreement until it has offered a defined amount of Debt Instruments to the Company. Each party has indemnified the other party against any losses arising out of the indemnifying party's breach of agreement. The Platform Agreement is governed by the laws of the Province of Ontario, Canada.

(xxxiii) A Platform Agreement (consisting of a side letter) dated 13 November 2015 between Ranger Direct Lending Fund Trust and the Second Invoice Factoring Platform pursuant to which the Second Invoice Factoring Platform has agreed to provide certain additional information in respect of Debt Instruments that are available for acquisition as a syndicate investment through the Second Invoice Factoring Platform's sales site. In certain circumstances where the Second Invoice Factoring Platform is in breach of the terms of the Platform Agreement in respect of a Debt Instrument that is participated in by Ranger Direct Lending Fund Trust, it may be required to repay the outstanding principal amount of the participation in such Debt Instrument to Ranger Direct Lending Fund Trust. Depending on the level of investment, Ranger Direct Lending Fund Trust pays servicing fees to the Second Invoice Factoring Platform in connection with syndicate Debt Instruments acquired pursuant to the Platform Agreement. The Platform Agreement is governed by the laws of the State of New York.

(xxxiv) A Platform Agreement (consisting of a master loan agreement, corresponding promissory notes, a parent guarantee, a principal limited guarantee, English law debenture, and an intercreditor agreement), each dated 31 December 2015 between the Company and the International MCA Platform, pursuant to which the Company provides finance (by acquiring MLSA Notes) to the International MCA Platform in order for the International MCA Platform to acquire Debt Instruments that meet certain defined underwriting criteria. The Company secures each MLSA Note attributable to the master loan agreement with a discreet pool of underlying Debt Instruments issued by the International MCA Platform; and the interest rate payable to the Company under each MLSA Note is fixed and due regardless of the performance of the underlying Debt Instruments securing such MLSA Note. In certain circumstances where the loan to value ratio of a MLSA Note falls below a defined threshold, the International MCA Platform shall be required to pay to RDLF such proportion of the outstanding principal under the MLSA Note as would result in the loan to value ratio being equal to that defined threshold. The International MCA Platform is required to repay the outstanding principal in respect of the

MLSA Notes in issue on the occurrence of certain events of default. Each party has indemnified the other party against any losses arising out of the indemnifying party's breach of agreement. The Platform Agreement is governed by the laws of the United Kingdom and Wales.

(xxxv) A Platform Agreement (consisting of a purchase and sale agreement and a servicing agreement) dated 19 August 2016 between Ranger Direct Lending Fund Trust and the SME Loans and Business Cash Advance Platform pursuant to which the SME Loans and Business Cash Advance Platform has agreed to sell whole business loans and receivables-based business financing transactions which meet certain defined underwriting criteria to Ranger Direct Lending Trust. Packages of such Debt Instruments will be offered to Ranger Direct Lending Trust periodically when an agreed threshold is met. Ranger Direct Lending Trust can then either elect to purchase the package, reject the package, or request that certain Debt Instruments are removed from the package before purchase (although the SME Loans and Business Cash Advance Platform is not obliged to agree to sell any amended package of Debt Instruments). In certain circumstances where the SME Loans and Business Cash Advance Platform is in breach of its representations and warranties in respect of any Debt Instrument sold to Ranger Direct Lending Fund, the SME Loans and Business Cash Advance Platform will be obliged to repurchase the Debt Instrument at the price originally paid by Ranger Direct Lending Fund in respect thereof (less any amounts already received by Ranger Direct Lending Fund pursuant to the Debt Instrument). In the event that Ranger Direct Lending Fund wishes to dispose of any Debt Instrument acquired from the SME Loans and Business Cash Advance Platform by selling it to certain of its competitors, the SME Loans and Business Cash Advance Platform will be entitled to a right of first refusal.

Ranger Direct Lending Trust is required to pay a monthly servicing fee, calculated as a percentage of the total amounts received by Ranger Direct Lending Trust each month to the SME Loans and Business Cash Advance Platform, along with any expenses incurred by the SME Loans and Business Cash Advance Platform (other than ordinary course overhead expenses). Each party to the Platform Agreement has indemnified the other in respect of any breach of its representations and warranties or otherwise of its obligations under the Platform Agreement and the liability of the SME Loans and Business Cash Advance Platform (and its respective officers, agents and affiliates) has been limited in certain circumstances.

The Platform Agreement is governed by the laws of the State of New York. The agreement has an initial term of twelve months and is terminable at will upon written notice served by either party.

(xxxvi) A Platform Agreement (consisting of a master participation agreement, a negative pledge agreement, a payment guarantee, a purchase agreement, a servicing agreement and a principal limited guarantee) between *inter alia* Ranger Direct Lending Fund Trust and the Secured Consumer Platform dated 4 October 2016 pursuant to which Ranger Direct Lending Trust has agreed to acquire Notes which reference loans to consumers for elective procedures which have been purchased or originated by the Secured Consumer Platform in accordance with agreed underwriting criteria. The Secured Consumer Platform primarily purchases the loans which are referenced by the Notes from an affiliate (the "**Secured Consumer Platform Servicer**"), which provides direct financing to consumers and which has also agreed to service the underlying loans referenced by the Notes pursuant to a servicing agreement between the Secured Consumer Platform and the Secured Consumer Platform Servicer.

Each Note acquired by Ranger Direct Lending Trust pursuant to the Platform Agreement will represent a maximum of 70 per cent. of the total face value of the underlying loan portfolio to which the Note relates, with the remaining 30 per cent. interest being held by the Secured Consumer Platform on a subordinated basis. In addition, the Secured Consumer Platform is required to repurchase any Note which relates to an underperforming loan in certain circumstances (such as breach of warranty in respect of the relevant underlying loan). The Secured Consumer Platform has agreed to indemnify Ranger Direct Lending Trust in respect of any breach of its representations and warranties or otherwise of certain of its obligations under the Platform Agreement.

The performance by the Secured Consumer Platform and the Secured Consumer Platform Servicer of their respective obligations under the Platform Agreement are secured by: (i) a payment guarantee granted by the Secured Consumer Platform Servicer in favour of Ranger Direct Lending Trust; (ii) a negative pledge granted by the Secured Consumer Platform Servicer

in favour of Ranger Direct Lending Trust; and (iii) a principal limited guarantee granted by the principal of the Secured Consumer Platform. In addition, the underlying loans which are referenced by the Notes may also be secured.

The Secured Consumer Platform Agreement has an initial term of five years, ending on 30 September 2021, although it may be terminated sooner by either party on 90 days' notice. It is governed by the laws of the State of Delaware (without regard to the conflict of laws principles thereof).

(b) Except with respect to the appointment letters entered into between the Company and each director, the Investment Management Agreement, the Loan Agreement and the Undertaking, the Company has not been a party to any related party transaction since its incorporation.

10. Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the period commencing 12 months before the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Company.

11. General

(a) The total costs (including fees and commissions) (exclusive of recoverable VAT) payable by the Company in connection with the Issue, Initial Admission and establishment of the Placing Programme are estimated to amount to up to £679,840 assuming Gross Issue Proceeds of £40 million. The estimated net cash proceeds accruing to the Company from the Issue are £39,320,160 (assuming 4 million C Shares are issued pursuant to the Issue). The Issue and the Placing Programme will represent a significant gross change to the Company. Under the Issue and the Placing Programme, on the basis that 20 million C Shares are to be issued at an issue price of £10 per C Share, the net assets of the Company would increase by approximately £196.6 million immediately after the final Programme Admission under the Placing Programme assuming that the expenses of the Issue and the Placing Programme do not exceed 1.7 per cent. of the estimated gross proceeds of the Issue and the Placing Programme of £200 million. Following completion of the Issue and any Subsequent Placing, the net proceeds of the relevant 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 Gross Assets in the form of dividends and interest.

(b) The C Shares issued pursuant to the Issue and any Subsequent Placing will convert into Ordinary Shares. The number of Ordinary Shares into which each C Share converts will be determined by the relative NAV per C Share and NAV per Ordinary Share at the Conversion Date. As a result of Conversion, the percentage of the total number of issued Ordinary Shares held by each existing holder of Ordinary Shares will be reduced to the extent that Shareholders do not acquire a sufficient number of C Shares under Issue or Subsequent Placing (as applicable).

(c) None of the Shares available under the Issue or any Subsequent Placing are being underwritten.

(d) The Initial Placing and each Subsequent Placing are being carried out on behalf of the Company by Liberum, Fidante Capital and Stone Mountain each of which is authorised and regulated in the United Kingdom by the Financial Conduct Authority (as appointed representative in the case of Stone Mountain).

(e) The Investment Manager may be a promoter of the Company. Save as disclosed in paragraph 9 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.

(f) Each of the Investment Manager and the Placing Agents has given and not withdrawn its written consent to the issue of this Prospectus with references to its name in the form and context in which such references appear. The telephone number of the Investment Manager is + 1 214 871 5200.

(g) The Investment Manager accepts responsibility for the information in Part II of this Prospectus under the headings "Investment structures for US Direct Lending Platforms" (on pages 58 to 62 of this Prospectus) and "Current Direct Lending Platform access and pipeline" (on pages 62 to 71 of this Prospectus). The Investment Manager has taken all reasonable care to ensure that the information contained in Part II of this Prospectus under the headings "Investment structures for US Direct Lending Platforms" and "Current Direct Lending Platform access and pipeline" is, to the best of its knowledge, in accordance with the facts and contains no omissions likely to affect its import.

(h) Where information contained in this Prospectus 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.

(i) The Company has no existing interests in real property and has no tangible fixed assets which are material to its business.

(j) The expected aggregate market value of the C Shares will be at least £700,000.

12. Documents Available for Inspection

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Travers Smith LLP, 10 Snow Hill, London EC1A 2AL up to and including the 20 November 2017:

(a) the statement of capital of the Company and the Articles;

(b) the letters of appointment referred to in this Part X;

(c) the letters of consent referred to in paragraph 11(f) above;

(d) the April 2015 Report and the December 2015 Report referred to in Part VIII of this Prospectus;

(e) the Interim Report referred to in Part VIII of this Prospectus; and

(f) this Prospectus.

This Prospectus is dated 21 November 2016.

PART XI

TERMS AND CONDITIONS OF THE OPEN OFFER

1. Introduction

The Record Date for entitlement under the Open Offer is close of business on 18 November 2016. Application Forms are expected to be posted to Existing Non-CREST Shareholders on or around 21 November 2016 and Open Offer Entitlements and Excess CREST Open Offer Entitlements are expected to be credited to stock accounts of Existing CREST Shareholders in CREST as soon as practicable after 8.00 a.m. on 22 November 2016. The latest time and date for receipt of completed Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate) is expected to be 11.00 a.m. on 12 December 2016 with Admission and commencement of dealings in C Shares expected to take place at 8.00 a.m. on 16 December 2016.

This Prospectus and, for Existing Non-CREST Shareholders only, the Application Form contain the formal terms and conditions of the Open Offer. Your attention is drawn to paragraph 4 of this Part XI which gives details of the procedure for application and payment for the C Shares available under the Open Offer.

The Open Offer is an opportunity for Existing Shareholders to apply for C Shares *pro rata* to their current holdings at the Issue Price of £10 per C Share in accordance with these terms and conditions.

The Excess Application Facility is an opportunity for Existing Shareholders who have applied for all of their Open Offer Entitlements to apply for additional C Shares. The Excess Application Facility will be comprised of such number of C Shares as may be allocated to the Excess Application Facility as determined by the Company that have not been allocated to Existing Shareholders under the Open Offer pursuant to their Open Offer Entitlements.

There is no limit on the number of C Shares that can be applied for by Existing Shareholders under the Excess Application Facility, save that the maximum amount of C Shares to be allotted under the Excess Application Facility shall be limited by the maximum size of the Issue less C Shares issued under the Open Offer pursuant to Existing Shareholders' Open Offer Entitlements and any C Shares that the Company may determine to issue under the Initial Placing. Allotments under the Excess Application Facility shall be allocated in such manner as the Company may determine, and no assurance can be given that applications by Existing Shareholders will be met in full or in part or at all.

Any Existing Shareholder who has sold or transferred all or part of his/her registered holding(s) of existing Ordinary Shares prior to 8.00 a.m. on 22 November 2016 is advised to consult his or her stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for C Shares under the Open Offer may be a benefit which may be claimed from him/her by the purchasers under the rules of the London Stock Exchange.

2. The Open Offer

Subject to the terms and conditions set out below (and, in the case of Existing Non-CREST Shareholders, in the Application Form), Existing Shareholders are being given the opportunity to apply for any number of C Shares at the Issue Price (payable in full on application and free of all expenses) up to a maximum of their Open Offer Entitlement which shall be calculated on the basis of:

1 C Share for every 6 Ordinary Shares held at close of business on 18 November 2016.

Subject to the terms and conditions set out below, applications by Existing Shareholders will be satisfied in full up to the amount of their individual Open Offer Entitlement.

Open Offer Entitlements will be rounded down to the nearest whole number and any fractional entitlements to C Shares will be disregarded in calculating Open Offer Entitlements. Fractions will be aggregated and made available to Existing Shareholders under the Excess Application Facility or the Initial Placing.

Existing Shareholders may apply to acquire less than their Open Offer Entitlement should they so wish. In addition, Existing Shareholders may apply to acquire additional C Shares using the Excess Application

Facility. Please refer to paragraphs 4.1(c) and 4.2(c) of this Part XI for further details of the Excess Application Facility.

If you are an Existing Non-CREST Shareholder, the Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date (in Box 6).

Existing CREST Shareholders will have Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST and should refer to paragraph 4.2 of this Part XI and also to the CREST Manual for further information on the relevant CREST procedures.

The Open Offer Entitlement, in the case of Existing Non-CREST Shareholders, is equal to the number of C Shares shown in Box 7 on the Application Form or, in the case of Existing CREST Shareholders, is equal to the number of their C Shares representing their Open Offer Entitlement standing to the credit of their stock account in CREST.

The Excess Application Facility enables Existing Shareholders to apply for any whole number of additional C Shares in excess of their Open Offer Entitlement. Existing Non-CREST Shareholders who wish to apply to subscribe for more than their Open Offer Entitlement should complete Box 3 on the Application Form. Excess applications may be allocated in such manner as the Company may determine and no assurance can be given that applications by Existing Shareholders will be met in full or in part or at all.

Existing Shareholders should be aware that the Open Offer is not a rights issue. Existing Non-CREST Shareholders should also note that their respective Application Forms are not negotiable documents and cannot be traded. Existing CREST Shareholders should note that, although their Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Existing Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear UK & Ireland's Claims Processing Unit. C Shares not applied for under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Existing Shareholders who do not apply to take up C Shares available under the Open Offer will have no rights under the Open Offer. Any C Shares which are not applied for in respect of the Open Offer may be allotted to Existing Shareholders to meet any valid applications under the Excess Application Facility or may be issued to the subscribers under the Initial Placing, with the proceeds retained for the benefit of the Company.

3. Conditions and further terms of the Open Offer

The Open Offer is conditional upon, *inter alia* (i) Initial Admission occurring and becoming effective by 8.00 a.m. on or prior to 16 December 2016 (or such later time and/or date, not being later than 8.00 a.m. on 23 December 2016, as the Company, Liberum, Fidante Capital and the Investment Manager may agree); (ii) the conditions for Initial Admission being achieved, including there being a sufficient number of C Shares held in public hands for the purposes of the Listing Rules; and (iii) the Placing Agreement becoming otherwise unconditional in all respects (other than in respect of any condition regarding Initial Admission) in relation to the Issue and not having been terminated in accordance with its terms on or before 8.00 a.m. on the date of the Initial Admission and the Company, Liberum and Fidante Capital agreeing to proceed with the Issue having regard to the number and amount of orders received.

Accordingly, if these conditions are not satisfied or waived (where capable of waiver) the Open Offer will not proceed and any applications made by Existing Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without payment of interest, as soon as practicable thereafter.

No temporary documents of title will be issued in respect of C Shares under the Open Offer held in uncertificated form. Definitive certificates in respect of C Shares taken up are expected to be posted to those Existing Shareholders who have validly elected to hold their C Shares in certificated form in the week commencing 19 December 2016. In respect of those Existing Shareholders who have validly elected to hold their C Shares in uncertificated form, the C Shares are expected to be credited to their stock accounts maintained in CREST on 16 December 2016.

4. Procedure for application and payment

The action to be taken by you in respect of the Open Offer depends on whether, at the relevant time, you have an Application Form in respect of your entitlement under the Open Offer or you have C Shares representing your Open Offer Entitlement and Excess CREST Open Offer Entitlement credited to your CREST stock account in respect of such entitlement.

Existing Shareholders who hold their existing Ordinary Shares in certificated form will be issued C Shares in certificated form. Existing Shareholders who hold part of their existing Ordinary Shares in uncertificated form will be issued C Shares in uncertificated form to the extent that their entitlement to C Shares arises as a result of holding existing Ordinary Shares in uncertificated form. However, it will be possible for Existing Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 4.2(g) of this Part XI.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

Existing Shareholders who do not want to apply for the C Shares under the Open Offer should take no action and should not complete or return the Application Form.

4.1 If you have an Application Form in respect of your entitlement under the Open Offer:

(a) *General*

Existing Non-CREST Shareholders will receive an Application Form. The Application Form shows the number of existing Ordinary Shares registered in their name on the Record Date in Box 6. It also shows the maximum number of C Shares for which they are entitled to apply under the Open Offer set out in Box 7. Box 8 shows how much they would need to pay if they wish to take up their Open Offer Entitlements in full. Any fractional entitlements to C Shares will be disregarded in calculating Open Offer Entitlements and will be aggregated and made available to Existing Shareholders under the Excess Application Facility. Any Existing Non-CREST Shareholders with fewer than 6 existing Ordinary Shares will not receive an Open Offer Entitlement but may apply for Excess Shares pursuant to the Excess Application Facility (see paragraph 4.1(c) of this Part XI). Existing Non-CREST Shareholders may apply for less than their entitlement should they wish to do so. Existing Non-CREST Shareholders may also hold such an Application Form by virtue of a *bona fide* market claim. Existing Non-CREST Shareholders may also apply for Excess Shares under the Excess Application Facility by completing Box 3 on the Application Form.

The instructions and other terms set out in the Application Form form part of the terms of the Open Offer in relation to Existing Non-CREST Shareholders.

(b) *Bona fide market claims*

Applications to acquire C Shares may only be made on the Application Form and may only be made by the Existing Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of existing Ordinary Shares through the market prior to the date upon which the existing Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer. Application Forms may not be assigned, transferred or split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 8 December 2016. The Application Form is not a negotiable document and cannot be separately traded. An Existing Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of existing Ordinary Shares prior to the date upon which the existing Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer should consult his broker or other professional adviser as soon as possible as the invitation to acquire C Shares under the Open Offer may be a benefit which may be claimed by the transferee. Existing Non-CREST Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 10 on the Application Form and immediately send it to the stockbroker, bank or

other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however be forwarded to or transmitted to any Excluded Overseas Shareholders. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 4.2(b) below.

(c) *Excess Application Facility*

Existing Shareholders may apply to acquire Excess Shares using the Excess Application Facility, should they wish. Existing Non-CREST Shareholders wishing to apply for Excess Shares may do so by completing Box 3 on the Application Form. The maximum number of C Shares to be allotted under the Excess Application Facility (the "**Maximum Excess Application Number**") shall be limited to: (a) the maximum size of the Issue; less (b) C Shares issued under the Open Offer pursuant to Existing Shareholders' Open Offer Entitlements and any C Shares that the Directors determine to issue under the Initial Placing. Applications under the Excess Application Facility shall be allocated by the Company and no assurance can be given that the applications by Existing Shareholders will be met in full or in part or at all. Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant's risk) without interest as soon as practicable thereafter by way of cheque or CREST payment, as appropriate.

All enquiries in connection with the procedure for application of Excess CREST Open Offer Entitlements should be made to Capita Asset Services on 0371 664 0321. 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. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(d) *Application procedures*

Existing Non-CREST Shareholders wishing to apply to acquire all or any of the C Shares should complete the Application Form in accordance with the instructions printed on it. Completed Application Forms should be posted in the accompanying pre-paid envelope for use within the UK only or returned by post or by hand (during normal business hours only) to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU (who will act as Receiving Agent in relation to the Open Offer) so as to be received by Capita Asset Services by no later than 11.00 a.m. on 12 December 2016, after which time Application Forms will not be valid. Existing Non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. If an Application Form is being sent by first-class post in the UK, Existing Shareholders are recommended to allow at least four working days for delivery.

All payments must be in Sterling and made by cheque or bankers' draft made payable to Capita Registrars Limited re: "Ranger Direct Lending Fund plc – Open Offer A/C" in respect of an Application and crossed "A/C Payee Only". Cheques or bankers' drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands 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 the appropriate sort code in the top right hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the back of the cheque or draft to such effect. The account name should be the same as that shown on the Application Form. Post-dated cheques will not be accepted. Third party cheques (other than building society cheques or bankers' drafts where the building society or bank has confirmed that the relevant Existing Shareholder has title to the underlying funds by printing the Existing Shareholder's name on the back of the draft and adding the branch stamp) will be subject to the Money Laundering

Regulations which will delay Shareholders receiving their C Shares (please see paragraph 5 below).

Cheques or bankers' drafts will be presented for payment upon receipt. Funds will be held in a non-interest bearing account and no interest will be paid on payments. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and bankers' drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

If cheques or bankers' drafts are presented for payment before the conditions to the Open Offer are fulfilled, the application monies will be kept in a separate non-interest bearing bank account. If the Open Offer does not become unconditional, no C Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Open Offer.

The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

(i) Application Forms received after 11.00 a.m. on 12 December 2016; or

(ii) applications in respect of which remittances are received before 11.00 a.m. on 12 December 2016 from authorised persons (as defined in FSMA) specifying the C Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

(e) *Effect of application*

By completing and delivering an Application Form, the applicant:

(i) represents and warrants to the Company that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer or the Excess Application Facility, as the case may be, and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for C Shares or acting on behalf of any such person on a non-discretionary basis;

(ii) agrees with the Company that all applications and contracts resulting therefrom under the Open Offer and the Excess Application Facility and any non-contractual obligations arising under or in connection therewith shall be governed by and construed in accordance with the laws of England and Wales;

(iii) confirms to the Company that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this Prospectus, and the applicant accordingly agrees that no person responsible solely or jointly for this Prospectus or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this Prospectus, he will be deemed to have had notice of all information in relation to the Company and the C Shares contained in this Prospectus;

(iv) represents and warrants to the Company that he is the Existing Shareholder originally entitled to the Open Offer Entitlement or that he received such Open Offer Entitlement by virtue of a *bona fide* market claim;

(v) represents and warrants to the Company that if he has received some or all of his Open Offer Entitlement from a person other than the Company he is entitled to apply under the Open Offer in relation to such Open Offer Entitlement by virtue of a *bona fide* market claim;

(vi) requests that the C Shares to which he will become entitled be issued to him on the terms set out in this Prospectus and the Application Form, subject to the Articles;

(vii) represents and warrants to the Company that he is not, nor is he applying on behalf of any Excluded Overseas Shareholder or a person in any jurisdiction in which the application for C Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the C Shares which are the subject of his application in the United States or to any Excluded Overseas Shareholder or a person in any jurisdiction in which the application for C Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor person(s) otherwise prevented by legal or regulatory restrictions from applying for C Shares under the Open Offer or the Excess Application Facility;

(viii) represents and warrants to the Company that he is not, and nor is he 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 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986;

(ix) confirms that in making the application he is not relying and has not relied on any Placing Agent or any person affiliated with them in connection with any investigation of the accuracy of any information contained in this Prospectus or his investment decision;

(x) acknowledges and agrees that, if a supplementary prospectus is issued by the Company in respect of an amendment to the Issue Price then, subject to the applicant not exercising his right to withdraw his application under section 87G of FSMA, the application will be treated as being for such number of C Shares as equals the cash amount of the original application divided by the new Issue Price; and

(xi) confirms that he has read and complied with paragraphs 5 and 6 of this Part XI below.

All enquiries in connection with the procedure for application and completion of the Application Form should be addressed to the Receiving Agent, at Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU or by calling Capita Asset Services on 0371 664 0321. 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. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Existing Non-CREST Shareholders who do not want to take up or apply for the C Shares under the Open Offer should take no action and should not complete or return the Application Form.

4.2 If you have Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer:

(a) *General*

Each Existing CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlement equal to the maximum number of C Shares for which he is entitled to apply to acquire under the Open Offer. Entitlements to C Shares will be rounded down to the nearest whole number and any fractional Open Offer Entitlement will therefore also be rounded down. Any fractional entitlements to C Shares will be disregarded in calculating Open Offer Entitlements and will be aggregated and made available to Existing Shareholders under the Excess Application Facility.

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the existing Ordinary Shares held on the Record Date by the Existing CREST Shareholder in respect of which the Open Offer Entitlement and Excess CREST Open Offer Entitlement have been allocated.

If for any reason the Open Offer Entitlements and/or Excess CREST Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Existing CREST Shareholders cannot

be credited by, 22 November 2016, or such later time and/or date as the Company may decide, an Application Form will be sent to each Existing CREST Shareholder in substitution for the Open Offer Entitlement and Excess CREST Open Offer Entitlement which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this Prospectus will be adjusted as appropriate and the provisions of this Prospectus applicable to Existing Non-CREST Shareholders will apply to Existing CREST Shareholders who receive such Application Forms.

CREST members who wish to apply to acquire some or all of their entitlements to C Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact Capita Asset Services on 0371 664 0321. 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. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Please note Capita Asset Services cannot provide financial advice on the merits of the Open Offer or as to whether applicants should take up their Open Offer Entitlements or Excess CREST Open Offer Entitlements. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for C Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

(b) *Bona fide market claim*

Each of the Open Offer Entitlements and the Excess CREST Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements and the Excess CREST Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and the Excess CREST Open Offer Entitlements may only be made by the Existing Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the Euroclear UK & Ireland's Claims Processing Unit as "cum" the Open Offer Entitlement and the Excess CREST Open Offer Entitlements will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) and Excess CREST Open Offer Entitlement(s) will thereafter be transferred accordingly.

An Existing CREST Shareholder that, as a result of a *bona fide* market claim has received a shortfall of Excess CREST Open Offer Entitlements to their CREST account and would like to apply for a larger number of Excess CREST Open Offer Entitlements should contact Capita Asset Services and arrange for a further credit of Excess CREST Open Offer Entitlements to be made, subject at all times to the maximum number of Excess CREST Open Offer Entitlements available.

(c) *Excess Application Facility*

Existing Shareholders may apply to acquire Excess Shares using the Excess Application Facility, should they wish. The Excess Application Facility enables Existing CREST Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement.

An Excess CREST Open Offer Entitlement may not be sold or otherwise transferred. The CREST accounts of Existing CREST Shareholders will be credited with an Excess CREST Open Offer Entitlement in order for any applications for Excess Shares to be settled through CREST.

Existing CREST Shareholders should note that, although the Open Offer Entitlements and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities (for the purposes of market claims only). Neither the Open Offer Entitlements nor the Excess CREST Open Offer Entitlements will be tradable or listed and applications in respect of the Open Offer may only be made by the Existing Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

To apply for Excess Shares pursuant to the Excess Application Facility, Existing CREST Shareholders should follow the instructions in paragraph 4.2(f) below and must not return a paper form and cheque.

Should a transaction be identified by the Euroclear UK & Ireland's Claims Processing Unit as "cum" the Open Offer Entitlement and the relevant Open Offer Entitlement be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Open Offer Entitlement claim, but will be transferred as a separate claim. Should an Existing CREST Shareholder cease to hold all of his existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess CREST Open Offer Entitlement credited to CREST and allocated to the relevant Existing Shareholder will be transferred to the purchaser. Please note that a separate USE Instruction must be sent in respect of any application under the Excess CREST Open Offer Entitlement.

A credit of 2,474,775 Excess CREST Open Offer Entitlements will be made to each Existing CREST Shareholder; if an Existing CREST Shareholder would like to apply for a larger Excess CREST Open Offer Entitlement such Existing CREST Shareholder should contact Capita Asset Services and arrange for a further credit of Excess CREST Open Offer Entitlements to be made, subject at all times to the maximum number of Excess CREST Open Offer Entitlements available.

All enquiries in connection with the procedure for applications in respect of Excess CREST Open Offer Entitlements should be made to Capita Asset Services on 0371 664 0321. 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. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(d) *USE Instructions*

Existing CREST Shareholders who are CREST members and who want to apply for C Shares in respect of all or some of their Open Offer Entitlements and/or Excess CREST Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE Instruction to Euroclear UK & Ireland which, on its settlement, will have the following effect:

(i) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with the number of Open Offer Entitlements and Excess CREST Open Offer Entitlements corresponding to the number of C Shares applied for; and

(ii) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE Instruction which must be the full amount payable on application for the number of C Shares referred to in paragraph (d)(i) above.

(e) *Content of USE Instruction in respect of Open Offer Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear UK & Ireland's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

(i) the number of C Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Receiving Agent);

(ii) the ISIN of the Open Offer Entitlement, which is GB00BYVGLH80;

(iii) the CREST participant ID of the accepting CREST member;

(iv) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;

(v) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent, which is 7RA33:

(vi) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent, which is 28968RAN;

(vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of C Shares referred to in paragraph (e)(i) above;

(viii) the intended settlement date, which must be on or before 11.00 a.m. on 12 December 2016; and

(ix) the Corporate Action Number for the Open Offer, which will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 12 December 2016.

In order to assist prompt settlement of the USE Instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction:

(i) a contact name and telephone number (in the free format shared note field); and

(ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 12 December 2016 in order to be valid is 11.00 a.m. on that day.

If the Open Offer does not become unconditional by 8.00 a.m. on 16 December 2016 or such later time and date as the Company, Liberum, Fidante Capital and the Investment Manager determine, the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by an Existing CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

(f) *Content of USE Instruction in respect of Excess CREST Open Offer Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear UK & Ireland's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

(i) the number of Excess Shares for which the application is being made (and hence the number of the Excess CREST Open Offer Entitlement(s) being delivered to the Receiving Agent);

(ii) the ISIN of the Excess CREST Open Offer Entitlement, which is GB00BYVGLX49;

(iii) the CREST participant ID of the accepting CREST member;

(iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;

(v) the participant ID of the Receiving Agent in its capacity as Receiving Agent, which is 7RA33;

(vi) the member account ID of the Receiving Agent in its capacity as Receiving Agent, which is 28968RAN;

(vii) the amount payable by means of a CREST payment on settlement of the USE Instruction, which must be the full amount payable on application for the number of Excess Shares referred to in paragraph (f)(i) above;

(viii) the intended settlement date, which must be on or before 11.00 a.m. on 12 December 2016; and

(ix) the Corporate Action Number for the Open Offer, which will be available by viewing the relevant corporate action details in CREST.

In order for the application in respect of an Excess CREST Open Offer Entitlement under the Excess Application Facility to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 12 December 2016.

In order to assist prompt settlement of the USE Instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction:

(i) a contact name and telephone number (in the free format shared note field); and

(ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 12 December 2016 in order to be valid is 11.00 a.m. on that day. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess CREST Open Offer Entitlement security.

If the Open Offer does not become unconditional by 8.00 a.m. on 16 December 2016 or such later time and date as the Company and the Placing Agents determine, the Open Offer and the Excess Application Facility will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by an Existing CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

(g) *Deposit of Open Offer Entitlements into, and withdrawal from, CREST*

An Existing Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Existing Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim). Similarly, Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlement and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 12 December 2016. After depositing their Open Offer Entitlement into their CREST account, CREST holders will, shortly after that, receive a credit for their Excess CREST Open Offer Entitlement, which will be managed by Capita Asset Services.

In particular, having regard to normal processing times in CREST and on the part of Capita Asset Services, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as an Open Offer Entitlement and Excess CREST Open Offer Entitlements in CREST, is 3.00 p.m. on 7 December 2016 and the recommended latest time for receipt by Euroclear UK & Ireland of a dematerialised instruction requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST is 4.30 p.m. on 6 December 2016 in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and Excess CREST Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and Excess CREST Open Offer Entitlements prior to 11.00 a.m. on 12 December 2016. CREST holders inputting the withdrawal of their Open Offer Entitlement from their CREST account must ensure that they withdraw both their Open Offer Entitlement and the Excess CREST Open Offer Entitlement.

Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Existing Shareholder named in the Application Form or into the name of another person in respect of a *bona fide* market claim, shall constitute a representation and warranty to the Company and Capita Asset Services by the relevant CREST member(s) that it/they is/are not In breach of the provisions of the notes under the paragraph headed "Instructions for depositing entitlements under the Open Offer into CREST" in the Application Form, and a declaration to the Company and the Registrar from the relevant CREST member(s) that it/they is/are not an Excluded Overseas Shareholder or a person in any jurisdiction in which the application for C Shares is prevented by law and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer or the Excess Application Facility by virtue of a *bona fide* market claim.

(h) *Validity of application*

USE Instructions complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 12 December 2016 will constitute valid applications under the Open Offer.

(i) *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear UK & Ireland does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE Instruction and its settlement in connection with the Open Offer and the Excess Application Facility. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 12 December 2016. In this connection CREST members and (where applicable) their CREST sponsors are referred In particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(j) *Incorrect or incomplete applications*

If a USE Instruction includes a CREST payment for an incorrect sum, the Company, through the Receiving Agent, reserves the right:

(i) to reject the application in full and refund the payment to the CREST member in question (without interest);

(ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of C Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and

(iii) in the case that an excess sum is paid, to treat the application as a valid application for all the C Shares referred to in the USE Instruction, refunding any unutilised sum to the CREST member in question (without Interest).

(k) *Effect of valid application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures thereby:

(i) represents and warrants to the Company that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer or the Excess Application Facility, as the case may be, and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for C Shares or acting on behalf of any such person on a non-discretionary basis;

(ii) agrees with the Company to pay the amount payable on application in accordance with the above procedures by means of a CREST payment In accordance with the CREST payment arrangements (it being acknowledged that the payment to Capita Registrar's

payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);

(iii) agrees with the Company that all applications and contracts resulting therefrom under the Open Offer and the Excess Application Facility and any non-contractual obligations arising under or in connection therewith shall be governed by, and construed in accordance with, the laws of England and Wales;

(iv) confirms to the Company that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this Prospectus, and the applicant accordingly agrees that no person responsible solely or jointly for this Prospectus or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this Prospectus, he will be deemed to have had notice of all the information in relation to the Company and the C Shares contained in this Prospectus;

(v) represents and warrants to the Company that he is the Existing Shareholder originally entitled to the Open Offer Entitlement and Excess CREST Open Offer Entitlement or that he has received such Open Offer Entitlement and Excess CREST Open Offer Entitlement by virtue of a *bona fide* market claim;

(vi) represents and warrants to the Company that if he has received some or all of his Open Offer Entitlement and Excess CREST Open Offer Entitlement from a person other than the Company, he is entitled to apply under the Open Offer and the Excess Application Facility in relation to such Open Offer Entitlement and Excess CREST Open Offer Entitlement by virtue of a *bona fide* market claim;

(vii) subject to certain limited exceptions, requests that the C Shares to which he will become entitled be issued to him on the terms set out in this Prospectus, subject to the Articles;

(viii) represents and warrants to the Company that he is not, nor is he applying on behalf of any Shareholder who is an Excluded Overseas Shareholder or a person in any jurisdiction in which the application for C Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the C Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any other Excluded Territory or any jurisdiction in which the application for C Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non- discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for C Shares under the Open Offer or the Excess Application Facility;

(ix) represents and warrants that he is not, and nor is he 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 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986;

(x) confirms that in making the application he is not relying and has not relied on the Placing Agents or any person affiliated with them in connection with any investigation of the accuracy of any information contained in this Prospectus or his investment decision;

(xi) acknowledges and agrees that, if a supplementary prospectus is issued by the Company in respect of an amendment to the Issue Price then, subject to the CREST member not exercising his right to withdraw his application under section 87G of FSMA, the application will be treated as being for such number of C Shares as equals the cash amount of the original application divided by the new Issue Price; and

(xii) confirms that he has read and complied with paragraphs 5 and 6 of this Part XI,

(l) *Company's discretion as to the rejection and validity of applications.*

The Company may in its sole discretion:

(i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in these terms and conditions;

(ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE Instruction and subject to such further terms and conditions as the Company may determine;

(iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or Capita Asset Services has received actual notice from Euroclear UK & Ireland of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and

(iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE Instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for C Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

(m) *Lapse of the Open Offer*

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 16 December 2016 or such later time and date as the Company, Liberum, Fidante Capital and the Investment Manager may agree, the Open Offer and the Excess Application Facility will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by an Existing CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

5. Representations, Warranties and Undertakings

5.1 By agreeing to subscribe for C Shares under the Open Offer, each Existing Shareholder which enters into a commitment to subscribe for C Shares will, in addition to the representations, warranties, undertakings and acknowledgments given by it in paragraph 4.1(e) above (if it is an Existing Non-CREST Shareholder) or in paragraph 4.2(k) above (if it is an Existing CREST Shareholder), (for itself and for any person(s) procured by it to subscribe for C Shares and any nominee(s) for any such person(s)) be deemed to acknowledge, understand, undertake, represent and warrant to each of the Company, the Investment Manager, the Registrar and the Receiving Agent that:

5.1.1 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for C Shares under the Open Offer, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any such territory or jurisdiction and that it has not taken any action or omitted to take any action which will or might reasonably be expected to result in the Company, the Investment Manager, the Registrar 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 the United Kingdom in connection with the Open Offer;

5.1.2 where it is subscribing for C Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the C Shares for

each such account; (ii) to make on each such account's behalf the undertakings, acknowledgements, representations, warranties and agreements set out in this Prospectus and any supplementary prospectus issued by the Company; and (iii) to receive on behalf of each such account any documentation relating to Open Offer in the form provided by the Company. It agrees that the provision of this paragraph shall survive any resale of the C Shares by or on behalf of any such account; and

5.1.3 the representations, undertakings and warranties contained in this Part XI are irrevocable. It acknowledges that the Company and its affiliates will rely upon the truth and accuracy of the foregoing representations, warranties and undertakings and it agrees that if any of the representations or warranties or undertakings made or deemed to have been made by its subscription of the C Shares under the Open Offer are no longer accurate, it shall promptly notify the Company.

6. Purchase and Transfer restrictions concerning US Securities Law

6.1 By participating in the Open Offer, each Existing Shareholder acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for C Shares and any nominee(s) for any such person(s)) be deemed to acknowledge, understand, undertake, represent and warrant to each of the Company, the Investment Manager, the Registrar and the Receiving Agent that:

6.1.1 (i) the C Shares have not been and will not be registered under the Securities Act; (ii) it is not a US Person (as defined in Regulation S) and is purchasing the C Shares in an "offshore transaction" as defined in and pursuant to Regulation S; (iii) the Company has not registered, and does not intend to register, as an investment company under the Investment Company Act and the C Shares may only be transferred to persons reasonably believed to be QIBs and QPs under circumstances which will not result in the Company being required to register under the Investment Company Act and (iv) that, in each case, it agrees to sell, transfer, assign, pledge or otherwise dispose of the C Shares in offshore transactions in compliance with Regulation S (which includes, for the avoidance of doubt, any *bona fide* sale on the London Stock Exchange's Main Market for listed securities) or to persons reasonably believed to be QIBs and QPs in transactions that are exempt from registration under the Securities Act and do not require the Company to register under the Investment Company Act;

6.1.2 it acknowledges that the Company has put in place transfer and offering restrictions with respect to persons located in the United States and US-persons (as defined in Regulation S) to ensure that the Company will not be required to register as an investment company;

6.1.3 it will not be entitled to the benefits of the US Investment Company Act;

6.1.4 it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus (and will not distribute, forward, transfer or otherwise transmit any supplementary prospectus issued by the Company) or any other offering, marketing or other material in connection with the Issue or the C Shares to any persons within the United States or to any US Person, nor will it do any of the foregoing;

6.1.5 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 C Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an "employee benefit plan" as defined in Section 3(3) of the United States Employee Retirement Income Security Act of 1974 as amended (for the purposes of this Part IX, "**ERISA**") that is subject to Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the United States Internal Revenue Code of 1986, as amended (for the purposes of this Part IX, the "US Internal Revenue Code"), including an individual retirement account or other arrangement that is subject to Section 4975 of the US 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 US Internal Revenue Code. In addition, if an Existing Shareholder 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 US Internal

Revenue Code, its purchase, holding, and disposition of the C Shares must not constitute or result in a non-exempt violation of any such substantially similar law; and

6.1.6 the Company reserve the right to make inquiries of any holder of the C Shares or interests therein at any time as to such person's status under the US federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under the US securities laws to transfer such C Shares or interests in accordance with the Articles (as amended from time to time).

7. Anti-money laundering regulations

7.1 Holders of Application Forms

To ensure compliance with the Money Laundering Regulations, the Registrar and/or the Receiving Agent may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Application Form is lodged with payment (which requirements are referred to below as the "verification of identity requirements"). If the Application Form is submitted by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Registrar or Receiving Agent, In such case, the lodging agent's stamp should be inserted on the Application Form.

The person lodging the Application Form with payment and in accordance with the other terms as described above (the "acceptor"), including any person who appears to the Registrar to be acting on behalf of some other person, accepts the Open Offer in respect of such number of C Shares as is referred to therein (for the purposes of this paragraph 7 the "relevant C Shares") shall thereby be deemed to agree to provide the Registrar with such information and other evidence as the Registrar may require to satisfy the verification of identity requirements.

If Capita Asset Services determines that the verification of identity requirements apply to any acceptor or application, the relevant C Shares (notwithstanding any other term of the Open Offer) will not be issued to the relevant acceptor unless and until the verification of identity requirements have been satisfied in respect of that acceptor or application. The Registrar and/ or the Receiving Agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any acceptor or application and whether such requirements have been satisfied, and neither Capita Asset Services nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable time following a request for verification of identity, the Registrar has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the monies payable on acceptance of the Open Offer or under the Excess Application Facility will be returned (at the acceptor's risk) without interest to the account of the bank or building society on which the relevant cheque or bankers' draft was drawn.

Submission of an Application Form with the appropriate remittance will constitute a warranty to each of the Company, the Registrar and the Receiving Agent from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

The verification of identity requirements will not usually apply:

(a) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system for the purpose of money laundering and terrorist financing (no. 2005/60/EC));

(b) if the acceptor is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;

(c) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant's name; or

(d) if the aggregate subscription price for the C Shares is less than €15,000 or approximately £10,100.

In other cases the verification of identity requirements may apply. Satisfaction of these requirements may be facilitated in the following ways:

(a) if payment is made by cheque or bankers' draft in Sterling drawn on a branch in the United Kingdom of a bank or building society which bears a UK bank sort code number in the top right hand corner the following applies. Cheques should be made payable to Capita Registrars Limited re: "Ranger Direct Lending Fund plc – Open Offer A/C" In respect of an Application and crossed "A/C Payee Only". Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque/bankers' draft to such effect. The account name should be the same as that shown on the Application Form; or

(b) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in (I) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which are Argentina, Australia, Brazil, Canada, China, Gibraltar, Hong Kong, Iceland, India, Japan, Mexico, New Zealand, Norway, Russian Federation, Republic of Korea, Singapore, South Africa, Switzerland, Turkey, U.K. Crown Dependencies and the U.S. and, by virtue of their membership of the Gulf Cooperation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should provide with the Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to Capita Asset Services. If the agent is not such an organisation, it should contact Capita Asset Services.

To confirm the acceptability of any written assurance referred to in (b) above, or in any other case, the acceptor should contact Capita Asset Services by telephone on 0371 664 0321. 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. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

If the Application Form(s) is/are in respect of C Shares with an aggregate subscription price of €15,000 or approximately £10,100 or more and is/are lodged by hand by the acceptor in person, or if the Application Form(s) in respect of C Shares is/are lodged by hand by the acceptor and the accompanying payment is not the acceptor's own cheque, he or she should ensure that he or she has with him or her evidence of identity bearing his or her photograph (for example, his or her passport) and separate evidence of his or her address.

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11.00 a.m. on 12 December 2016, Capita Asset Services has not received evidence satisfactory to it as aforesaid, Capita Asset Services may, at its discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the drawee bank or building society from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

7.2 Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST

If you hold your Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST and apply for C Shares in respect of all or some of your Open Offer Entitlements and Excess CREST Open Offer Entitlements as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a U.K. financial institution), then irrespective of the value of the application, Capita Asset Services is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact Capita Asset Services before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE Instruction (which on its settlement constitutes a valid application as described above) constitutes a warranty and undertaking by the applicant to provide promptly to Capita Asset Services such information as may be specified by Capita Asset Services as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to Capita Asset Services as to identity, Capita Asset Services may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the C Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the C Shares represented by the USE Instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

8. Admission, settlement and dealings

The result of the Open Offer is expected to be announced on 13 December 2016. Applications will be made to the U.K. Listing Authority for the C Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for the C Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Initial Admission will become effective and that dealings in the C Shares, fully paid, will commence at 8.00 a.m. on 16 December 2016.

The existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the Ordinary Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 12 December 2016 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, C Shares will be issued in uncertificated form to those persons who submitted a valid application for C Shares by utilising the CREST application procedures and whose applications have been accepted by the Company. The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE Instruction was given.

Notwithstanding any other provision of this Prospectus, the Company reserves the right to send Existing CREST Shareholders an Application Form instead of crediting the relevant stock account with Open Offer Entitlements and Excess CREST Open Offer Entitlements, and to allot and/or issue any C Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

For Existing Non-CREST Shareholders who have applied by using an Application Form, share certificates in respect of the C Shares validly applied for are expected to be despatched by post in the week commencing 19 December 2016. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers will be certified against the share register of the Company. All documents or remittances sent by or to applicants, or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Existing Non-CREST Shareholders are referred to paragraph 4.1 above and their respective Application Form.

9. Times and dates

The Company shall in agreement with the Placing Agents and after consultation with its financial and legal advisers, be entitled to amend the dates that Application Forms are despatched or amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this Prospectus and in such circumstances shall notify the UK Listing Authority, and make an announcement on a Regulatory Information Service and, if appropriate, to Shareholders but Existing Shareholders may not receive any further written communication. If a supplementary prospectus is issued by the Company two or fewer Business Days prior to the latest time and date for acceptance and payment in full under the Open Offer specified in this Prospectus, the latest date for acceptance under the Open Offer shall be extended to the date that is three Business Days after the date of issue of the supplementary prospectus (and the dates and times of principal events due to take place following such date shall be extended accordingly).

10. Governing law and jurisdiction

The terms and conditions of the Open Offer and the Excess Application Facility as set out in this Prospectus, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, English law. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer and the Excess Application Facility, this Prospectus or the Application Form. By taking up C Shares in accordance with the instructions set out in this Prospectus and, where applicable, the Application Form, Existing Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive 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.

11. Further information

Your attention is drawn to the further information set out in this Prospectus and also, in the case of Existing Non-CREST Shareholders and other Existing Shareholders to whom the Company has sent Application Forms, to the terms, conditions and other information printed on the Application Form.

PART XII

TERMS AND CONDITIONS OF THE INITIAL PLACING AND THE PLACING PROGRAMME

1. Introduction

Each investor which confirms its agreement to Liberum, Fidante Capital, Stone Mountain and Pershing Securities Limited ("**PSL**") acting as settlement agent of Fidante Capital in connection with the Initial Placing and/or any Subsequent Placing to subscribe for Ordinary Shares and/or C Shares under the Initial Placing and/or any Subsequent Placing (as applicable) (for the purposes of this Part XII, a "**Placee**") will be bound by these terms and conditions and will be deemed to have accepted them.

Each of the Company and/or any Placing Agent, as applicable, may require a Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and/or may require any such Placee to execute a separate placing letter (for the purposes of this Part XII, a "**Placing Letter**"). The terms of this Part XII will, where applicable, be deemed to be incorporated into that Placing Letter.

2. Agreement to Subscribe for Ordinary Shares/C Shares

Conditional on, amongst other things: (i) Initial Admission occurring and becoming effective by 8.00 a.m. on or prior to 16 December 2016 (or such later time and/or date, not being later than 8.00 a.m. on 23 December 2016, as the Company, Liberum, Fidante Capital and the Investment Manager may agree) or the relevant Programme Admission occurring in respect of any Subsequent Placing not later than 8.00 a.m. on such date as may be agreed between the Company, the Investment Manager and the relevant Placing Agents prior to the closing of the Subsequent Placing, not being later than 20 November 2017; (ii) in the case of any issue under a Subsequent Placing, to the extent required by the Prospectus Rules and FSMA, a valid supplementary prospectus being published by the Company; (iii) the Placing Agreement becoming otherwise unconditional in all respects (other than in respect of any condition regarding Initial Admission or any Programme Admission (as the case may be)) in relation to the relevant issue and not having been terminated in accordance with its terms on or before 8.00 a.m. on the date of the Initial Admission or the relevant Programme Admission, as applicable; and (iv) the relevant Placing Agent confirming to the Placees their allocation of Ordinary Shares or C Shares, as applicable, a Placee agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares and/or C Shares allocated to it by the relevant Placing Agent at the Issue Price or the applicable Placing Programme Price (as the case may be). 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.

Multiple applications or suspected multiple applications on behalf of a single investor are liable to be rejected.

Fractions of Shares will not be issued.

3. Payment for Ordinary Shares/C Shares

Each Placee undertakes to pay in full the Issue Price or the Placing Programme Price, as applicable, for the Ordinary Shares or C Shares issued to such Placee in the manner and by the time directed by the relevant Placing Agent, as applicable. In the event of any failure by a Placee to pay as so directed and/or by the time required by the relevant Placing Agent, as applicable, the relevant Placee shall be deemed hereby to have irrevocably and unconditionally appointed the relevant Placing Agent or any nominee of the relevant Placing Agent as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the Ordinary Shares or C Shares (as applicable) in respect of which payment shall not have been made as directed, and to indemnify the relevant Placing Agent and its respective affiliates on demand in respect of any liability for stamp duty and/or stamp duty reserve tax or any other liability whatsoever arising in respect of any such sale or sales.

A sale of all or any of such Ordinary Shares or C Shares shall not release the relevant Placee from the obligation to make such payment for relevant Ordinary Shares or C Shares to the extent that the relevant Placing Agent or its nominee has failed to sell such Ordinary Shares or C Shares at a consideration which, after deduction of the expenses of such sale and payment of stamp duty and/or stamp duty reserve tax as aforementioned, is equal to or exceeds the Issue Price or the applicable Placing Programme Price.

4. Representations, Warranties and Undertakings

4.1 By agreeing to subscribe for Ordinary Shares or C Shares (as applicable), each Placee which enters into a commitment to subscribe for Ordinary Shares or C Shares (as applicable) (for the purposes of this Part XII, a "**Placing Commitment**") will (for itself and for any person(s) procured by it to subscribe for Ordinary Shares or C Shares (as applicable) and any nominee(s) for any such person(s)) be deemed to acknowledge, understand, undertake, represent and warrant to each of the Company, the Investment Manager, the Registrar, PSL and the relevant Placing Agent, that:

4.1.1 in agreeing to subscribe for Ordinary Shares or C Shares (as applicable) under the Initial Placing and/or any Subsequent Placing, it is relying solely on this Prospectus and any supplementary prospectus issued by the Company prior to Initial Admission or the relevant Programme Admission (as applicable) and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the Ordinary Shares, the C Shares or the Initial Placing and/or any Subsequent Placing. It agrees that none of the Company, the Investment Manager, the Registrar, PSL or the relevant Placing Agent, nor any of their respective officers, agents, employees or affiliates, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have against any such persons in respect of any other information or representation;

4.1.2 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Ordinary Shares or C Shares under the Initial Placing and/or any Subsequent Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any such territory or jurisdiction and that it has not taken any action or omitted to take any action which will or might reasonably be expected to result in the Company, the Investment Manager, the Registrar, PSL or the relevant Placing 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 the United Kingdom in connection with the Initial Placing and/or any Subsequent Placing;

4.1.3 it has carefully read and understands this Prospectus (and any supplementary prospectus issued by the Company prior to Initial Admission or the relevant Programme Admission (as applicable)) in its entirety and acknowledges that it is acquiring Ordinary Shares and/or C Shares on the terms and subject to the conditions set out in this Part XII and, as applicable, in the contract note or placing confirmation, as applicable, referred to in paragraph 4.1.11 of this Part XII (for the purposes of this Part XII, the "**Contract Note**" or the "**Placing Confirmation**") and the Placing Letter (if any) and the Articles as in force at the date of First Admission or the relevant Programme Admission (as applicable);

4.1.4 it has not relied on the relevant Placing Agent, or any person affiliated with the relevant Placing Agent in connection with any investigation of the accuracy of any information contained in this Prospectus or any supplementary prospectus issued by the Company;

4.1.5 the content of this Prospectus and any supplementary prospectus issued by the Company is exclusively the responsibility of the Company and its Directors and neither the relevant Placing Agent, the Investment Manager, the Registrar, PSL nor any person acting on their behalf nor any of their affiliates are responsible for or shall have any liability for any information, representation or statement contained in this Prospectus (and any such supplementary prospectus issued by the Company) or any information previously published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Initial Placing and/or any Subsequent Placing based on any information, representation or statement contained in this Prospectus or any supplementary prospectus issued by the Company or otherwise;

4.1.6 no person is authorised in connection with the Initial Placing and/or any Subsequent Placing to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus issued by the Company prior to the date of Initial Admission or the relevant Programme Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the relevant Placing Agent, the Company, the Investment Manager or the Registrar;

4.1.7 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;

4.1.8 the price per Ordinary Share and/or C Share is fixed at the Issue Price or the Placing Programme Price (which shall be £10 in respect of any C Shares) as applicable and is payable to the relevant Placing Agent on behalf of the Company in accordance with the terms of this Part XII and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any);

4.1.9 it has the funds available to pay in full for the Ordinary Shares or C Shares for which it has agreed to subscribe pursuant to its Placing Commitment and that it will pay the total subscription in accordance with the terms set out in this Part XII and, as applicable, as set out in the Contract Note or Placing Confirmation and the Placing Letter (if any) on the due time and date;

4.1.10 its commitment to acquire Ordinary Shares and/or C Shares under the Initial Placing and/or any Subsequent Placing will be agreed orally with the relevant Placing Agent as agent for the Company and that a Contract Note or Placing Confirmation will be issued by the relevant Placing Agent as soon as possible thereafter. That oral confirmation by the relevant Placing Agent will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and the relevant Placing Agent to subscribe for the number of Ordinary Shares and/or C Shares allocated to it and comprising its Placing Commitment at the Issue Price or the relevant Placing Programme Price (as applicable) on the terms and conditions set out in this Part XII and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any) and in accordance with the Articles in force as at the date of Initial Admission or the relevant Programme Admission (as applicable). Except with the consent of the relevant Placing Agent such oral commitment will not be capable of variation or revocation after the time at which it is made;

4.1.11 its allocation of Ordinary Shares and/or C Shares under the Initial Placing and/or any Subsequent Placing (as applicable) will be evidenced by Contract Note or Placing Confirmation, as applicable, confirming: (i) the number of Ordinary Shares and/or C Shares that such Placee has agreed to acquire; (ii) the aggregate amount that such Placee will be required to pay for such Ordinary Shares and/or C Shares; and (ii) settlement instructions to pay the relevant Placing Agent as agent for the Company. The terms of this Part XII will be deemed to be incorporated into that Contract Note or Placing Confirmation;

4.1.12 settlement of transactions in the Ordinary Shares and/or C Shares following Initial Admission or the relevant Programme Admission (as applicable) will take place in CREST but the relevant Placing Agent reserves the right in its absolute discretion to require settlement in certificated form if, in its opinion, delivery or settlement is not possible or practicable within the CREST system within the timescales previously notified to the Placee (whether orally, in the Contract Note or Placing Confirmation, in the Placing Letter or otherwise) or would not be consistent with the regulatory requirements in any Placee's jurisdiction;

4.1.13 none of the Ordinary Shares or C Shares have been or will be registered under the laws of any member state of the EEA (other than the United Kingdom), the United States, Canada, Japan, Australia, the Republic of South Africa or any other jurisdiction where the extension or availability of the Initial Placing and/or any Subsequent Placing would breach any applicable law. Accordingly, neither the Ordinary Shares or the C Shares may be offered, sold, issued or delivered, directly or indirectly, within any member state of the EEA (other than the United Kingdom), the United States, Canada, Japan, Australia, the Republic of South Africa or any other jurisdiction where the extension or availability of the Initial Placing and/or any Subsequent Placing would breach any applicable law unless an exemption from any registration requirement is available;

4.1.14 it: (i) is entitled to subscribe for the Ordinary Shares and/or C Shares under the laws of all relevant jurisdictions; (ii) has fully observed the laws of all relevant jurisdictions; (iii) has the requisite capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Ordinary Shares and/or C Shares and will honour such obligations; and (iv) has

obtained all necessary consents and authorities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto;

4.1.15 if it is within the United Kingdom, it is a person who falls within: (i) Articles 19(1) or 19(5) (Investment Professionals); or (ii) Articles 49(2)(A) to (D) (high net worth companies, unincorporated associations etc.) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or is a person to whom the Ordinary Shares and/or C Shares may otherwise lawfully be offered whether under such Order or otherwise, or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, that it is a person to whom the Ordinary Shares and/or C Shares may be lawfully offered under that other jurisdiction's laws and regulations;

4.1.16 if it is a resident in a member state of the EEA (a "**Member State**"), it is a "qualified investor" within the meaning of the law in the relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of the Prospectus Directive and otherwise permitted to be marketed to in accordance with the provisions of the AIFM Directive as implemented in the relevant Member State in which it is located;

4.1.17 in the case of any Ordinary Shares and/or C Shares acquired by a Placee as a financial intermediary within the meaning of the law in the relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of the Prospectus Directive: (i) the Ordinary Shares or C Shares acquired by it in the Initial Placing and/or any Subsequent 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 relevant Placing Agent has been given to the offer or resale; or (ii) where Ordinary Shares or C Shares have been acquired by it on behalf of persons in any relevant Member State other than qualified investors, the offer of those Ordinary Shares or C Shares to it is not treated under the Prospectus Directive as having been made to such persons;

4.1.18 if it is outside the United Kingdom, neither this Prospectus (and any supplementary prospectus issued by the Company) nor any other offering, marketing or other material in connection with the Initial Placing and/or any Subsequent Placing or the Ordinary Shares or C Shares (for the purposes of this Part XII, each a "**Placing Document**") constitutes an invitation, offer or promotion to, or arrangement with, it or any person for whom it is procuring to subscribe for Ordinary Shares and/or C Shares pursuant to the Initial Placing and/or any Subsequent Placing unless, in the relevant territory, such offer, invitation, promotion or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Ordinary Shares or C Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;

4.1.19 it does not have a registered address in, and is not a citizen, resident or national of Canada, Japan, Australia, the Republic of South Africa or any other jurisdiction in which it is unlawful to make or accept an offer of the Ordinary Shares or C Shares and it is not acting on a non-discretionary basis for any such person;

4.1.20 if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such investor's agreement to subscribe for Ordinary Shares and/or C Shares under the Initial Placing and/or any Subsequent Placing and will not be any such person on the date that such subscription is accepted;

4.1.21 it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Ordinary Shares and/or C Shares only in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and you acknowledge and agree that no Placing Document is being issued by the relevant Placing Agent, in its capacity as an authorised person under section 21 of FSMA and they may not therefore be subject to the controls which would apply if they were made or approved as financial promotion by an authorised person;

4.1.22 it is aware of and acknowledges that it is required to comply with all applicable provisions of FSMA with respect to anything done by it in relation to the in, from or otherwise involving, the United Kingdom;

4.1.23 it is aware of the obligations regarding insider dealing under Article 19 of the Market Abuse Regulation and the Proceeds of Crime Act 2002 and confirm that it has and will continue to comply with those obligations;

4.1.24 no action has been taken or will be taken in any jurisdiction other than the United Kingdom that would permit a public offering of the Ordinary Shares and/or C Shares or possession of this Prospectus (and any supplementary prospectus issued by the Company), in any country or jurisdiction where action for that purpose is required;

4.1.25 neither the relevant Placing Agent, nor any of its affiliates nor any person acting on their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Initial Placing and/or any Subsequent Placing or providing any advice in relation to the Initial Placing and/or any Subsequent Placing and participation in the Initial Placing and/or any Subsequent Placing is on the basis that it is not and will not be a client of the relevant Placing Agent and that the relevant Placing Agent has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Initial Placing and/or any Subsequent Placing nor, if applicable, in respect of any representations, warranties, undertaking or indemnities contained or incorporated into any Contract Note, Placing Confirmation or Placing Letter;

4.1.26 that, save in the event of fraud on the part of the relevant Placing Agent, none of the Placing Agent, its ultimate holding companies nor any direct or indirect subsidiary undertakings of such holding Company, nor any of its respective directors, members, partners, officers and employees shall be responsible or liable to a Placee or any of its clients for any matter arising out of the relevant Placing Agent's role as sponsor, financial adviser, placing agent, broker or otherwise (as applicable) in connection with the Initial Placing and/or any Subsequent Placing and that where any such responsibility or liability nevertheless arises as a matter of law the Placee and, if relevant, its clients, will immediately and irrevocably waive any claim against any of such persons which the Placee or any of its clients may have in respect thereof;

4.1.27 that where it is subscribing for Ordinary Shares and/or C Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the Ordinary Shares and/or C Shares for each such account; (ii) to make on each such account's behalf the undertakings, acknowledgements, representations, warranties and agreements set out in this Prospectus and any supplementary prospectus issued by the Company; and (iii) to receive on behalf of each such account any documentation relating to the Initial Placing and/or any Subsequent Placing in the form provided by the Company and the relevant Placing Agent. It agrees that the provision of this paragraph shall survive any resale of the Ordinary Shares and/or C Shares by or on behalf of any such account;

4.1.28 it irrevocably appoints any Director and any director of the relevant Placing Agent 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 and/or C Shares comprising its Placing Commitment, in the event of its own failure to do so;

4.1.29 if the Initial Placing and/or any Subsequent Placing does not proceed or the conditions to the Initial Placing or any Subsequent Placing (as the case may be) under the Placing Agreement are not satisfied or the Ordinary Shares or C Shares for which valid application 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 relevant Placing Agent, the Company or Investment Manager nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;

4.1.30 in connection with its participation in the Initial Placing and/or any Subsequent Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2007 (for the purposes of this Part IX, together the "Money Laundering Regulations") and that its application for Ordinary Shares and/or C Shares under the Initial Placing and/or any Subsequent Placing is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its

clients and other persons in respect of whom it has applied for Ordinary Shares and/or C Shares. 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) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Regulations;

4.1.31 due to anti-money laundering requirements, the relevant Placing Agent may require proof of identity and verification of the source of the payment before the application for Ordinary Shares and/or C Shares under the Initial Placing and/or any Subsequent Placing can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, the relevant Placing Agent may refuse to accept the application and the subscription monies relating thereto. It holds harmless and will hold harmless and indemnify the relevant Placing Agent against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been requested has not been provided by it in a timely manner;

4.1.32 it is aware of, has complied with and will at all times comply with its obligations in connection with money laundering under the Money Laundering Regulations;

4.1.33 any personal data provided by it to the Company, PSL or the Registrar will be stored both on the Registrar's computer system and manually. Such personal data is used by the Registrar to maintain the Company's register of Shareholders and mailing lists and this may include sharing such data with third parties in one or more other countries when: (a) effecting the payment of dividends and other distributions to Shareholders; and (b) filing returns of Shareholders and their respective transactions in Ordinary Shares and/or C Shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used. By becoming registered as a holder of Ordinary Shares and/or C Shares a person becomes a data subject (as defined in the Data Protection Act 1998) and is deemed to have consented to the processing by the Company or the Registrar of any personal data relating to them in the manner described above.

4.1.34 each Placing Agent is entitled to exercise any of its rights under the Placing Agreement and Placing Agent Agreement (as applicable) (including, without limitation, rights of termination) or any other right in its absolute discretion without any liability whatsoever to it;

4.1.35 the representations, undertakings and warranties contained in this Part XII and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any), are irrevocable. It acknowledges that the relevant Placing Agent and the Company and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, warranties and undertakings and it agrees that if any of the representations or warranties or undertakings made or deemed to have been made by its subscription of the Ordinary Shares and/or C Shares under the Initial Placing and/or any Subsequent Placing are no longer accurate, it shall promptly notify the relevant Placing Agent and the Company;

4.1.36 where it or any person acting on behalf of it is dealing with the relevant Placing Agent any money held in an account with the relevant Placing Agent on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require the relevant Placing Agent to segregate such money, as that money will be held by the relevant Placing Agent under a banking relationship and not as trustee;

4.1.37 any of its clients, whether or not identified to the relevant Placing Agent will remain its sole responsibility and will not become clients of the relevant Placing Agent for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;

4.1.38 the allocation of Ordinary Shares and/or C Shares in respect of the Initial Placing and/or any Subsequent Placing shall be determined by the relevant Placing Agent in its absolute discretion (in consultation with the Company and the Investment Manager) and that the relevant Placing Agent may scale down any Placing Commitment on such basis as they may determine (which may not be the same for each Placee);

4.1.39 time shall be of the essence as regards its obligations to settle payment for the Ordinary Shares or C Shares subscribed under the Initial Placing and/or any Subsequent Placing and to comply with its other obligations under the Initial Placing and/or any Subsequent Placing;

4.1.40 it authorises the relevant Placing Agent to deduct from the total amount subscribed under the Initial Placing and/or any Subsequent Placing, as applicable, the aggregation commission (if any) (calculated at the rate agreed with the Placee) payable on the number of Ordinary Shares and/or C Shares allocated under the Initial Placing and/or any Subsequent Placing;

4.1.41 in the event that a supplementary prospectus is required to be produced pursuant to section 87G FSMA and in the event that it chooses to exercise any right of withdrawal pursuant to section 87(Q)(4) FSMA, such Placee will immediately re-subscribe for the Ordinary Shares and/or C Shares previously comprising its Placing Commitment; and

4.1.42 the commitment to subscribe for Ordinary Shares and/or C Shares on the terms set out in this Part XII and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any) will continue notwithstanding any amendment that may in the future be made to the terms of the Initial Placing and/or any Subsequent Placing and that it will have no right to be consulted or require that its consent be obtained with respect to the Company's conduct of the Initial Placing and/or any Subsequent Placing.

The Company, the Investment Manager, the Registrar, PSL and Placing Agents will rely upon the truth and accuracy of the foregoing representations, warranties, undertakings and acknowledgements. You agree to indemnify and hold each of the Company, the Investment Manager, the Registrar, PSL, the relevant Placing Agent and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of any breach of the representations, warranties, undertakings, agreements and acknowledgements in this Part XII.

5. Purchase and Transfer restrictions concerning US Securities Laws

5.1 By participating in the Initial Placing and/or any Subsequent Placing, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for Ordinary Shares and/or C Shares and any nominee(s) for any such person(s)) be further deemed to acknowledge, understand, undertake, represent and warrant to each of the Company, the Investment Manager, the Registrar, PSL, the relevant Placing Agent that:

5.1.1 (i) the Ordinary Shares and/or C Shares have not been and will not be registered under the Securities Act; (ii) it is not a US Person (as defined in Regulation S) and is purchasing the Ordinary Shares and/or C Shares in an "offshore transaction" as defined in and pursuant to Regulation S; (iii) the Company has not registered, and does not intend to register, as an investment company under the Investment Company Act and the Ordinary Shares and/or C Shares may only be transferred to persons reasonably believed to be QIBs and QPs under circumstances which will not result in the Company being required to register under the Investment Company Act and (iv) that, in each case, it agrees to sell, transfer, assign, pledge or otherwise dispose of the Ordinary Shares and/or C Shares in offshore transactions in compliance with Regulation S (which includes, for the avoidance of doubt, any *bona fide* sale on the London Stock Exchange's Main Market for listed securities) or to persons reasonably believed to be QIBs and QPs in transactions that are exempt from registration under the Securities Act and do not require the Company to register under the Investment Company Act;

5.1.2 it acknowledges that the Company has put in place transfer and offering restrictions with respect to persons located in the United States and US-persons (as defined in Regulation S) to ensure that the Company will not be required to register as an investment company;

5.1.3 it will not be entitled to the benefits of the US Investment Company Act;

5.1.4 it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus (and will not distribute, forward, transfer or otherwise transmit any supplementary prospectus issued by the Company) or any other Placing Document to any persons within the United States or to any US Person, nor will it do any of the foregoing;

5.1.5 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 and/or C Shares or

any beneficial interest therein constitutes or will constitute the assets of: (i) an "employee benefit plan" as defined in Section 3(3) of the United States Employee Retirement Income Security Act of 1974 as amended (for the purposes of this Part XII, "**ERISA**") that is subject to Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the United States Internal Revenue Code of 1986, as amended (for the purposes of this Part XII, the "US Internal Revenue Code"), including an individual retirement account or other arrangement that is subject to Section 4975 of the US 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 US Internal Revenue Code. In addition, if a Placee 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 US Internal Revenue Code, its purchase, holding, and disposition of the Ordinary Shares and/or C Shares must not constitute or result in a non-exempt violation of any such substantially similar law; and

5.1.6 the Company and the relevant Placing Agent reserve the right to make inquiries of any holder of the Ordinary Shares and/or C Shares or interests therein at any time as to such person's status under the US federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under the US securities laws to transfer such Ordinary Shares and/or C Shares or interests in accordance with the Articles (as amended from time to time).

6. Supply and Disclosure of Information

If the relevant Placing Agent, the Registrar, PSL or the Company or any of their agents request any information about a Placee's agreement to subscribe for Ordinary Shares and/or C Shares under the Initial Placing and/or any Subsequent Placing, such Placee must promptly disclose it to them and ensure that such information is complete and accurate in all respects.

7. Miscellaneous

The rights and remedies of the Placing Agents, the Registrar, PSL, the Investment Manager 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.

PSL is acting as receiving agent for Fidante Capital in connection with the Initial Placing and/or any Subsequent Placing and for no-one else and will not treat a Placee or any other person as its customer by virtue of such application being accepted or owe a Placee or any other person any duties or responsibilities concerning the price of Ordinary Shares and/or C Shares or concerning the suitability of Ordinary Shares and/or C Shares for a Placee or for any other person or be responsible to a Placee or to any other person for providing the protections afforded to its customers.

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 Initial Placing and any Subsequent Placing will be sent at the Placee's risk. They may be sent by post to such Placee at an address notified by such Placee to the relevant Placing Agent.

Each Placee agrees to be bound by the Articles (as amended from time to time) once the Ordinary Shares and/or C Shares, as applicable, which the Placee has agreed to subscribe for pursuant to the Initial Placing and/or any Subsequent Placing, have been acquired by the Placee. The contract to subscribe for Ordinary Shares and/or C Shares under the Initial Placing and/or any Subsequent Placing and the appointments and authorities mentioned in this Prospectus will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the relevant Placing Agent, the Company, the Investment Manager, PSL and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against a Placee in any other jurisdiction.

In the case of a joint agreement to subscribe for Ordinary Shares and/or C Shares under the Initial Placing and/or any Subsequent 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 Placing Agents and the Company expressly reserve the right to modify the Initial Placing and/or any Subsequent Placing (including, without limitation, its timetable and settlement) at any time before allocations are determined. The Initial Placing and/or any Subsequent Placing are subject to the satisfaction of the conditions contained in the Placing Agreement and to the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained in Part X of this Prospectus.

The following definitions apply throughout this Prospectus, unless the context requires otherwise:

"Accounting and Administration Services Agreement"	the accounting and administration services agreement between the Company, the Investment Manager and Administrator, a summary of which is set out in paragraph 9 of Part X of this Prospectus
"Additional IGA"	the intergovernmental agreements entered into between the UK and other jurisdiction which are on similar terms to the IGA
"Administrator"	Sanne Fiduciary Services Limited
"AIC"	the Association of Investment Companies
"AIC Code"	the AIC Code of Corporate Governance, as amended from time to time
"AIC Guide"	the AIC Corporate Governance Guide for Investment Companies, as amended from time to time
"AIF"	an Alternative Investment Fund, as defined in the AIFM Directive
"AIFM"	an Alternative Investment Fund Manager, as defined in the AIFM Directive
"AIFM Directive"	the EU Directive on Alternative Investment Fund Managers
"Application Form"	In respect of the Open Offer, the personalised application form in connection with the Open Offer
"April 2015 Report"	the audited financial statements for the period from 25 March 2015 to 9 April 2015 as published by the Company on 11 November 2015
"Articles"	the articles of association of the Company from time to time
"Bank Borrowings"	any money borrowed by the Group from a financial lending institution for the purposes of making investments or the working capital requirements of the Group and which, for the avoidance of doubt excludes: (i) the gross proceeds of the placing of the ZDP Shares; (ii) any facilities incurred by the Group for the purpose of currency hedging; and (iii) any facilities incurred in connection with the payment of the Final Capital Entitlement
"Benefit Plan Investor"	(i) an employee benefit plan that is subject to the fiduciary responsibility or prohibited transaction provisions of Title I of the ERISA (including, as applicable, assets of an insurance company general account) or a plan that is subject to the prohibited transaction provisions of section 4975 of the Internal Revenue Code (including an individual retirement account), (ii) an entity whose underlying assets include "plan assets" by reason of a plan's investment in the entity, or (iii) any "benefit plan investor" as otherwise defined in section 3(42) of ERISA or regulations promulgated by the US Department of Labor
"Board"	the directors of the Company whose names are set out on page 47 of this Prospectus

"Broker Agreement"	the broker agreement between the Company and Liberum, a summary of which is set out in paragraph 9 of Part X of this Prospectus
"Business Day"	a day on which the London Stock Exchange and banks in England and Wales are normally open for business
"C Shares"	C shares of ten pence each 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
"Calculation Date"	the earliest of the: (i) close of business on the date to be determined by the Directors after the day on which the Investment Manager shall have given notice to the Directors that at least 90 per cent. of the net proceeds of the relevant issue of C Shares pursuant to the Initial Placing and/or the Placing Programme (or such other percentage as the Directors and Investment Manager shall agree) shall have been invested; or (ii) close of business on the date falling nine calendar months after the allotment of the relevant issue of C Shares or if such a date is not a Business Day the next following Business Day; or (iii) close of business on the day on which the Directors resolve that Force Majeure Circumstances have arisen or are imminent
"Certificated Shares"	Shares represented by a certificate
"CFPB"	the US Consumer Financial Protection Bureau
"Companies Act"	the Companies Act 2006, as amended from time to time
"Company"	Ranger Direct Lending Fund plc
"Company Secretarial Agreement"	the company secretarial agreement between the Company and Capita Registrars Limited, appointing the Company Secretary as the Company's secretary, a summary of which is set out in paragraph 9 of Part X of this Prospectus
"Company Secretary"	Capita Company Secretarial Services Limited
"Consumer Loans Platform"	the consumer loans Direct Lending Platform described in more detail in the section entitled "Current Direct Lending Platform access and pipeline" in Part II of this Prospectus
"Conversion"	the conversion of the C Shares to be issued pursuant to the Initial Placing and/or Placing Programme into Ordinary Shares and Deferred Shares in accordance with the Articles
"Conversion Date"	the date on which Conversion will occur, being close of business on such Business Day as may be selected by the Directors falling not more than 10 Business Days after the Calculation Date
"Conversion Ratio"	the ratio of the net asset value per C Share of the relevant tranche to the net asset value per Ordinary Share, calculated in accordance with the Articles
"Cover"	has the meaning given to it in Part III of this Prospectus under the sub-heading "Investment Restrictions"

"CREST"	the relevant system (as defined in the Regulations) in respect of which Euroclear is the operator (as defined in the Regulations)
"CREST Account"	an account in the name of the relevant holder in CREST
"CREST Manual"	the bundle 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, the CREST Rules, the CCSS Operations Manual and the CREST Glossary of Terms
"Crown Dependencies"	each of the Isle of Man, Guernsey and Jersey
"CTA 2010"	Corporation Tax Act 2010
"Custodian"	Merrill Lynch, Pierce, Fenner & Smith Incorporated
"Custodian Agreement"	the custodian agreement between the Company, and the Custodian, a summary of which is set out in paragraph 9 of Part X of this Prospectus
"DAC"	the EU Directive in Administration Cooperation (in relation to the field of taxation)
"Debt Instrument"	means a debt obligation which will include (without limitation) a loan, invoice receivables and asset financing arrangements
"December 2015 Report"	the audited financial statements for the period from 10 April 2015 to 31 December 2015 as published by the Company on 11 April 2016
"Deferred Dividend"	the non-cumulative dividend payable to the holders of a particular tranche of Deferred Shares on the date which is six months after the Relevant Conversion Date at a fixed rate of one per cent. of the nominal amount such Deferred Shares
"Deferred Shares"	deferred shares of one pence each in the capital of the Company arising on Conversion and having the rights and being subject to the restrictions set out in the Articles
"Direct Lending Company Equity"	means listed or unlisted securities issued by a Direct Lending Platform, a Direct Lending Platform's controlling entity or other organisations serving the direct lending industry, which relate to the equity value or revenue of that entity and is not, for the avoidance of doubt, a security issued for the purpose of providing an exposure to Debt Instruments
"Direct Lending Platform"	a business that serves as an originator and for distributor of Debt Instruments and which is not a traditional retail or investment bank
"Directors"	the directors of the Company whose names are set out on page 47 of this Prospectus
"DOJ"	the US Department of Justice
"DGTRs" or "Disclosure Guidance and Transparency Rules"	the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA
"EEA"	the states which comprise the European Economic Area

"EIR"	the effective interest rate of a Debt Instrument as described in more detail in the section entitled "Net Asset Value publication and calculation" in Part IV of this Prospectus
"Eligibility Date"	31 December in each year
"Equipment Loans Platform"	the equipment loans Direct Lending Platform described in more detail in the section entitled "Current Direct Lending Platform access and pipeline" in Part II of this Prospectus
"ERISA"	the United States Employee Retirement Income Security Act of 1974, as amended from time to time, and the applicable regulations thereunder
"Euroclear"	Euroclear UK and Ireland Limited, the operator of CREST
"Excess Application Facility"	the arrangement pursuant to which Existing Shareholders may apply for C Shares in excess of their Open Offer Entitlements in accordance with the terms and conditions of the Open Offer
"Excess CREST Open Offer Entitlements"	in respect of each Existing CREST Shareholder, the entitlement (in addition to their Open Offer Entitlement) to apply for C Shares using CREST pursuant to the Excess Application Facility
"Excess Open Offer Entitlements"	in respect of each Existing Shareholder, the entitlement (in addition to their Open Offer Entitlement) to apply for C Shares pursuant to the Excess Application Facility
"Excess Shares"	such number of C Shares as may be allocated to the Excess Application Facility (as determined by the Company in its sole discretion) that have not been allocated to Existing Shareholders pursuant to their Open Offer Entitlements
"Exchange Act"	the US Securities Exchange Act of 1934, as amended from time to time
"Excluded Overseas Shareholder"	a holder of Ordinary Shares with a registered mailing address in an Excluded Territory
"Excluded Territory"	means any member state of the European Economic Area (other than the United Kingdom), the United States, Canada, Japan, Australia, the Republic of South Africa or any other jurisdiction where the extension or availability of the Issue and the Placing Programme would breach any applicable law
"Existing CREST Shareholders"	Existing Shareholders holding Ordinary Shares in uncertificated form in CREST
"Existing Non-CREST Shareholders"	Existing Shareholders holding Ordinary Shares in certificated form
"Existing Shareholder"	a holder of an Ordinary Share as at the Record Date
"FAA"	the US Federal Arbitration Act
"FATCA"	the US Foreign Account Tax Compliance Act of 2010
"FCA"	the Financial Conduct Authority
"FFI"	a foreign financial institution for the purposes of FATCA
"Fidante Capital"	Fidante Partners Europe Limited

"Final Capital Entitlement"	127.63 pence per ZDP Share
"First Admission"	the admission of the Ordinary Shares issued pursuant to the First Issue to the Official List and to trading on the Main Market of the Loan Stock Exchange which became effective in accordance with the Listing Rules and the LSE Admission Standards on 1 May 2015
"First Issue"	the issue of 13,499,999 Ordinary Shares in the Company (in addition to the one Ordinary Share already in issue) pursuant to a placing and intermediaries offer on 1 May 2015
"First ZDP Admission"	the admission of the ZDP Shares issued pursuant to the First ZDP Issue of the Official List and to trading on the Main Market of the Loan Stock Exchange which became effective in accordance with the Listing Rules and the LSE Admission Standards on 1 August 2016
"First ZDP Issue"	the issue of 30 million ZDP Shares by Ranger ZDP pursuant to a placing on 1 August 2016
"Fraudulent Activity"	the fraud, misrepresentation, or omission of a borrower or Direct Lending Platform in connection with the issue or origination of a Debt Instrument
"FSMA"	the Financial Services and Markets Act 2000, as amended from time to time
"FTC"	the US Federal Trade Commission
"FTT"	the financial transactions tax proposed by the European Commission
"Governance Code"	the UK Corporate Governance Code dated September 2014, as amended from time to time
"Gross Assets"	the aggregate value of the total assets of the Company
"Gross Issue Proceeds"	the aggregate value of the C Shares issued under the Issue at the Issue Price
"Group"	the Company and its subsidiaries and subsidiary undertakings from time to time, including Ranger ZDP
"Group Shares"	transferable securities issued by any member of the Group (other than Ranger ZDP)
"HMRC"	HM Revenue and Customs
"IASB"	the International Accounting Standards Board
"IFRIC"	the International Financial Reporting Interpretations Committee
"IFRS"	International Financial Reporting Standards, as adopted by the European Union, as amended from time to time
"IGA"	the intergovernmental agreement entered into between the UK and the US in connection to FATCA
"Initial Admission"	the admission of the C Shares issued pursuant to the Issue to the Official List and to trading on the Main Market of the London Stock Exchange becoming effective in accordance with the Listing Rules and/or the LSE Admission Standards

"Initial Placing"	the conditional placing by the Placing Agents on behalf of the Company of C Shares at the Issue Price closing at 11.00 a.m. on 12 December 2016 pursuant to the Placing Agreement and Placing Agent Agreement
"Interim Report"	the unaudited half-yearly financial statements of the Company for the period from 1 January 2016 to 30 June 2016
"Internal Revenue Code"	the US Internal Revenue Code of 1986, as amended from time to time
"International SME Platform"	the international SME Direct Lending Platform described in more detail in the section entitled "Current Direct Lending Platform access and pipeline" in Part II of this Prospectus
"Investment Advisers Act"	the US Investment Advisers Act of 1940, as amended from time to time
"Investment Company Act" or "ICA"	the US Investment Company Act of 1940, as amended from time to time
"Investment Manager"	Ranger Alternative Management II, LP
"Investment Management Agreement"	the investment management agreement between the Company and the Investment Manager, a summary of which is set out in paragraph 9 of Part X of this Prospectus
"Investment Trust Regulations"	The Investment Trust (Approved Company) (Tax) Regulations 2011
"Invoice Factoring Platform"	the invoice factoring Direct Lending Platform described in more detail in the section entitled "Current Direct Lending Platform access and pipeline" in Part II of this Prospectus
"IRS"	the US Internal Revenue Service
"Issue"	the issue of C Shares pursuant to the Open Offer and the Initial Placing
"Issue Price"	£10 per C Share
"Latest Practicable Date"	16 November 2016, being the latest practicable date prior to the date of this Prospectus for ascertaining certain information contained herein
"Liberum"	Liberum Capital Limited
"Listing Rules"	the Listing Rules made by the FCA under Part VI of FSMA, as amended from time to time
"Loan"	the loans advanced and to be advanced to the Company by Ranger ZDP pursuant to the Loan Agreement
"Loan Broker"	the intermediary/loan broker with which the Company has entered into the Loan Referral Services Agreement in relation to the MCA Platform
"Loan Agreement"	the loan agreement entered into between Ranger ZDP (as lender) and the Company (as borrower) dated 25 July 2016 and amended by side letter dated 24 October 2016, as more particularly described in paragraph 9 of Part X of this Prospectus
"Loan Referral Services Agreement"	has the meaning given to it in paragraph 9 of Part X of this Prospectus
"London Stock Exchange"	London Stock Exchange plc

"MCA Platform"	the limited partnership established under the laws of the State of Delaware in which the SME Credit Line Platform invests substantially all its assets
"Management Fee"	the fee payable by the Company to the Investment Manager, as described in Part IV of this Prospectus
"Management Shares"	the fee payable by the Company to the Investment Manager, as described in Part IV of this Prospectus
"Market Abuse Regulation"	the EU Market Abuse Regulation, as amended from time to time
"Master Fund"	redeemable management shares of £1.00 each in the capital of the Company
"MLSA"	a master loan and security agreement as described in more detail in the section entitled "Investment structures for US Direct Lending Platforms" in Part II of this Prospectus
"MLSA Note"	a fixed rate note which is referenced to an MLSA as described in more detail in the section entitled "Investment structures for US Direct Lending Platforms" in Part II of this Prospectus
"Money Laundering Regulations"	the Money Laundering Regulations 2007
"Net Asset Value" or "NAV"	the net asset value of the Company calculated in accordance with the valuation policies of the Company from time to time as appropriate
"Net Asset Value per C Share"	the Net Asset Value specifically attributable to a C Share
"Net Asset Value per Ordinary Share"	the Net Asset Value specifically attributable to an Ordinary Share
"Net Proceeds"	the net proceeds attributable to Shares issued pursuant to the Issue and/or the Placing Programme (as the context requires)
"Non-Qualified Holder"	a non-qualified holder of Shares as more particularly described in paragraph 3(f) of Part X of this Prospectus
"Notes"	has the meaning given to it under the heading "Investment Structure and Regulatory Considerations" in Part II of this Prospectus
"Official List"	the Official List of the UK Listing Authority
"Open Offer"	the offer to Existing Shareholders, constituting an invitation to apply for C Shares under the Issue, on the terms and subject to the conditions set out in this Prospectus and, in the case of Existing Non-CREST Shareholders only, the Application Form
"Open Offer Entitlement"	the entitlement of Existing Shareholders to apply for C Shares under the Open Offer as set out in Part XI of this Prospectus
"Ordinary Shares"	ordinary shares (issued and to be issued) of 1 pence each in the share capital of the Company
"Placee"	a person subscribing for Ordinary Shares and/or C Shares under the Initial Placing and/or any Subsequent Placing
"Placing Agent Agreement"	the agreement between the Company and Stone Mountain, a summary of which is set out in paragraph 9 of Part X of this Prospectus

"Placing Agents"	Liberum, Fidante Capital and Stone Mountain
"Placing Agreement"	the Placing Agreement between the Company, the Investment Manager, Liberum and Fidante Capital as described in paragraph 9 of Part X of this Prospectus
"Placing Programme"	means the proposed programme of placings of Ordinary Shares and/or C Shares as described in Part VII of this Prospectus
"Placing Programme Price"	the price of Ordinary Shares issued pursuant to the Placing Programme, determined in accordance with Part VII of this Prospectus
"Plan"	the dividend reinvestment plan more particularly described in the section entitled "Dividend reinvestment plan" in Part II of this Prospectus
"Plan Asset Regulations"	the US Department of Labor Regulations, 29 C.F.R. 2510.3-101, as and to the extent modified by section 3(42) of ERISA
"Plans"	a tax qualified annuity plan described in section 405 of the Internal Revenue Code and an individual retirement account or individual retreat annuity as described in section 408 of the Internal Revenue Code
"Platform Agreements"	the agreements between the Company and various Direct Lending Platforms as summarised in paragraphs 9(xxii) to 9(xxxvi) (inclusive) of Part X of this Prospectus
"Programme Admission"	any admission of the Ordinary Shares and/ or C Shares issued pursuant to the Placing Programme to the Official List and to trading on the Main Market of the London Stock Exchange becoming effective in accordance with the Listing Rules and/or the LSE Admission Standards
"Prospectus"	this Prospectus, including the Appendix
"Prospectus Rules"	the Prospectus Rules made by the FCA under Part VI of FSMA
"PSL"	Pershing Securities Limited
"QIBs"	qualified institutional buyers (as defined in Rule 144A under the Securities Act)
"Qualifying Investors"	investors who are selected by the Investment Manager (in its sole discretion) as significant investors and whose application for Ordinary Shares is not made by a financial intermediary
"QPs"	qualified purchasers (as defined in section 2(a)(51) of the Investment Company Act)
"Ranger Capital Group"	Ranger Capital Holdings, LP
"Ranger Direct Lending Fund Trust"	Ranger Direct Lending Fund Trust, a Delaware Trust established on 22 April 2015 pursuant to a declaration of trust and trust agreement made between the Company (as depositor and managing holder) and Delaware Trust Company (as Delaware Trustee) of which the Company is the sole beneficiary
"Ranger Specialty Income Fund"	Ranger Specialty Income Fund, Ltd, an open-ended fund managed by the Investment Manager

"Ranger ZDP"	Ranger Direct Lending ZDP plc
"Ranger ZDP Accounting and Administration Services Agreement"	the accounting and administration services agreement between Ranger ZDP, the Investment Manager and Administrator, a summary of which is set out in paragraph 9 of Part X of this Prospectus
"Ranger ZDP Placing Programme"	the proposed issue of up to 52 million ZDP Shares pursuant to a placing programme made pursuant to a prospectus published on 24 October 2016
"Ranger ZDP Registrar Agreement"	the registrar agreement between Ranger ZDP and the Registrar, a summary of which is set out in paragraph 9 of Part X of this Prospectus
"Ranger ZDP Secretarial Agreement"	the company secretarial agreement between Ranger ZDP and Capita Registrars Limited, appointing the Company Secretary as Ranger ZDP's secretary. a summary of which is set out in paragraph 9 of Part X of this Prospectus
"Real Estate Loans Platform"	the real estate loans Direct Lending Platform described in more detail in the section entitled "Current Direct Lending Platform access and pipeline" in Part III of this Prospectus
"Receiving Agent"	Capita Registrars Limited (trading as registrar under the name of "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 9 of Part X of this Prospectus
"Record Date"	Close of business (UK time) on 18 November 2016
"Registrar"	Capita Registrars Limited (trading as registrar under the name of "Capita Asset Services")
"Registrar Agreement"	the registrar agreement between the Company and the Registrar, a summary of which is set out in paragraph 9 of Part X of this Prospectus
"Regulation S"	means Regulation S under the Securities Act
"Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
"Regulatory Information Service"	a regulatory information service that is on the list of regulatory information services maintained by the FCA
"Relevant Conversion Date"	the Conversion Date on which a particular tranche of Deferred Shares were created in accordance with the Articles
"Reporting FI"	a reporting financial institution for the purposes of the FATCA
"Rome I"	Regulation (EC) 593/2008 on the law applicable to contractual obligations
"RIS announcement"	means an announcement by a Regulatory Information Service
"Sandler O'Neill"	Sandler O'Neill & Partners, LP
"Savings Directive"	EU Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments

"Second Consumer Loans Platform"	the second consumer loans Direct Lending Platform described in more detail in the section entitled "Current Direct Lending Platform access and pipeline" in Part III of this Prospectus
"Scheduled Winding-Up Resolution"	a special resolution to wind-up Ranger ZDP which is proposed to the members in general meeting on 31 July 2021, or any other special resolution to wind-up Ranger ZDP which is proposed to the members in general meeting in accordance with the articles of association of Ranger ZDP
"Second Invoice Factoring Platform"	the second invoice factoring Direct Lending Platform described in more detail in the section entitled "Current Direct Lending Platform access and pipeline" in Part III of this Prospectus
"Second ZDP Admission"	the admission of the ZDP Shares issued pursuant to the Second ZDP Issue of the Official List and to trading on the Main Market of the Loan Stock Exchange which became effective in accordance with the Listing Rules and the LSE Admission Standards on 4 November 2016
"Second ZDP Issue"	the issue of 23 million ZDP Shares by Ranger ZDP pursuant to a placing on 4 November 2016
"Secured Consumer Platform"	the secured consumer loans Direct Lending Platform described in more detail in the section entitled "Current Direct Lending Platform access and pipeline" in Part III of this Prospectus
"Secured Consumer Platform Servicer"	an affiliate of the Secured Consumer Platform, whose services are described in more detail in paragraph 9 of Part X of this Prospectus
"Securities Act"	the US Securities Act of 1933, as amended
"SDRT"	UK stamp duty reserve tax
"Shareholder"	a holder of Shares in the Company
"Shares"	the C Shares and/or the Ordinary Shares (as the context may require)
"Similar Law"	any US federal, state, local or foreign law that is similar to provision 406 of ERISA or section 4975 of the Internal Revenue Code
"SME"	a small or medium enterprise
"SME Credit Line Platform"	the SME credit line Direct Lending Platform described in more detail in the section entitled "Current Direct Lending Platform access and pipeline" in Part III of this Prospectus
"SME Loan and Business Cash Advance Platform"	the SME loan and business cash advance Direct Lending Platform described in more detail in the section entitled "Current Direct Lending Platform access and pipeline" in Part III of this Prospectus
"SME Loans Platform"	the SME loans Direct Lending Platform described in more detail in the section entitled "Current Direct Lending Platform access and pipeline" in Part III of this Prospectus
"SPV"	special purpose vehicle
"Stone Mountain"	Stone Mountain Capital Ltd

"Subsequent Placing"	a placing of Ordinary Shares and/or C Shares at the applicable Placing Programme Price pursuant to the Placing Programme, as described in this Prospectus
"Substantial Shareholder"	a company or body corporate that is beneficially entitled, directly or indirectly, to 10 per cent. or more of the dividends and/or share capital that controls, directly or indirectly, 10 per cent. or more of the voting rights of the Company
"Takeover Code"	the City Code on Takeovers and Mergers
"Tap Placing"	the issue of 1,348,650 Ordinary Shares by the Company pursuant to a placing on 16 December 2015
"Target Dividend"	the target dividend more particularly described in the section entitled "Target Returns" in Part III of this Prospectus
"Treasury Regulations"	the US Department of Treasury Regulations
"TruSight Technology"	the Investment Manager's credit analysis system
"UDAAP"	unfair, deceptive or abusive acts and practices for the purposes of US law and regulation
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"UK Listing Authority"	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA and in the exercise of its functions in respect of admission to the Official List
"UK/US Double Tax Treaty"	the 2001 USA-UK Double Taxation Convention, as amended by the 2002 Protocol
"Undertaking"	the undertaking made by the Company in favour of Ranger ZDP dated 25 July 2016, as more particularly described in paragraph 9 of Part X of this Prospectus
"US" or "United States"	the United States of America (including the District of Columbia) and any of its territories, possessions and other areas subject to its jurisdiction
"US$" or "USD"	US dollars
"US Person"	a "US Person" as defined in Regulation S of the Securities Act
"US Tax Code"	the US Internal Revenue Code of 1986, as amended
"VAT"	UK Value Added Tax
"Vehicle Services Contract Platform"	the vehicle services contract Direct Lending Platform described in more detail in the section entitled "Current Direct Lending Platform access and pipeline" in Part III of this Prospectus
"Winding-Up Resolution"	any special resolution to wind-up Ranger ZDP which is not a Scheduled Winding-Up Resolution
"ZDP Continuation Resolution"	a resolution of the board of Ranger ZDP, that may be passed as an ordinary class resolution, in the event of the Company breaching any of its obligations under the Loan Agreement and/or the Undertaking (as the case may be), to continue in its current form and structure notwithstanding such breach

"ZDP Repayment Date"	31 July 2021
"ZDP Shares"	zero dividend preference shares of £0.01 each issued by Ranger ZDP

APPENDIX

SUPPLEMENT TO THE PROSPECTUS FOR RANGER DIRECT LENDING FUND PLC

for Offerings in or to Persons Domiciled or Registered in the European Economic Area

21 November 2016

This supplement (the "**Supplement**") for offerings in or to persons domiciled or registered in the European Economic Area (the "**EEA**") hereby supplements the prospectus dated 21 November 2016, as may be amended or supplemented from time to time (the "**Prospectus**") for Ranger Direct Lending Fund plc (the "**Company**") for the purposes described below. This Supplement is not a complete summary of, should be read in conjunction with and is qualified in its entirety by, the Prospectus, the Articles of Association and the Investment Management Agreement related thereto and related documentation.

This Supplement is being provided to certain prospective investors as an information-only document for the purpose of providing certain summary information about an investment in the Company as required pursuant to Articles 23(1), 23(2), 23(4) and 23(5) of Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers and its implementing measures (the "**AIFMD**").

This Supplement does not update any information except as specifically described herein. Capitalised terms, unless otherwise defined herein, are used as defined in the Prospectus.

AIFMD DISCLOSURE

Ranger Alternative Management II, LP (the "**Investment Manager**") is subject to the AIFMD only to the limited extent applicable when a non-EEA Alternative Investment Fund Manager (an "**AIFM**") offers or markets an EEA Alternative Investment Fund (an "**AIF**") in the EEA. For the purposes of the AIFMD, the Company is the AIF and the Investment Manager is the AIFM. Since the Investment Manager is a non-EEA AIFM, certain of the disclosure requirements set forth in the AIFMD must be read, and have been addressed, in that context.

Article	*Disclosure Requirement*	*Disclosure*
23(1)(A)	**INVESTMENT STRATEGY**	
1	Description of the investment strategy and objectives of the Company	Please refer to the sections titled "Investment Objective and Overview" and "Investment Policy" in Part III and Part III of the Prospectus, respectively. The "Investment Selection and Due Diligence" section in Part V of the Prospectus describes the investment strategy of the Company. As described in the investment policy in Part III of the Prospectus, the Company may seek to purchase Debt Instruments directly from a Direct Lending Platform or to participate in Debt Instruments indirectly using a number of different models.
2	Description of the types of assets in which the Company may invest	Please refer to the section titled "Investment Policy" in Part III of the Prospectus. Please also refer to box 23(1)(A)1 above.
3	Techniques the Company may employ	Please refer to the section titled "Investment Selection and Due Diligence" in Part V of the Prospectus.
4	Risks associated with those types of assets and those techniques	Please refer to the "Risk Factors" section of the Prospectus, in particular the sub-sections titled "Risks Related to the Company's Investment Objective and Strategy", "Risks Relating to the Company's Direct or Indirect Investment in Debt Instruments and the Issue or Origination of Debt Instruments

		by Direct Lending Platforms", and "Risks Related to the Company's Investment in Trade Receivables".
5	Applicable investment restrictions	Please refer to the sections titled "Investment Policy" and "Investment Restrictions" in Part III of the Prospectus.
6	Use of leverage	
a.	Circumstances in which the Company may employ leverage	Please refer to the section titled "Borrowing Policy" in Part III of the Prospectus.
b.	Types and sources of leverage permitted	There are no restrictions on the type or source of leverage that the Company is permitted to incur.
c.	All risks associated with the use of leverage	Please refer to the "Risk Factors" section of the Prospectus for a description of the risks associated with the Company's use of leverage, and in particular, the paragraph titled "The Company May Borrow in Connection with its Investment Activities Which Subjects it to Interest Rate Risk and Additional Losses When the Value of its Investments Fall".
d.	Any restrictions on the use of leverage and any collateral and asset reuse arrangements	Please refer to the section titled "Borrowing Policy" in Part III of the Prospectus for the restrictions on the use of leverage. There are no collateral or asset reuse arrangements.
e.	Maximum level of leverage which the Investment Manager is entitled to employ on behalf of the Company	The Company itself may borrow (through bank or other facilities) whether directly or indirectly through an investment fund in which it invests or through a subsidiary SPV, up to 50 per cent. of Net Asset Value, in aggregate (calculated at the time of draw down under any facility that the Company has entered into). Pursuant to the Undertaking that has been granted by the Company in favour of Ranger ZDP, however, the Company may not incur borrowings in excess of an amount equal to: ● 20 per cent. of the Company's prevailing Net Asset Value attributable to its Ordinary Shares in issue as at 1 August 2016; plus ● an amount equal to 50 per cent. of the net proceeds of any issue of Ordinary Shares or C Shares completed by the Company after 2 August 2016.
23(1)(B)	**CHANGE OF INVESTMENT STRATEGIES OR INVESTMENT POLICY**	
	Description of the procedures by which the Company may change its investment strategies or investment policy, or both	Any material change to the investment policy of the Company will be made only with the approval of Shareholders by ordinary resolution in accordance with the Listing Rules. Any change to the investment policy or investment restrictions which does not amount to a material change to the investment policy may be made by the Company without the approval of Shareholders.

23(1)(C)	CONTRACTUAL RELATIONSHIPS	
	Description of the main legal implications of the contractual relationship entered into for the purpose of investment, including information on jurisdiction, on the applicable law and on the existence or not of any legal instruments providing for the recognition and enforcement of judgments in the territory where the Company is established	The Company was established under the laws of England and Wales with its registered office at 40 Dukes Place, London EC3A 7NH. An investor in the Company will acquire Ordinary Shares in the Company and accordingly, any disputes between an investor and the Company will be resolved by the courts of England and Wales in accordance with English law and having regard to the Company's Articles of Association which constitute an agreement between the Company and its Shareholders. A Shareholder shall have no direct legal or beneficial interest in the assets of the Company. The liability of Shareholders for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the shares held by them. Under English law, the following types of claim may in certain circumstances be brought against a company by its shareholders: contractual claims under its articles of association; claims in misrepresentation in respect of statements made in its prospectus and other marketing documents; unfair prejudice claims; and derivative actions. In the event that a Shareholder considers that it may have a claim against the Company in connection with its investment in the Company, such Shareholder should consult its own legal advisers. Regulation (EC) 593/2008 ("**Rome I**") must be applied in all member states of the European Union (other than Denmark). Accordingly, where a matter comes before the courts of the relevant member state, the choice of governing law in any given agreement is subject to the provisions of Rome I. Under Rome I, the member state's court may apply any rule of that member state's own law which is mandatory irrespective of the governing law and may refuse to apply a rule of governing law if it is manifestly incompatible with the public policy of that member state. Further, where all other elements relevant to the situation at the time of the choice are located in a country other than the country whose law has been chosen, the choice of the parties shall not prejudice the application of provisions of the law of that country which cannot be derogated from by agreement. The United Kingdom is party to the following instruments which provide for the recognition and enforcement of foreign judgements in England and Wales: ● Regulation (EC) 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (the Brussels Regulation) ● Lugano Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters 2007 (the new Lugano Convention) ● Regulation (EC) 805/2004 creating a European Enforcement Order for uncontested claims (the European Enforcement Order Regulation) ● the Administration of Justice Act 1920; and ● the Foreign Judgements (Reciprocal Enforcement) Act 1933.

		Accordingly if an investor were to seek to have an order of a foreign court recognised or enforced in the courts of England and Wales, it is likely that the United Kingdom will have arrangements in place under one of the instruments noted above. Investors should note, however, that there is no instrument in place for the recognition and enforcement of judgements between the United Kingdom and the US and accordingly, if an investor were to seek to have an order of a US court (irrespective of the state in which the order was obtained) recognised or enforced in the courts of England and Wales, the investor would need to rely on the laws of England and Wales and may therefore find it difficult in practice to enforce a judgement obtained in the US in England and Wales.
23(1)(D)	**SERVICE PROVIDERS**	
1	Identity of the Investment Manager, the Company's depositary, auditor and other service providers	The identity of the Investment Manager is set out in Part V of the Prospectus and the identity of the Auditor and other service providers of the Company are set out in the section of the Prospectus titled "Directors, Investment Manager and Advisers". No depository is required to be appointed, or has been appointed, by the Company.
2	Description of the duties of each of those service providers	The duties of the Administrator, Company Secretary, Registrar and Auditor are set out in Part IV of the Prospectus and the agreements entered into with each of these service providers are described in more detail in paragraph 9, "Material Contracts and Related Party Transactions" of Part X of the Prospectus. The duties of the Investment Manager are set out in Part V of the Prospectus and the Investment Management Agreement is described in more detail in paragraph 9, " Material Contracts and Related Party Transactions " of Part X of the Prospectus. The Placing Agents are set out in Part VI of the Prospectus and the Placing Agreement, Placing Agent Agreement and Broker Agreement are described in more detail in paragraph 9, "Material Contracts and Related Party Transactions " of Part X of the Prospectus.
3	Description of the investors' rights in respect of those service providers	Without prejudice to any potential right of action in common law that a Shareholder may have to bring a claim against a service provider to the Company, each Shareholder's contractual relationship in respect of its investment in Ordinary Shares in the Company is with the Company only. Therefore, no Shareholder will have any contractual claim against any service provider with respect of such service provider's default pursuant to the terms of the agreement that it has entered into with the Company. The above is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised service provider under section 13D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 13D of the Financial Services and Markets Act 2000, or in tort, against any service provider in connection with their investment in the Company should consult their legal adviser.

23(1)(E)	**PROFESSIONAL INDEMNITY LIABILITY**	
1	Description of how the Investment Manager covers professional liability risks	The Investment Manager is a non-EEA AIFM for the purposes of the AIFMD and so is not required to comply with Article 9(7) of the AIFMD, which relates to the maintenance of professional indemnity insurance or additional capital to cover professional liability risks. However, the Investment Manager has agreed, pursuant to the Investment Management Agreement to maintain professional indemnity cover of not less than US$4 million until the date that the Investment Management Agreement is terminated.
23(1)(F) **23(2)**	**DELEGATIONS**	
23(1)(F)	Description of any delegated management functions as referred to in Annex I of the AIFMD by the Investment Manager and of any safekeeping function delegated by the Depositary, the identification of the delegate and any conflicts of interest that may arise from such delegations	As a non-EEA AIFM, the Investment Manager is not subject to the detailed rules concerning delegation under Article 20 of the AIFMD. In that context, the Company has appointed the Investment Manager as investment manager with sole responsibility to manage the assets of the Company and to advise the Company on a day to day basis, in each case in accordance with the Company's investment policy. The Investment Manager is permitted, with the prior consent of the Company (such consent not to be unreasonably withheld or delayed) to delegate any of its functions under this Agreement other than the portfolio and risk management functions to a delegate (whether such delegate is an Associate of the Investment Manager or otherwise). The Company has consented to the delegation of certain back office functions (not constituting risk or portfolio management) to the Investment Manager's affiliate, Ranger Capital Group Holdings LP. Notwithstanding the foregoing, all activities engaged in under the provisions of the Investment Management Agreement by the Investment Manager or any of its delegates on behalf of the Company shall at all times be subject to the overall policies, supervision and review of the Board. The Investment Manager and its affiliates and their respective officers and employees may from time to time act for other clients or manage other funds (including Ranger Specialty Income Fund) which may have similar investment objectives and policies to that of the Company. Circumstances may arise where investment opportunities will be available to the Company which are also suitable for one or more of such clients of the Investment Manager or such other funds. The Directors have satisfied themselves that the Investment Manager has procedures in place to address potential conflicts of Interest and that, where a conflict arises, the Investment Manager will allocate the opportunity on a fair basis. The basis of allocation between the Company and other funds managed by the Investment Manager with similar Investment objectives in respect of the available Debt Instruments under the Platform Agreements is as follows: (i) for Debt Instruments where the acquisition can be split between entities (such as Debt Instruments acquired from the Invoice Factoring Platform or the MCA Platform), *pro rata* based on the amount of deployable capital of

		the Company and the other entities managed by the Investment Manager; and (ii) for Debt Instruments where the acquisition cannot be split between entities (such as Debt Instruments acquired from the SME Loans Platform or the Equipment Loans Platform), on a rotating dally basis such that the Company and the other entities managed by the Investment Manager are each given priority to such Debt Instruments for one day and not the next. For example, if one entity has only 10 per cent., of the capital to invest as another entity, then the first investments for that entity will only take place on one day out of ten. The Investment Manager has a conflicts of interest policy which contains the details of identified conflicts or potential conflicts of interest and the procedures it follows in order to avoid, minimise and manage such conflicts or potential conflicts. The Investment Manager is structured and organised in a way so as to mitigate the risks of a client's interests being prejudiced by conflicts of interest and will wherever possible try to ensure that a conflict of interest does not arise. In the event that a conflict of interest cannot be avoided the Investment Manager will always act in what it believes to be the best interests of the Company and ensure that the Company and all other client accounts are fairly treated. If circumstances arise such that the Investment Manager's arrangements for avoiding and managing conflicts of interest are not sufficient to ensure with reasonable confidence that the risks of material damage to the interests of the Company or its shareholders will be prevented, the senior management of the Investment Manager must act to ensure that appropriate action is taken in what it believes to be the best interests of the Company and its shareholders. Any such situation will be disclosed to the Company Shareholders in the next annual or half yearly report together with details of the action taken by the Investment Manager to resolve the situation in the best interests of RDLF. The conflicts of interest policy is reviewed by the Investment Manager's chief compliance officer at least once a year or whenever there are material changes in the business services to be offered by the Investment Manager. Other clients or funds managed by the Investment Manager or its affiliates may make Direct Lending Platform Equity investments in securities issued by Direct Lending Platforms which have originated and/or issued Debt Instruments acquired by the Company. The Company's investments in Debt Instruments originated and/or issued by such Direct Lending Platforms may impact on the value attributable to the relevant Direct Lending Platform Equity investment. As described above, no depository is required to be appointed, or has been appointed, by the Company.
23(2)	A description of any arrangement made by the depositary to contractually discharge itself of liability	As described above, no depository is required to be appointed, or has been appointed, by the Company.

23(1)(G)	**VALUATIONS**	
	Description of the Company's valuation procedure and of the pricing methodology for valuing assets, including methods used to value hard-to-value assets	As a non-EEA AIFM, the Investment Manager is not subject to the provisions concerning valuation procedures in Article 19 of the AIFMD. In that context, please refer to the paragraph titled "Net Asset Value publication and calculation" in Part IV of the Prospectus. All assets of the Company will be valued in accordance with the methods set out in the Prospectus. The Company's accounts and the annual report will be drawn up in US Dollars and in accordance with IFRS.
23(1)(H)	**LIQUIDITY RISK MANAGEMENT**	
1	Description of the Company's liquidity risk management, including redemption rights both in normal and exceptional circumstances and the existing redemption arrangements with investors	There are no redemption rights for Shareholders since the Company is closed-ended. In addition, although the Company has no fixed life, pursuant to the Articles an ordinary resolution for the continuation of the Company will be proposed at the annual general meeting of the Company to be held in 2020 and, if passed, every five years thereafter. Upon any such resolution not being passed, proposals will be put forward by the Directors to the effect that the Company be wound up, liquidated, reconstructed or unitised. Liquidity risk is therefore the risk that a position held by the Company cannot be realised at a reasonable value sufficiently quickly to meet the obligations (primarily, debt) of the Company as they fall due. In managing the Company's assets, the Investment Manager will seek to ensure that the Company holds at all times a portfolio of assets (including cash) to enable the Company to discharge its payment obligations. The Company may also maintain a short-term overdraft facility that it may utilise from time to time for short-term liquidity purposes.
23(1)(I)	**FEES AND EXPENSES**	
	Description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors	Please refer to the section entitled "Fees and Expenses" in Part IV of the Prospectus. Since all such fees and expenses will be borne by the Company, they will be borne indirectly by investors, however, no fees or expenses of the Company will be directly borne by the investors. Given that the amount of the ongoing fees payable by the Company following Admission are irregular in their nature, the maximum amount of fees, charges and expenses that Shareholders will bear in relation to their investment cannot be disclosed in advance.
23(1)(J)	**FAIR TREATMENT OF INVESTORS**	
	Description of how the Investment Manager ensures a fair treatment of investors and a description of any preferential treatment, the type of investors who obtain such preferential treatment and, where relevant, their legal or economic links with the Investment Manager	As a company listed on the premium listing segment of the UK Listing Authority's Official List, the Company is required under the Premium Listing Principles to treat all Shareholders of a given class equally. The Investment Manager agreed that, in connection with First Admission, Qualifying Investors were entitled to receive a trail commission. The trail commission will be calculated and paid annually in arrears by the Investment Manager out of the Management Fee. Further details of the trail commissions payable to Qualifying Investors are set out in the section entitled "Fees and Expenses" in Part IV of the Prospectus.

		Other than as disclosed in the Prospectus, the Investment Manager: ● will treat investors fairly; ● will not allow any investor to obtain preferential treatment; and ● has not entered into any agreement to allow any investor to be treated preferentially.
23(1)(K)	**ANNUAL REPORTS**	
	The latest annual report of the Company	Annual reports of the Company can be found on the Company's website: www.RangerDirectLending.com.
23(1)(L)	**TERMS AND CONDITIONS**	
	The procedure and conditions for the issue and sale of interests in the Company	The procedures for conditions applying to any further issue of Shares will be set out in a prospectus or RIS announcement at the time any relevant offer is made. Certain restrictions apply to the sale and transfer of the Shares. These are described in Part VI and Part VII of the Prospectus under the paragraphs titled "Purchase and Transfer restrictions".
23(1)(M)	**NET ASSET VALUE**	
	The latest net asset value of the Company, or the latest market price of the interests of the Company	The Company's Net Asset Value announcements can be found on the Company's website: www.RangerDirectLending.com.
23(1)(N)	**HISTORICAL PERFORMANCE**	
	Where available, the historical performance of the Company	The annual and interim financial statements of the Company can be found on the Company's website: www.RangerDirectLending.com.
23(1)(0)	**PRIME BROKERS**	
1	The identity of the prime broker and a description of any material arrangements of the Company with its prime brokers	Not applicable, the Company has not appointed any prime broker.
2	The way conflicts of interest in relation to any prime brokers are managed	Not applicable, the Company has not appointed any prime broker.
3	The provision in the contract with the depositary on the possibility of transfer and reuse of Company assets	Not applicable, the Company has not appointed any prime depositary. The terms of the Custodian Agreement do not permit the Custodian to transfer or use the Company's assets.
4	Information relating to any transfer of liability to the prime broker that may exist	Not applicable, the Company has not appointed any prime broker.

23(1)(P)	PERIODIC DISCLOSURES	
	Description of how and when the information required to be disclosed periodically to investors under articles 23(4) and 23(5) (so far as relevant, leverage and risk profile) of the AIFMD will be disclosed	The Investment Manager is required to disclose periodically to investors: 1. the percentage of the Company's assets that are subject to special arrangements arising from their illiquid nature; 2. any new arrangements for managing the liquidity of the Company; and 3. the current risk profile of the Company and the risk management systems employed by the Investment Manager to manage those risks. The information shall be disclosed as part of the Company's periodic reporting to investors, as required as an issuer of listed securities on the premium section of the Main Market of the London Stock Exchange, or at the same time as the Prospectus and, at a minimum, at the same time as the Company's annual report is made available. The Investment Manager must disclose on a regular basis: 1. any changes to: a. the maximum level of leverage that the Investment Manager may employ on behalf of the Company; b. any right of reuse of collateral or any guarantee granted under the leveraging arrangement; and 2. the total amount of leverage employed by the Company. Information on changes to the maximum level of leverage and any right of reuse of collateral or any guarantee under the leveraging arrangements shall be provided without undue delay. Information on the total amount of leverage employed by the Company shall be disclosed as part of the Company's periodic reporting to investors, as required as an issuer of listed securities on the premium section of the Main Market of the London Stock Exchange, or at the same time as the Prospectus and at least at the same time as the annual report is made available to investors. Without limitation to the generality of the foregoing, any of the information specified above may be disclosed: 1. in the Company's annual report; 2. in the Company's unaudited interim report; 3. by the issue of an announcement via a regulatory information service (or equivalent); or 4. by the publication of the relevant information on the Company website.

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