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 Ordinary 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 Ordinary 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 Ordinary Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment. The Company's investments are expected to be principally denominated in US Dollars and the Company will report in US Dollars. The Company does not currently expect to hedge its US Dollar exposure. 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 41 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 15 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)

Placing and Intermediaries Offer of up to 13.5 million Ordinary Shares of £0.01 each at an Issue Price of £10 per Ordinary Share[1]

Admission 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, Broker and Placing Agent

LIBERUM CAPITAL LIMITED

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[1]The Directors have reserved the right, in consultation with Liberum, to increase the size of the Placing and Intermediaries Offer to up 15.5 million Ordinary Shares if overall demand exceeds 13.5 million Ordinary Shares, with any such increase being announced through an RNS announcement.

Application will be made for the Ordinary Shares to be admitted to listing on the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence at 8.00 a.m. on 1 May 2015 in respect of the Issue. The Ordinary Shares are not dealt in on any other recognised investment exchange and no other such applications have been made or are currently expected.

The Ordinary 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 Ordinary 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 Ordinary Shares are being offered and sold (i) outside the United States to non-US-persons in reliance on Regulation S and (ii) within the United States only to persons reasonably believed to be qualified institutional buyers ("**QIBs**"), as defined in Rule 144A under the Securities Act, that are also qualified purchasers ("**QPs**"), as defined in Section 2(a)(51) of the US Investment Company Act of 1940, as amended (the "**Investment Company Act**") and who deliver to the Company and Liberum a signed Investor Representation Letter. 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 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 Ordinary 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 Ordinary Shares or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

Liberum Capital Limited ("**Liberum**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company and for no one else in relation to Admission and the Issue and the other arrangements referred to in this Prospectus. Liberum will not regard any other person (whether or not a recipient of this Prospectus) as its client in relation to Admission and the Issue 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 its clients or for providing any advice in relation to Admission or the Issue, 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 by the FSMA or the regulatory regime established thereunder, Liberum does not make any representation express or implied in relation to, nor accepts any responsibility whatsoever for, the contents of the Prospectus or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Ordinary Shares, Admission or the Issue. Liberum (and its 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 the Prospectus or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Ordinary Shares, Admission or the Issue.

This Prospectus is dated 14 April 2015.

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	The Company consents to the use of this Prospectus by financial intermediaries in connection with the subsequent resale or final placement of securities by financial intermediaries. The Company and its Directors accept responsibility for the content of this Prospectus with respect to the resale or final placement of Ordinary Shares in connection with the Intermediaries Offer by Intermediaries given consent by the Company to use this Prospectus. The offer period within which any subsequent resale or final placement of securities by financial intermediaries can be made and for which consent to use this Prospectus is given commences on 14 April 2015 and closes at 5.00 p.m. on 24 April 2015, unless closed prior to that date. **Information on the terms and conditions of any subsequent resale or final placement of securities by any financial intermediary is to be provided at the time of the offer by the financial intermediary.**

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	Not applicable. The Company is not part of a group.
B.6	Major shareholders	As at the date of this Prospectus insofar as known to the Company, there are no parties known to have a notifiable interest under English law in the Company's capital or voting rights. All Shareholders have the same voting rights in respect of the share capital of the Company. Pending the allotment of Ordinary Shares pursuant to the Issue, the Company is controlled by the Investment Manager. 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 financial information below illustrates the audited net assets as at 9 April 2015: *9 April 2015* **Non-current assets** *US$* Debtors: Amounts falling due within one year 74,500 Total non-current assets 74,500 **Net assets** **74,500** There has been no significant change in the financial or trading position of the Company since its incorporation.
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.
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, taking into account the Minimum Gross Proceeds the working capital available to the Company 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 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. The Company may also indirectly participate 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. 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 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 in Debt Instruments in a manner that ensures diversification 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.
B.36	Regulatory status	As an investment trust, the Company is not regulated as a collective investment scheme by the Financial Conduct Authority. However, from Admission, it is subject to the Listing Rules, Prospectus Rules and the Disclosure and Transparency Rules and the rules of the London Stock Exchange.
B.37	Typical investor	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 Ordinary 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 Ordinary Shares in the Issue.

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 arrears and is at the rate of 1/12 of 1.0 per cent. per month of Net Asset Value (the "**Management Fee**"). The Investment Manager also retains the discretion to charge a fee based on a percentage of Gross Assets (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 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. For the period from Admission until the date on which 80 per cent. of the Net Proceeds have been invested or committed for investment, directly or indirectly, in: (i) Debt Instruments; or (ii) Direct Lending Company Equity, the value attributable to any assets of the Company other than Debt Instruments or in investments in Direct Lending Company Equity held for investment purposes (including any cash) will be excluded from the calculation of Net Asset Value for the purposes of determining the Management Fee. In addition, to seek to avoid any other fee layering, if at any time the Company invests in or through any other investment fund or special purpose vehicle (including the VC Fund) 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 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 the VC Fund (or any other investment fund or special purpose vehicle managed or advised by the Investment Manager or its affiliates). Where there are C Shares in issue, the Management Fee will be charged on the net assets attributable to the Ordinary Shares and the C Shares respectively. *Performance fee* The Investment Manager is also entitled to a performance fee calculated by reference to the movements in the Adjusted Net Asset Value since the end of the Calculation Period (as defined below) in respect of which a performance fee was last earned or Admission 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 was the period commencing on Admission and ending on 31 December 2015 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. In the event that C Shares are in issue, the Investment Manager shall be entitled to a performance fee in respect of the net assets referable to the C Shares on the same basis as summarised above. A Calculation Period shall be deemed to end on the date of their conversion into Ordinary Shares. The Management fee and any performance fee payable to the Investment Manager will be calculated and paid in US Dollars. *Sponsor and Sole Bookrunner* Liberum has agreed to act as sponsor to the Issue. Liberum has agreed to use its reasonable endeavours to procure subscribers for Ordinary Shares at the Issue Price pursuant to the Placing. In consideration for its services in relation to the Issue and conditional upon completion of the Issue, Liberum will be paid a placing commission equal to 1 per cent. of the Gross Issue Proceeds of the Ordinary Shares in respect of which it has procured Placees and in respect of which successful applications are made under the Intermediaries Offer. *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 is entitled to an initial set-up fee of £30,000 and an annual fee in respect of the valuation and accounting services it will provide of £16,000 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. *Company Secretary* Capita Registrars 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 will also be entitled to receive a fee of £7,500 for its set-up and pre-Admission services *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 of £1.25 per Shareholder account per annum, subject to a minimum fee of £2,500 per annum (exclusive of VAT). *Custodian* Merrill Lynch, Pierce, Fenner & Smith Incorporated has been appointed as the Company's custody 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 and will be paid a nominal fee for performing that role.
B.41	Regulatory status of investment manager and depositary	The Investment Manager is a 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 will be calculated by the Administrator (on the basis of information provided by the Investment Manager) on a monthly basis. The NAV is 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	Not applicable.
B.45	Portfolio	Not applicable. The Company is newly incorporated and does not currently hold any assets.
B.46	Net Asset Value	The Net Asset Value per Ordinary Share at Admission is expected to be £9.84 assuming Gross Issue Proceeds of £135 million and the costs and expenses of the Issue that are payable by the Company being equal to 1.60 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 15.5 million Ordinary Shares with a nominal value £0.01 each at an Issue Price of £10. The ISIN of the Ordinary Shares is GB00BW4NPD65. The SEDOL of the Ordinary Shares is BW4NPD6. The ticker for the Ordinary Shares is RDL.
C.2	Currency denomination of Ordinary Shares	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* Management Shares — 50,000 — 50,000 Ordinary Shares — 0.01 — 1
C.4	Rights attaching to the Ordinary Shares	The holders of the Ordinary Shares shall only be entitled to receive, and to participate in, any dividends declared in relation to the Ordinary Shares. On a winding-up or a return of capital by the Company, the holders of Ordinary Shares shall be entitled to all of the Company's remaining net assets after taking into account any net assets attributable to any C Shares in issue. The Ordinary Shares shall carry the right to receive notice of, attend and vote at general meetings of the Company. The consent of the holders of Ordinary Shares will be required for the variation of any rights attached to the Ordinary Shares. 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 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 Ordinary 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 Admission will become effective and that dealings for normal settlement in the Ordinary Shares will commence on 1 May 2015.
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 Company intends to pay dividends on a quarterly basis, and the Company intends to pay its first dividend in December 2015 in respect of the period to 30 September 2015. Thereafter, the Company intends to pay dividends on a quarterly basis with dividends declared in February, May, August and November and paid in April, June, September and December in each year. Whilst not forming part of its investment policy, once the Net Proceeds 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 on the Issue Price payable in quarterly instalments (the "**Target Dividend**"). It is the current intention of the Board to move towards a policy of balancing the quarterly dividend payments as soon as the revenue reserve position of the Company permits this approach. The Board, in its sole discretion, may choose not to adopt a dividend balancing policy if it considers this is desirable to minimise the effects of cash drag on the Company's performance. 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 Ordinary Shares as long-term investment. Accordingly, investors should not place any reliance on the Target Dividend in deciding whether to invest in the Ordinary Shares or assume that the Company will make any distributions as all.

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 may fluctuate widely in response to different factors and there can be no assurance that the Ordinary 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 Ordinary Shares	The value of the Ordinary Shares and the income derived from Ordinary Shares (if any) can fluctuate and may go down as well as up. 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 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 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. Assuming Gross Issue Proceeds are £135 million and the costs and expenses of the Issue are 1.60 per cent. of the Gross Issue Proceeds, the Net Proceeds will be approximately £132,840,000.
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. The estimated Net Proceeds of the Issue are £132,840,000, assuming that the Gross Issue Proceeds of £135 million are raised and the costs and expenses of the Issue are 1.60 per cent. of the Gross Issue Proceeds. The Company's principal use of cash (including the Net Proceeds of the Issue) will be to purchase investments sourced by the Investment Manager in line with the Company's investment policy, as well as paying the initial expenses related to the Issue, ongoing operational expenses and payment of dividends and other distributions to Shareholders in accordance with the Company's dividend policy. The amount of fees and expenses payable by the Company to a Direct Lending Platform will vary 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 will 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	The Ordinary Shares are being made available under the Issue at the Issue Price. The Placing will close at 5.00 p.m. on 24 April 2015 (or such later date as the Company and Liberum may agree). If the Placing is extended, the revised timetable will be notified through a Regulatory Information Service. Applications under the Issue must be for Ordinary Shares with a minimum subscription amount of £1,000.

		The Issue is conditional upon: (a) admission of the Ordinary Shares to be issued pursuant to the Issue to the Official List and to trading on the main market of the London Stock Exchange occurring on or before 8.00 a.m. (London time) on 1 May 2015 (or such time and/or date as the Company and Liberum may agree, being not later than 8.00 a.m. (London time) 29 May 2015); and (b) the Placing Agreement becoming unconditional in all respects (save for conditions relating to Admission) and not having been terminated in accordance with its terms before Admission.
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.
E.6	Dilution	Not applicable. No dilution will result from the Issue.
E.7	Estimated expenses charged to the investor by the issuer	The costs and expenses (including irrecoverable VAT) of, and incidental to, the Issue payable by the Company are expected to be 1.60 per cent. of the Gross Issue Proceeds (assuming Gross Issue Proceeds of £135 million). Other than in respect of expenses of, or incidental to, Admission and the Issue which the Company intends to pay out of the proceeds of the Issue, there are no commissions, fees or expenses to be charged to investors by the Company under the Issue.

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 Ordinary 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 Ordinary 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.

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 Ordinary Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this 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 is newly formed and has a limited operating history

The Company was incorporated on 25 March 2015, and intends to invest primarily in a portfolio of Debt Instruments sourced through Direct Lending Platforms, but currently has no investments and will not do so until after Admission.

As a consequence, prior to Admission, prospective investors in the Company will have no opportunity to evaluate the terms of any potential investment opportunities or actual significant investments, or financial data to assist them in evaluating the prospects of the Company and the related merits of an investment in the Ordinary Shares. Following Admission, Shareholders will only have a role in approving any investments the Company makes to the extent required under the Listing Rules.

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

As at the date of this Prospectus, the Company has no investments, and pending deployment of the Net Proceeds intends to invest cash held 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 of the Issue, and the longer the period the greater the likelihood that the Company's results of operations will be materially adversely affected. To the extent that there is a delay in investing the Net Proceeds, the Company's aggregate return on investments will be reduced.

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. 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 Company's returns will be reduced.

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

Borrowings 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 at the time of draw down under any facility that the Company has entered into).

Prospective investors should be aware that, whilst the use of borrowings should enhance the Net Asset Value of the Ordinary 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 Ordinary Shares will be denominated in Sterling while a significant part of its portfolio of investments will be 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 may be denominated in US Dollars, Euros, Sterling, 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. The Company does not anticipate that it will typically seek to hedge currency exposure between Sterling and any other currency in which the Company's assets may be denominated (in particular US Dollars), nor does it currently intend to seek to hedge currency exposure between US Dollars (being the currency in which the Company's borrowings are expected to be denominated) and any other currency (including Euros and Canadian Dollars) in which the Company's assets may be denominated. Even where hedging is undertaken, 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.

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

The Company's investments will 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 will participate is competitive and rapidly changing. The Company is entering into agreements with a number of Direct Lending Platforms, including with each of IFG, Freedom Plus, Biz2Credit, Blue Bridge, AmeriMerchant, Princeton and Sharestates 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 its capital 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 its capital in a timely or efficient manner. The information regarding the Debt Instruments that will be 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 as described in Part I of this Prospectus 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 in 2015 which are contained in this Prospectus 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 will receive payments under any Debt Instruments it acquires only 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. A Direct Lending Platform 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 may invest.

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 will be 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 the Ordinary Shares.

Whilst the Company will invest in secured Debt Instruments, the collateral and security arrangements in relation to such Debt Instruments will be 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 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 may acquire 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 will 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 will 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 will be 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 will also generally depend 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 TrueSight Technology will also be reliant on information provided by the Direct Lending Platforms in selecting investments for the Company. However, the Investment Manager will be 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 TrueSight 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 TrueSight 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 may invest in 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 will actively seek 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 may invest in trade receivables Debt Instruments originated or issued by Direct Lending Platforms and will, therefore, be 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 will be 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 will therefore be 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 will be 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 will be 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, their controlling entities or organisations which the Company may invest in are expected primarily to be 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 equity of any Direct Lending Platforms, a Direct Lending Platform's controlling entity or other organisations servicing the direct lending industry. Investments in unlisted equity, 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 may invest in Debt Instruments and/or 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; 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, 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 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 entitles 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 states 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 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

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: (1) the bank or savings institution entering into the US Debt Instrument in its own name; and (2) a US Direct Lending Platform performing substantial marketing, origination, servicing and/or collection activities in connection with such US Debt Instrument and then acquiring such US Debt Instrument from the bank or savings institution originator shortly after origination.

Under US law, it is not entirely clear whether the desired benefits of these "bank-model" programs will be recognised by US courts. 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.

In the past, a number of state authorities have challenged the lawfulness of payday loans made under bank-model programs. However, outside this context (whether in connection with business loans or lower-rate, less controversial consumer transactions) the Company is not aware of any challenges to bank-model programs by federal or state authorities. Nevertheless, in appropriate circumstances US federal or state banking or law enforcement authorities, the CFPB and/or the FTC could potentially attack a program of this type, 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 (whether in the form of 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.

In addition to the possible initiation of proceedings by governmental authorities, borrowers could also challenge the legality of bank-model lending programs. 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.

Judicial decisions, CFPB rule-making or amendments to the US Federal Arbitration Act (the "FAA") could render illegal or unenforceable 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 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 pre-dispute 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 US 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, and there exists a substantial possibility that the CFPB will adopt rules in the next few years rendering pre-dispute consumer arbitration agreements illegal or unenforceable. Any such rule 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, and any CFPB rule prohibiting or limiting arbitration of consumer disputes would apply to arbitration agreements entered into more than 180 days after the final rule becomes effective and not to prior arbitration agreements. 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 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 will rely 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 will have 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 past performance of the Investment Manager is not a guarantee of the future performance of the Company

The Company has presented certain information in this Prospectus regarding the past performance of the Investment Manager and its key individuals in respect of another fund (Ranger Speciality Income Fund). The past performance of the Investment Manager and its key individuals is not indicative, or intended to be indicative, of future performance or results of the Company for several reasons. For example:

- the Ranger Speciality Income Fund was established in 2013, with prior investment performance reflecting portable performance permissible under Global Investment Performance Standards, while the Company is newly-formed;
- the Ranger Speciality Income Fund is an open-ended, privately placed pooled investment vehicle, whereas the Company is a closed-ended UK investment trust;
- the structure, term, strategies and investment objectives and policies of the Company, on the one hand, and the Ranger Speciality Income Fund, on the other hand, may affect their respective returns. In particular, the investment policy of Ranger Speciality Income Fund historically only permitted investment in a limited number of peer-to-peer lending platforms and more recently permits investment in Direct Lending Platforms whereas the Company will be permitted to invest in Debt Instruments originated or issued by a much broader range of Direct Lending Platforms that, in some cases, do not have a long performance history;
- Ranger Speciality Income Fund does not employ leverage in the implementation of its investment strategy;
- conditions in the markets prevailing when the Investment Manager or its key individuals managed the Ranger Speciality Income Fund may be different from those conditions that will be relevant to the Company; and
- the future performance and results of the Company will be subject to fluctuating market conditions, changes in macro-economic factors and the availability of financing.

Accordingly, there can be no assurance that the Company will have the same opportunities to invest in assets that generate similar returns to such other funds and their risk profile is markedly different.

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

The Investment Manager has developed its own bespoke, proprietary software and infrastructure (the TrueSight Technology) to provide portfolio management and Debt Instrument selection functions to the Company. The Company is reliant on the functionality of the TrueSight 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 TrueSight 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 TrueSight Technology are few in number; (ii) the risk that the TrueSight 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 TrueSight Technology due to successful or pending

legal claims by third parties that the TrueSight Technology infringes on third party intellectual property; (iv) the risk that the TrueSight Technology does not function as desired or anticipated by the Investment Manager; (v) the risk that the TrueSight Technology is not correctly developed to function within changing operational conditions of the Direct Lending Platforms, thereby rendering the TrueSight Technology obsolete and; (vi) the loss of key programming and development personnel, such that future developments or maintenance of the TrueSight Technology other unforeseen risks relating to the development, use, or obsolescence of the TrueSight 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 perform due diligence on the proposed investment. In doing so, it would typically rely in part on information from third parties (including credit ratings agencies) as a part of this due diligence. To the extent that the Investment Manager 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 Ordinary Shares

The market price of the Ordinary Shares may fluctuate widely in response to different factors and there can be no assurance that the 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 Ordinary 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 Ordinary Shares. The market value of the Ordinary Shares may vary considerably from the Company's underlying Net Asset Value. There can be no assurance, express or implied, that Shareholders will receive back the amount of their investment in the Ordinary Shares.

The Company has Shareholder approval, conditional on Admission, to make market purchases of up to 14.99 per cent. of the Ordinary Shares in issue immediately following Admission (and the Directors intend to seek annual (or, if required, more frequent) renewal of this authority from Shareholders) 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 Ordinary Shares may trade.

A liquid market for the Ordinary Shares may fail to develop

Admission should not be taken as implying that there will be a liquid market for the Ordinary Shares. Prior to Admission, there has been no public market for the Ordinary Shares and there is no guarantee that an active trading market will develop or be sustained after Admission. If an active trading market is not developed or maintained, the liquidity and trading price of the Ordinary Shares may be adversely affected. Even if an active trading market develops, the market price of the Ordinary Shares may not reflect the value of the underlying investments of the Company.

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

The Company's ability to pay dividends will depend 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.

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

Although 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 Ordinary Shares.

These circumstances include where a transfer of 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).

Risks related to regulation and taxation

Investment trust status

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 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. 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 Ordinary 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 Ordinary 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, the Company may be unable to monitor whether Benefit Plan Investors or investors acquire Ordinary Shares and therefore, there can be no assurance that Benefit Plan Investors will never acquire Ordinary 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 US Internal Revenue Service 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 US Internal Revenue Service 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).

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 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, pursuant to which parts of FATCA have been effectively enacted into UK law.

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 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 proposed OECO Common Reporting Standard for Automatic Exchange of Financial Account Information ("**CRS**") and the EU Directive in Administration Cooperation (in relation to the field of taxation) ("**DAC**") are due to be implemented during 2015. The full details of these have not been fully finalised, but it is expected that they will operate on a basis similar to FATCA, and will 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 CRS and DAC on their investment in the Company.** It should be noted that the UK published new regulations on 24 March 2015 which are intended to cover FATCA, CRS and DAC. These regulations have effect from 1 January 2016 in relation to the DAC and CRS and from 15 April 2015 in relation to FATCA.

Alternative Investment Fund Managers Directive

The AIFM Directive, which was due to be transposed by the EEA member states into national law on 22 July 2013, 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 Ordinary 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 Ordinary Shares 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 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.

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

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.

Intermediaries

The Company consents to the use of this Prospectus by financial intermediaries in connection with any subsequent resale or final placement of securities by financial intermediaries in the UK, the Channel Islands and the Isle of Man on the following terms: (i) in respect of the Intermediaries who have been appointed by the Company prior to the date of this Prospectus, as listed in paragraph 15 of Part VII of this Prospectus, from the date of this Prospectus; and (ii) in respect of Intermediaries who are appointed by the Company after the date of this Prospectus, a list of which appears on the Company's website, from the date on which they are appointed to participate in connection with any subsequent resale or final placement of securities and, in each case, until the closing of the period for the subsequent resale or final placement of securities by financial intermediaries at 5.00 p.m. on 24 April 2015, unless closed prior to that date. The Company and each of the Directors accept responsibility for the content of this Prospectus with respect to the resale or final placement of Ordinary Shares in connection with the Intermediaries Offer by Intermediaries given consent by the Company to use this Prospectus.

The offer period within which any subsequent resale or final placement of securities by financial intermediaries can be made and for which consent to use this Prospectus is given commences on 14 April 2015 and closes at 5.00 p.m. on 24 April 2015, unless closed prior to that date (any such prior closure to be announced via an RNS announcement.

Information on the terms and conditions of any subsequent resale or final placement of securities by any financial intermediary is to be provided at the time of the offer by the financial intermediary. Any financial intermediary using this Prospectus is required to state on its website that it uses this Prospectus in accordance with the consent and conditions as set out above.

The Company consents to the use of this Prospectus and accepts responsibility for the content of this Prospectus also with respect to subsequent resale or final placement of securities by any financial intermediary given consent to use this Prospectus.

Any new information with respect to financial intermediaries unknown at the time of approval of this Prospectus will be available on the Company's website.

Data protection

The information that a prospective investor in the Company provides in documents in relation to a subscription for Ordinary 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, Ordinary 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 Ordinary Shares;

- any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of the Ordinary Shares which they might encounter; 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 Ordinary 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 Ordinary Shares, and the income from such Ordinary Shares (if any), can go down as well as up.

This Prospectus should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles which investors should review. A summary of the Articles is contained in Part VII 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 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 DTRs 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.

Nothing in the preceding three paragraphs should be taken as limiting the working capital statement in paragraph 10 of Part VII of this Prospectus.

Presentation of financial information

The Company is newly formed and as at the date of this Prospectus has not commenced operations and has no assets or liabilities. 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.

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 and the track record of the Investment Manager contained in this Prospectus consists of estimates based on data and reports compiled by professional organisations and analysts, information made public by investment vehicles currently managed by the Investment Manager, 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 Liberum 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.

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 Ordinary Shares on the contents of this Prospectus alone.

Notice to prospective investors in the European Economic Area

The Ordinary 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 Ordinary 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.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2015
Latest time and date for receipt of completed application forms from the Intermediaries in respect of the Intermediaries Offer*	5.00 p.m. on 24 April
Latest time and date for commitments under the Placing*	5.00 p.m. on 24 April
Publication of results of the Issue	27 April
Admission and commencement of dealings in the Ordinary Shares issued under the Issue	8.00 a.m. on 1 May
CREST accounts credited in respect of uncertificated Ordinary Shares issued under the Issue	8.00 a.m. on 1 May
Where applicable, share certificates despatched in respect of Ordinary Shares issued under the Issue**	Week commencing 4 May

Times and dates are subject to change.

* The Directors may, with prior approval of Liberum, extend such date and thereby extend either or both of the Placing and/or Intermediaries Offer periods, to a time and date no later than 5.00 p.m. on 25 May 2015. If the Placing and Intermediaries Offer periods are extended, the Company will notify investors of such change by the publication of an RNS announcement.

** Underlying Applicants who apply under the Intermediaries Offer for Ordinary Shares will not receive share certificates.

ISSUE STATISTICS

Target size of the Placing and Intermediaries Offer	£135 million
Issue price per Ordinary Share for the Issue	£10
Target estimated Net Proceeds receivable by the Company*	up to £132,840,000

* The maximum size of the Issue is £155 million with the actual size of the Issue being subject to investor demand. The number of Ordinary 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 RNS announcement prior to Admission. The Issue will not proceed if the Minimum Gross Proceeds are not raised. It is also assumed for this purpose that 135 million Ordinary Shares are issued pursuant to the Issue and that the costs and expenses of the Issue payable by the Company are equal to 1.60 per cent. of the Gross Issue Proceeds.

DEALING CODES

The dealing codes for the Ordinary Shares will be as follows:

ISIN:	GB00BW4NPD65
SEDOL:	BW4NPD6
Ticker:	RDL

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, Broker and Sole Bookrunner	Liberum Capital Limited Level 12, Ropemaker Place 25 Ropemaker Street London EC2Y 9LY United Kingdom
Company Secretary	Capita Registrars Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
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
Custodian	Merrill Lynch, Pierce, Fenner & Smith Incorporated 101 California Street San Francisco CA94111 United States
English and US Legal Adviser to the Company	Travers Smith LLP 10 Snow Hill London EC1A 2AL United Kingdom
English Legal Adviser to the Sponsor, Broker and Sole Bookrunner	Wragge Lawrence Graham & Co LLP 4 More London Riverside London SE1 2AU
Auditors and Reporting Accountant	Deloitte LLP 2 New Street Square London EC4A 3BZ

PART I

INTRODUCTION TO THE COMPANY AND THE DIRECT LENDING OPPORTUNITY

The Company

The Company is a newly established, externally managed closed-ended investment company incorporated on 25 March 2015 in England and Wales with an unlimited life. The Company intends to carry 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 IV 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, by acquiring 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, will conduct 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 will achieve 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 will be acquired by the Company will take a variety of different forms and, as at the date of this Prospectus, will include:

- acquiring a Debt Instrument from the Direct Lending Platform that has originated it (in other words, the Company will effectively assume 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; and
- investing in a pooled investment vehicle (such as a limited partnership or special purpose vehicle investment company) which holds a portfolio of Debt Instruments originated or issued by a particular Direct Lending Platform.

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 will be 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 will seek 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 will 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 Agreement will 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, is expected to reflect one of the four 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 will also provide whether the Investment Manager will actively select the Debt Instruments that will be 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 "Investment Pipeline" 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.

The Company currently anticipates that in excess of 75 per cent. (by value) of the Debt Instruments that it directly or indirectly acquires will be secured by commercial assets and/or personal guarantees and the Company's investment policy requires that secured or guaranteed Debt Instruments represent no less than 65 per cent. of Gross Assets at the time of purchase. More information on the illustrative portfolio of the Company is set out below in this Part I of the 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 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 on the Issue Price 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 Ordinary 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 Ordinary 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 fixed income products.

In making its investments, the Company will 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 lengthy performance track records, compared to most peer-to-peer platforms that have only been in existence for a few years and have not tested their underwriting models through down 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. The entire direct lending universe is far larger than the peer-to-peer industry. In 2014, the US direct lending marketplace (including commercial real estate and small business lending) exceeded US$50 billion by lending volume as compared to the US$10 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 potentially reduce risk through investment diversification while also potentially achieving higher returns by investing in the best performing direct lending asset classes.

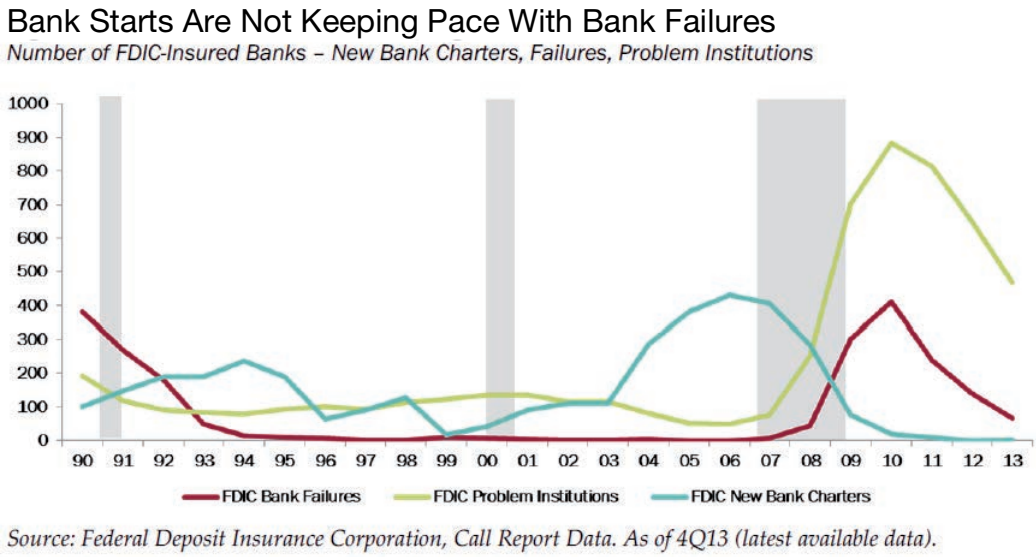
Direct Lending Platforms are increasingly looking to third party investors to assist in the funding of their loan book as well as the provision of capital to the platform itself to fund future development. The Company believes that this larger investment universe will allow it to be very selective in 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

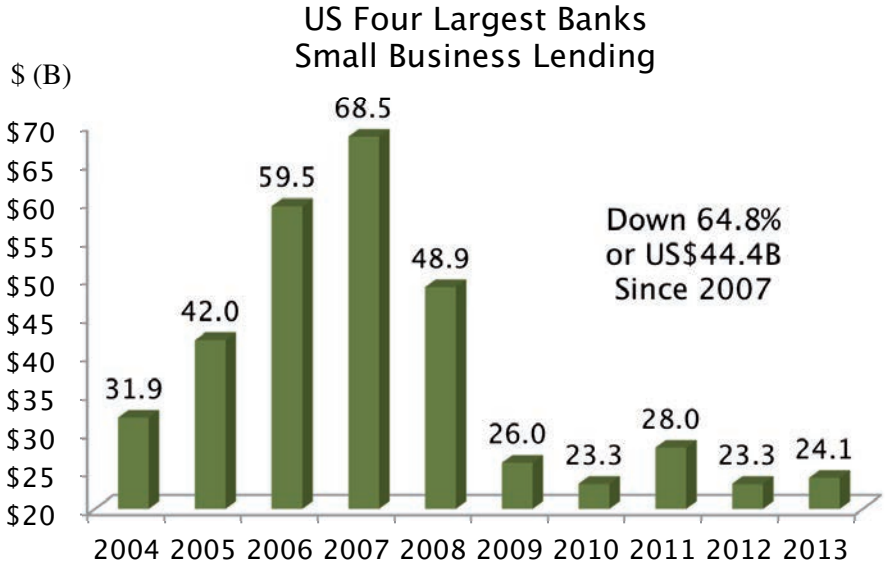
The tightening of banking regulations has prompted banks to reassess their business models, regulatory capital and liquidity requirements, and the risk profile of the loans made by them. This has resulted in a

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. Community banks have been shown to be more likely to make small business loans than the larger institutional banks, but the number of community banks continues to fall with less than 7,000 today in the United States, down from over 14,000 in the mid-1980s.

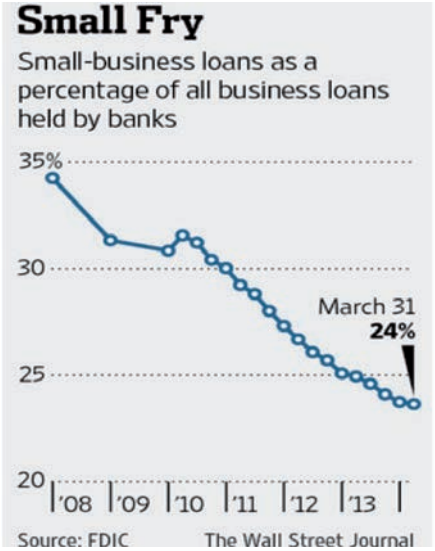


Source: Federal Deposit Insurance Corporation, Call Report data as of Q4 2013 (extracted from "The State of Small Business Lending" by Karen Bardon Mills and Braydon McCarthy, 22 July 2014

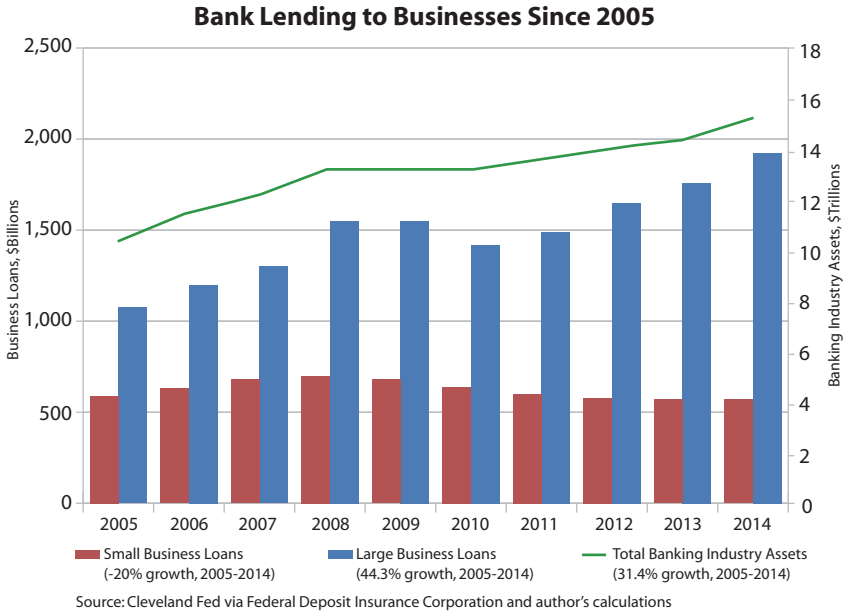


Source: American Banker: "Are the Big Banks open for small business lending" (consolidated data of JP MorganChase, Wells Fargo, Bank of America and Citigroup)

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.



Source: Wall Street Journal: "Small business lending is slow to recover", 17 August 2014



Source: Federal Reserve Bank of Cleveland, 5 January 2015.

Note: All data shown are as of 30 June for the respective year and include commercial and industrial loans and non-farm non-residential loans. Small loans are defined as those with values less than or equal to US$1 million. Large loans are those with values that exceed US$1 million.

It has been reported that as at 31 December 2014, US banks held US$590 billion of loans to small businesses which is 17 per cent. less that the peak of such lending of US$711 billion in 2008. Further, small commercial and industrial loans in the US grew by 3.4 per cent. over the past year while loan outstandings have increased by over 24 per cent. as compared to pre-recession levels.

To the extent that traditional banks are lending, their lending model includes 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 results 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 as opposed to analysing 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 the 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

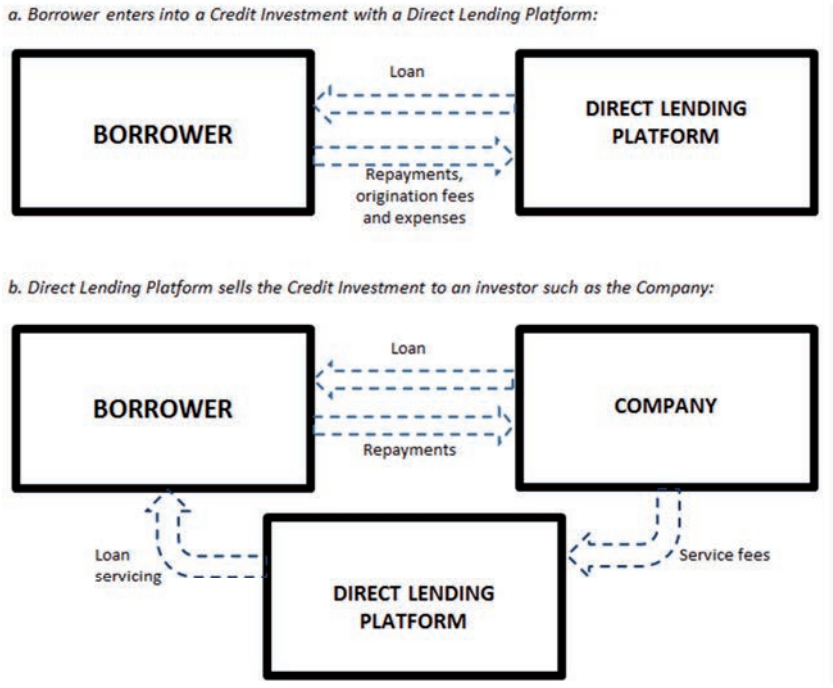
As explained above, the Company will acquire exposure to Debt Instruments originated or issued by Direct Lending Platforms through a variety of different models and structures, driven to a large extent by the industry or asset class which such Direct Lending Platform services.

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**").

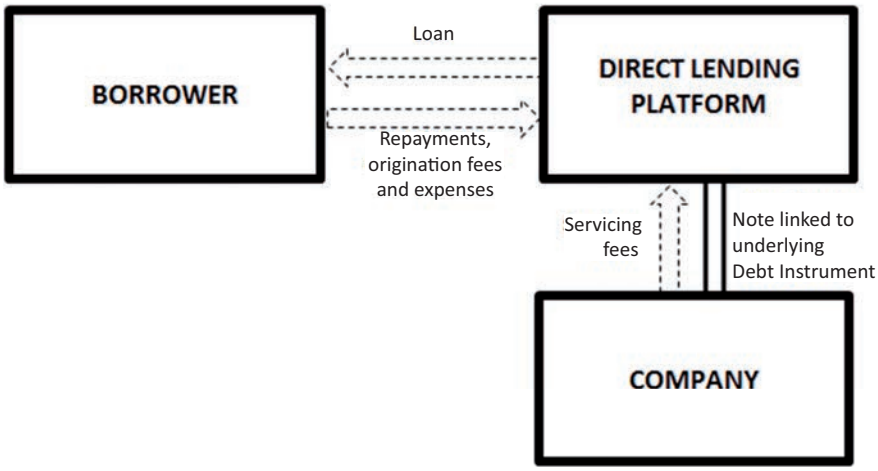


  Appropriate investors (such as the Company) may thereafter purchase the Debt Instrument issued by the Direct Lending Platform or Bank Intermediary and they are effectively assigned the rights and obligations associated with underlying lending transaction. Direct Lending Platforms generally sell Debt 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 a Service Agreement terms. 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.



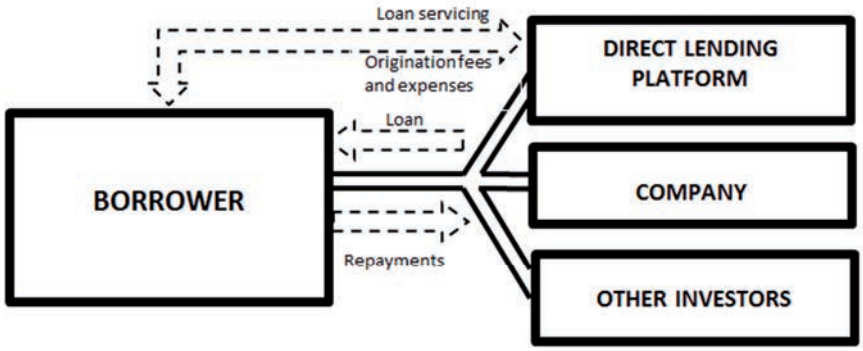
In this model, the Direct Lending Platform continues to be a party to the underlying Debt Instruments (maintaining such Debt Instruments on its books) and issues the Notes to investors such as the Company. As a result, the Direct Lending Platform maintains the rights and obligations generally associated 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 principles) 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*

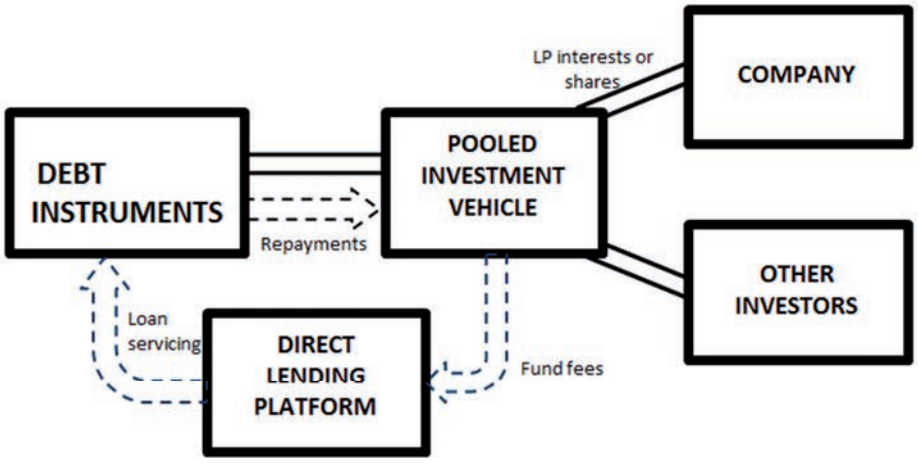
  The third structure represents the participation by an investor such as the Company in a syndicate that together makes up the lender on a Debt Instrument, and where the Direct Lending Platform serves as lead creditor. In this model, the investor participates in all the rights and obligations of a lender 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 generally do not, but 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 forth 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 with respect to the underlying Debt Instruments which are allocated to it in the pool. Rather than the charging a Spread, servicing fees or other purchase fees, the Direct Lending Platform will often charge a combination of management fees, fulcrum fees and/or performance fees.

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 Notes (or other forms of participation) as securities with the US Securities and Exchange Commission. As such, Notes (or other forms of participation) are not freely transferable and investors in them are not subject to the protections afforded under the Securities Act.

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 of that platform's loans. Following loan closing and funding, the regulated entity holds each Debt Instrument for a defined period before it sells each loan to the Direct Lending Platform. Following this transfer, the Direct Lending Platform arranges for a trust affiliated to it to issue certificates, the returns on which are linked to interests in the loans that have been acquired by the Direct Lending Platform as described above.

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 Platform Agreements in place as at the date of this Prospectus are all with US based Direct Lending Platforms.

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.

Investment Pipeline

Direct Lending Platform access and pipeline

The Company has entered into agreements in relation to, *inter alia*, the deployment of part of the Company's capital following Admission with a diverse range of niche Direct Lending Platforms.

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 will generally actively select Debt Instruments to be acquired by the Company in accordance with its investment process described in Part IV of this Prospectus.

As at the date of this Prospectus, the Company has only entered into Platform Agreements with Direct Lending Platforms in the US. The Company is not prohibited from investing in Debt Instruments issued by Direct Lending Platforms in other jurisdictions (including the United Kingdom) and the Company expects to enter into further agreements with Direct Lending Platforms in a number of jurisdictions over the life of the Company, subject to the Investment Manager's assessment of the relevant platform and agreement of suitable terms.

Further information on each of the Direct Lending Platforms, and the relevant Platform Agreements which have already been entered into (in each case conditional on Admission), are set out below.

- *IFG*

  IFG provides spot invoice factoring whereby it provides loans against specific invoices rather than a credit line based upon a borrower's receivables. IFG has been operating since 1972 and now owns at

least 150 franchises operating in 9 countries. The local franchise model operated by IFG 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 IFG 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.

IFG's underwriting process provides for 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 IFG; (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 IFG over the borrower's assets; and (iv) personal or validity guarantees are provided by the borrower's significant shareholders and directors. In addition, IFG 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 48 per cent.

IFG's annual loss rate since inception is less than 1 per cent. on non-construction invoices and less than 2 per cent. on construction invoices and it has not suffered a charge-off since 2011. In each of the last four years, IFG has provided loans in excess of US$200 million in aggregate. IFG's average loan size is US$75,000 with an average term of 42 days. In 2014, IFG adopted a new pricing programme that lowered overall borrower rates which is anticipated to result in significant increases in the volume of loans made.

IFG estimates that it will have a lending volume of US$250 million in 2015.

The Company and other funds managed by the Investment Manager currently intend, to the extent they are available, to invest in fractional invoice Debt Instruments (which are structured as a syndicate investment) originated by IFG for an aggregate amount of up to US$50 million in 2015. IFG has indicated that it believes that there will be a sufficient volume of Debt Instruments available to satisfy such demand in the period to 31 December 2015. The Investment Manager will actively select fractional invoice Debt Instruments for the Company from the range of invoice receivables made available to the Company under the Platform Agreement and acquisitions will be made following model 3 as described above.

The target unlevered net yield in respect of Debt Instruments acquired by the Company that are originated by IFG is 12 per cent. The Investment Manager estimates that the Company will deploy between US$30 to US$50 million of the Company's Net Proceeds in fractional invoice Debt Instruments originated by IFG.

- *Blue Bridge*

  Blue Bridge provides equipment financing loans and has originated over US$56 million in loans since it was established five years ago. Its management has over 30 years of experience and over that time has purchased or sold whole loans with an aggregate value of US$10 billion. The Blue Bridge management team has extensive experience in equipment financing, banking and speciality finance. Blue Bridge focuses on borrowers that are well established businesses (its borrowers have, on average, 12 years in business) within stable industries. Blue Bridge requires both its counterparties and their personal guarantors to have a strong credit profile and, as at November 2014, the average FICO score of a Blue Bridge borrower and/or personal guarantor was 718. In order to reduce the risk of borrower fraud, Blue Bridge has agreed that it will finance the first two payments under the equipment contract of an approved borrower before the relevant Debt Instrument is acquired by the Company.

  Blue Bridge's underwriting process is based on a proprietary scoring model that utilises a combination of third party data combined with certain overlay that evaluate the unique aspects of each equipment finance transaction. As such, the underwriting process is based on quantitative data, supplemented by the real world underwriting experience of the Blue Bridge credit team. The relevant equipment must have what the credit team assess to be a strong secondary market. Local site audits and diligence visits are also performed on most borrowers before their application is accepted. Blue Bridge 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.

Blue Bridge believes that its more recent vintage loans indicate stronger borrower profiles through the available origination metrics and higher average loan sizes.

Blue Bridge currently expects that its loan origination in 2015 will exceed US$100 million as it leverages in vendor programmes, in-house direct sales and strategic partnerships with over 400 independent originators.

The Platform Agreement entered into by the Company and Blue Bridge provides that Blue Bridge will use its reasonable endeavours to make available to the Company and other funds managed by the Investment Manager whole equipment loan Debt Instruments for an aggregate amount of at least US$15 million in the period to 20 February 2016. The Investment Manager will actively select Debt Instruments for acquisition by the Company from the range of whole equipment loans made available to the Company under the Platform Agreement as described in model 1 above.

The target unlevered net yield in respect of Debt Instruments acquired by the Company that are originated by Blue Bridge is 11 to 12 per cent. The Investment Manager estimates that the Company will deploy between US$10 to US$15 million of the Net Proceeds in Debt Instruments originated or issued by Blue Bridge.

- *Biz2Credit*

  Biz2Credit 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. Biz2Credit has been in operation for 7 years and, in its first six years, processed over 250,000 loan applications using a proprietary credit scoring algorithm. Biz2Credit 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 with banks, payment processors and media companies. 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.

  Biz2Credit'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.

  Biz2Credit's overall annual loss rate is projected to be 2 per cent. Biz2Credit 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. In 2014, Biz2Credit originated financing transactions with an aggregate value in excess of US$50 million. Biz2Credit estimates that it will have a following transactions volume of US$160 million in 2015.

  The Platform Agreement entered into by the Company and Biz2Credit provides that Biz2Credit will use its reasonable endeavours to make available to the Company and other funds managed by the Investment Manager whole purchase transactions Debt Instruments for an aggregate amount of at least US$36 million per year for 3 years commencing on 23 January 2015. The Investment Manager will actively select Debt Instruments for acquisition by the Company from the range of portfolio options made available to the Company under the Platform Agreement as described in model 1 above.

  The target unlevered net yield in respect of Debt Instruments acquired by the Company that are issued or originated by Biz2Credit is 12 to 13 per cent. The Investment Manager estimates that the Company will deploy between US$30 to US$40 million of the Net Proceeds in Debt Instruments originated or financed by Biz2Credit. The Investment Manager is also in negotiations with Biz2Credit in relation to an equity investment by the Company in the platform.

- *AmeriMerchant*

  AmeriMerchant 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 AmeriMerchant are secured by business assets and personal guarantees. AmeriMerchant partners with large payment processors which assists in keeping customer acquisition costs low whilst retaining high volumes of deal flow. The platform also anticipates extending the number of US states that it can lend into from 30 to 50 in total with the adoption of a new regulatory model for its lending. The CEO of AmeriMerchant is President of the North American Merchant Advance Association (NAMAA).

  AmeriMerchant'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.

  AmeriMerchant's disciplined underwriting culture has achieved industry leading loss rates through the entire credit cycle. AmeriMerchant has originated more than US$220 million loans since 2007 and estimates that it will have a lending volume of US$125 million in 2015.

  The Company will co-participate, alongside AmeriMerchant, in high yield SME loan and cash advance Debt Instruments that meet both AmeriMerchant's and the Investment Manager's underwriting criteria. AmeriMerchant will typically return a minimum interest of 50 per cent. of each Debt Instrument that the Company partially acquires.

  Co-Investments by the Company in Debt Investments originated or issued by AmeriMerchant will consist of Debt Instruments primarily supplied by loan brokers and intermediaries such as Lion Capital. As consideration for such opportunity, the Company has agreed to pay Lion Capital a fee for each investment made that originated from its broker and intermediary network.

  The Loan Referral Services Agreement to be entered into by the Company and Lion Capital provides that Lion Capital will use its reasonable endeavours to make available to the Company and other funds managed by the Investment Manager, Debt Instruments for an aggregate amount of at least US$20 million in 2015. The Investment Manager will actively select Debt Instruments for acquisition by the Company from the range of loans and cash advances made available to the Company under the Loan Referral Services Agreement as described in model 1 above.

  The target unlevered net yield in respect of Debt Instruments acquired by the Company that are originated or issued by AmeriMerchant is 14 to 15 per cent. The Investment Manager estimates that the Company will deploy between US$15 to US$20 million of the Net Proceeds in Debt Instruments originated or issued by AmeriMerchant.

- *Princeton*

  Princeton provides credit lines to SME type businesses making short-term consumer loans in the non-prime market. Princeton has an exclusive marketing and data underwriting partnership with MicroBilt Corporation, the world's leading alternative credit bureau. MicroBilt Corporation owns three times more alternative data on its segment of consumers (consisting of nearly 100 million enquiry and performance records representing more than US$22 billion in loan decisions) than the top three consumer credit bureau's combined and Princeton bases its decisions to lend using MircoBilt Corporation's proprietary software.

  Princeton has access to MicroBilt Corporation's 4,000 active lender clients which enables it to focus on the 50 to 100 lenders it views as most suitable for investment. This access offers significant capacity for growth of the platform. The average APR on lines of credit provided by short term lenders selected by Princeton is 24 per cent. with a 10 per cent. early repayment penalty. Credit lines provided by Princeton are secured by assets including the entire relevant underlying consumer loan portfolio.

  Princeton's underwriting process applies MicroBilt Corporation profitability studies to all potential business clients. Princeton 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. Princeton is also able to monitor the credit bureaus consumer and lender data from origination which creates real-time lending metrics reflective of industry and vertical trends. Princeton seeks to diversify its loan book through it lending on a nationwide basis in multiple verticals and industries. 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 made to Princeton, not the businesses that are lent to by it, and Princeton holds back 15 per cent. of such payments in a portfolio loan loss reserve.

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

Princeton estimates that it will have a lending volume available for the Company and other funds managed by the Investment Manager of the greater of US$20 million or 25 per cent. of its aggregate lending capacity.

The Platform Agreement entered into by the Company and Princeton takes the form of a subscription agreement pursuant to which the Company will invest in Princeton (as described in model 4 above), which itself invests substantially all of its assets in Princeton Alternative Income Fund, L.P. (the "**Master Fund**"). The Master Fund holds the SME lines of credit as described above.

The target unlevered net yield in respect of the interests in the pooled investment vehicle holding Debt Instruments acquired by the Company that are issued by Princeton is 13 to 15 per cent. The Investment Manager estimates that the Company will deploy between US$15 to US$20 million of the Net Proceeds in Princeton.

- *Sharestates*

  Sharestates provides private real estate lending focussing on non-owner occupied residential and commercial projects. Its loans are typically short-term (12 to 24 months) with a focus on the New York City metropolitan area which historically allows for higher lending rates than the national average. Sharestates' management team have over 25 years combined experience of real estate investing with a particular focus on the New York City metropolitan area. Sharestates parent company, Atlantis Organisation, 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 Sharestates. All loans originated by Sharestates are secured against the relevant property (typically through a first lien position) as well as personal and corporate guarantees.

  Sharestates 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.

  Since Sharestates was launched in July 2014 it has funded 8 projects. Sharestates estimates that it will have a lending volume of US$50 million in 2015.

  The Platform Agreement entered into by the Company and Sharestates provides that Sharestates will use its reasonable endeavours to make available to the Company and other funds managed by the Investment Manager fractional or whole loan Debt Instruments for an aggregate amount of at least US$20 million in 2015. The Investment Manager will actively select Debt Instruments for acquisition by the Company from the range of real estate loans made available to the Company under the Platform Agreement and any investment in such Debt Instruments will take the form of an unsecured borrower dependent payment note issued by Sharestates as described in model 2 above. The notes acquired by the Company may be in respect of a whole real estate loan or a fractional interest of a real estate loan. It is anticipated that, generally, at least 25 per cent. of the total value of a Debt Instrument acquired by the Company from Sharestates will be provided by third party institutional or accredited investors.

The target unlevered net yield in respect of Debt Instruments acquired by the Company which are issued by Sharestates is 11 to 13 per cent. The Investment Manager estimates that the Company will deploy between US$15 to US$20 million of the Net Proceeds in Debt Instruments issued by Sharestates. The Platform Agreement also provides for the Company being able to subscribe for warrants issued by Sharestates which become exercisable based on investment milestones as well as making additional equity investments.

- *Freedom Plus*

  Freedom Plus provides consumer loans targeting emerging-prime borrowers (namely borrowers who Freedom Plus 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. Freedom Plus utilises the resources of its parent company, Freedom Financial Network to select borrowers. Freedom Financial Network 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, Freedom Plus' sister company, Bills.com provides a strong lead flow of borrowers for the Freedom Plus loan product. Only a limited number of funds have been offered access to investing in Freedom Plus' loan book.

  The underwriting process used by Freedom Plus has been built on its parent company's 12 years of experience in dealing with financially stressed consumers. Freedom Plus 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 Freedom Plus also requires each applicant to complete a question and answer form which provides it with further insights into the creditworthiness of the applicant. The Freedom Plus 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. Freedom Plus retains the servicing of the loans, thereby maintaining personal contact with each borrower which, it believes, reduces the risk of default.

  Freedom Plus loans were first offered in February 2014 and are targeted by the Company to achieve an annual loss rate of 4 per cent. per annum. In its first year, Freedom Plus originated aggregate loans in excess of US$19 million.

  Freedom Plus estimates that it will have a lending volume of US$200 million in 2015.

  The Platform Agreement entered into by the Company, Freedom Plus and Cross River Bank (a New Jersey state chartered bank which originates the relevant Debt Instruments) provides that Cross River Bank will use its reasonable endeavours to make available to the Company and other funds managed by the Investment Manager whole loan Debt Instruments (which fall with certain defined underwriting criteria) for an aggregate amount of at least US$65 million in 2015 and US$8 million per month thereafter. The Company will acquire a pro rata amount of the whole loan Debt Instruments selected by Freedom Plus for it and the other funds managed by the Investment Manager as described in model 1 above. The Investment Manager will apply its TruSight Technology to evaluate the Debt Instrument portfolio on a daily basis and the Company will continue to invest the Debt Instruments provided the projected returns meet a minimum threshold. Debt Instruments that are deemed less desirable by TruSight Technology will be reported to Freedom Plus to enable better selection of loans going forward.

  The target unlevered net yield in respect of Debt Instruments acquired by the Company that are originated by Freedom Plus is 12 to 13 per cent. The Investment Manager estimates that the Company will deploy between US$30 to US$50 million of the Net Proceeds in Debt Instruments originated by Freedom Plus.

- *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:

  (i) a Direct Lending Platform which provides unsecured consumer loans. The target unlevered net yield in respect of Debt Instruments acquired by the Company that are issued or originated by

this platform is 12 to 13 per cent. The Investment Manager estimates that the Company will deploy between US$10 to US$15 million of the Net Proceeds in Debt Instruments originated or issued by this platform if negotiations are concluded successfully;

(ii) a Direct Lending Platform which provides government backed pre-financing. The target unlevered net yield in respect of Debt Instruments acquired by the Company that are issued or originated by this platform is 14 to 15 per cent. The Investment Manager estimates that the Company will deploy between US$10 to US$15 million of the Net Proceeds in Debt Instruments originated or issued by this platform if negotiations are concluded successfully; and

(iii) a Direct Lending Platform which provides speciality finance to individuals with advanced-stage illnesses (commonly known as viatical settlements). The target unlevered net yield in respect of Debt Instruments acquired by the Company that are issued or originated by this platform is 14 to 15 per cent. The Investment Manager estimates that the Company will deploy between US$10 to US$15 million of the Net Proceeds in Debt Instruments originated or issued by this platform if negotiations are concluded successfully.

In respect of each of the Platform Agreements with the Direct Lending Platforms listed above, the Company is not under any obligation to commit 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 will make an informed decision regarding prospective Debt Instruments on behalf of the Company.

The amount of Debt Instruments which may be acquired from each Direct Lending Platform pursuant to the relevant Platform Agreement as described above is an aggregate capacity for all funds being managed or advised by the Investment Manager (being, currently, the Company and Ranger Speciality Income Fund). Available Debt Instruments will be allocated between the funds in accordance with the Investment Manager's allocation policy as described in Part IV of this Prospectus. The estimated deployment figures in respect of investments in Debt Instruments originated or issued by each Direct Lending Platform by the Company as set out above are for illustrative purposes only and assume the Gross Issue Proceeds being equivalent to US$200 million. The actual deployment of the Company's Gross Assets may differ materially from the estimates described above. 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:

- 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.

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.

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 Investment Manager is currently in the process of establishing a new fund (the "**VC Fund**"). The general partner of the VC Fund will be owned equally by principals of the Investment Manager a subsidiary of Liberum and additional investment principals. Such participants will share net profits arising from the investment management fees and performance fees paid by investors in the VC Fund. It is expected that any investment by the Company in the VC Fund will be subject to a management fee of 1 per cent. and a performance fee of 10 per cent. The Investment Manager has agreed with the Company that it will exclude the value of any investment made by the Company in the VC Fund when calculating the Management Fee and Performance Fee payable to the Investment Manager (as described in Part III of this Prospectus). As such, there will be no fee layering as a result of an investment by the Company in the VC Fund.

The VC Fund's investment policy will be to invest in Direct Lending Company Equity and the Investment Manager has advised the Company that it expects, when launched, the VC Fund to have an identified investment pipeline in excess of US$50 million. The VC Fund will focus on investing in seed and/or series A and B rounds of funding by Direct Lending Platforms their controlling entities or other entities serving the direct lending industry. Investments currently being considered include a Canadian SME lender with experience in government secured grants and tax lending, a life settlement lender with a two year track record and a real estate lender working with US banks on monetising origination overflow.

Whilst the Company may invest in the VC Fund in the future, it has currently not entered into any commitment to do so.

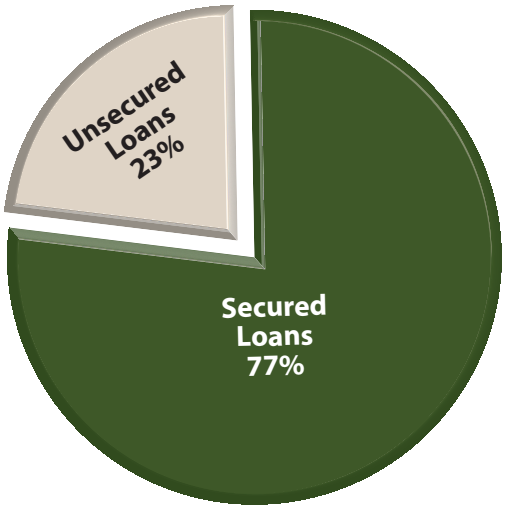
Illustrative Portfolio

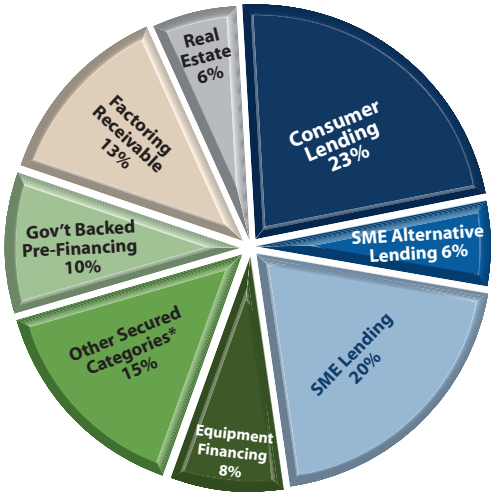
Following Admission, the Company will invest substantially all of the Net Proceeds of the Issue in a portfolio of Debt Instruments originated or issued by Direct Lending Platforms and Direct Lending Company Equity. The Directors believe that the Net Proceeds of the Issue will be primarily invested within 6 to 9 months of Admission.

While the exact composition of the fully invested portfolio and the identity of specific investments will depend on market conditions and the continued availability of Debt Instruments which satisfy the Company's Debt Instrument selection criteria (as described in Part IV of this Prospectus), if the Investment Manager was to allocate assets as at the date of this Prospectus based on the availability of Debt Instruments and market conditions as at that date, it is anticipated that such allocation would have the characteristics similar to the illustrative portfolio described below. Prospective investors should note that the illustrative portfolio is intended to be illustrative only and is not designed to be indicative, or to predict future performance, of the Company or its eventual investment portfolio, which may be materially different from the illustrative portfolio described below. In particular, there is no guarantee that there will be sufficient qualified loan requests through the platforms to enable the Company to deploy its capital in the manner described below.

Security on Debt Instruments

The illustrative portfolio comprises in excess of 75 per cent. secured Debt Instruments with such secured Debt Instruments backed by commercial assets and/or personal guarantees from the borrower. The secured Debt Instruments are diversified across consumer lending, SME alternative lending, SME lending, equipment financing, factoring receivables, government backed pre-financing, real estate and other secured categories.





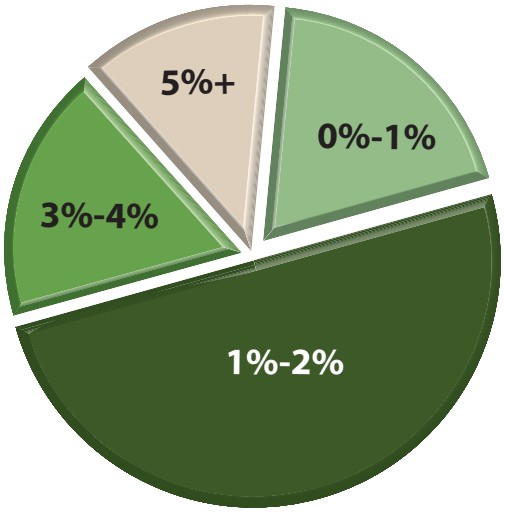
Term of investment

The illustrative portfolio comprises Debt Instruments with durations of three months to five years and with an average duration of 24 months.

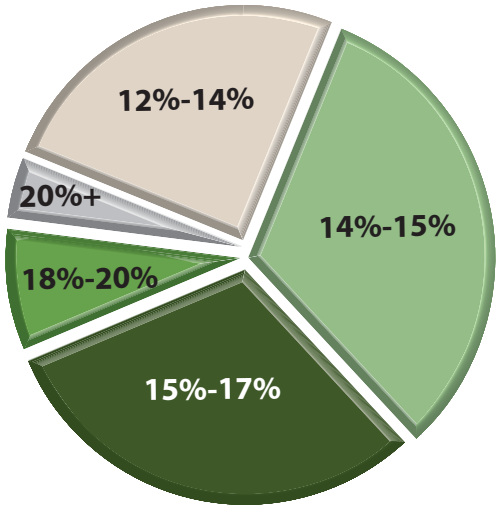
Project Direct Lending Platform losses and returns

The projected loss rate and net returns attributable to the Direct Lending Platforms that have originated or issued the Debt Instruments making up the illustrative portfolio are set out below:

Average Platform Loss Rate



Target Gross Returns from Platforms



The average Debt Instrument secured loan size in the illustrative portfolio is US$104,000 with target gross returns (net of platform fees) of 15.5 per cent. (target net returns of 12.7 per cent.).

PART II

THE COMPANY

Introduction

The Company is targeting raising £135 million pursuant to the Issue. The Company will be listed on the Official List and the Ordinary 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 will, following Admission, be subject to the Listing Rules and the Disclosure 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 intend, at all times, to 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 will manage the Company's investments and assets in accordance with the investment policy. The Investment Manager will be 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 VII of this Prospectus. An affiliate of the Investment Manager currently intends to invest up to an amount equivalent to US$1.7 million in the 12 to 18 months following Admission by acquiring Ordinary Shares on the market.

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 may also indirectly participate 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 RNS announcement.

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 Company intends to pay dividends on a quarterly basis, and the Company intends to pay its first dividend in December 2015 in respect of the period to 30 September 2015. Thereafter, the Company intends to pay dividends on a quarterly basis with dividends declared in February, May, August and November and paid in April, June, September and December in each year.

It is the current intention of the Board to move towards a policy of balancing the quarterly dividend payments as soon as the revenue reserve position of the Company permits this approach. The Board, in its sole discretion, may choose not to adopt a dividend balancing policy if it considers this is desirable to minimise the effects of cash drag on the Company's performance.

In accordance with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, 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.

Dividend payments

Whilst dividends will be declared and paid in Sterling, the Company intends to arrange for Shareholders to be given the opportunity to elect to receive any cash dividends in a US Dollar equivalent amount. The Registrar will write to all Shareholders with details how to elect to receive any such cash dividends in US Dollars instead of Sterling following Admission.

Dividend reinvestment plan

The Company intends to arrange, following Admission, 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. Capita IRG Trustees Limited will write to all Shareholders following Admission with details of the terms and conditions of the Plan and informing Shareholders how to elect to join the Plan.

Hedging Policy

The Company does not currently intend to seek to hedge currency exposure between Sterling and any other currency in which the Company's assets may be denominated (including US Dollars), nor does it currently intend to seek to hedge currency exposure between US Dollars (being the currency in which the Company's borrowings are expected to be denominated) and any other currency (including Euros and Canadian Dollars) in which the Company's assets may be denominated.

The Company may, to the extent it is able to do so on terms that the Investment Manager considers to be commercially acceptable, seek to arrange suitable hedging contracts in the future, 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.

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

The Board will have authority to allot further Ordinary Shares following Admission, representing up to 10 per cent. of the Company's issued share capital immediately following Admission, such authority lasting until the first annual general meeting of the Company. To the extent that the authority is used before the first annual general meeting, the Company may convene a general meeting 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, following Admission, 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.

The Articles contain provisions that permit the Directors to issue C Shares from time to time. C Shares are shares which convert into Ordinary Shares only when a specified proportion of the net proceeds of issuing such C Shares have been invested in accordance with the Company's investment policy (prior to which the assets of the Company attributable to the C Shares are segregated from the assets of the Company

attributable to the Ordinary Shares). A C Share issue would therefore permit the Board to raise further capital for the Company whilst avoiding any immediate dilution of investment returns for existing Shareholders which may otherwise result.

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

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.

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 14.99 per cent. of the Ordinary Shares in issue immediately following Admission. This authority will expire at the conclusion of the Company's first annual general meeting or if earlier, 18 months from the date on which the resolution conferring the authority was passed. The Directors intend to seek annual renewal of this authority from Shareholders at each annual general meeting. Whether the Company purchases any such Ordinary Shares, and the timing and the price paid on any such purchase, will be at the discretion of the Directors. 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.

Investment Trust Status

The Company 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 Ordinary 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 Ordinary Shares and/or C Shares any are marketed. Such reports and disclosures may become publicly available.

The Company currently intends to operate 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 will be 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 the Ordinary Shares 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 the Ordinary 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 Ordinary Shares will be "excluded securities" under the FCA's rules on non-mainstream pooled investments. Accordingly, the promotion of the Ordinary Shares is not subject to the FCA's restriction on the promotion of non-mainstream pooled investments.

Taxation

Potential investors are referred to Part VI 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 Ordinary 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 15 to 35 of this Prospectus.

PART III

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 50)

Mr Waldron is a consultant to and the chair of the investment committee of Edmond de Rothschild in the Channel Islands. He previously served as CEO of Edmond de Rothschild Group's broking and asset management companies in Guernsey, specialising in fixed income, OTC and listed hedging strategies and alternative investment mandates. Mr Waldron formerly held a variety of investment management positions with Bank of Bermuda, the Jardine Matheson Group and Fortis prior to joining the Edmond de Rothschild Group in 1999. Mr Waldron is also a member of the States of Guernsey's Treasury and Resources Investment Sub-Committee and its Bond Management sub-committee. Mr Waldron is a director of a number of listed companies including DW Catalyst Fund Limited and JZ Capital Partners Limited.

Dr Matthew Mulford *(independent)* (aged 50)

Dr Mulford is a Senior Research Fellow at the London School of Economics, an Affiliate Professor at école 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 44)

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 currently serves 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 53)

Details regarding Mr Canon are set out in Part IV 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 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.

As a newly incorporated company, the Company does not comply with the Governance Code or the AIC Code as at the date of this Prospectus. However, the Directors recognise the value of the Governance Code and have taken appropriate measures to ensure that from Admission the Company will comply, so far as is possible given the Company's size and nature of business, with the AIC Code. The areas of non-compliance by the Company with the AIC Code will be as follows:

The Governance Code includes provisions relating to the role of the chief executive; executive directors' remuneration; and the need for an internal audit function. For the reasons set out in the AIC Code, the Board considers that these provisions are not relevant to the position of the Company, being an externally managed investment company, and the Company will not therefore comply with them.

Audit Committee

The Company's audit committee, comprising all the independent Directors of the Company (which as at the date of this Prospectus will be all the Directors of the Company other than Scott Canon) will meet 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 will act as chairman of the audit committee. The principal duties of the audit committee will be to consider the appointment of external auditors, to discuss and agree with the external auditors the nature and scope of the audit, to keep under review the scope, results and cost effectiveness of the audit and the independence and objectivity of the auditor, to review the external auditors' letter of engagement and management letter 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 will be all the Directors of the Company other than Scott Canon), will meet 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 will act 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 will be all the Directors of the Company other than Scott Canon), will meet 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 will act as chairman of the remuneration and nominations committee.

Directors' share dealings

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

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 VII of this Prospectus).

The Administrator will be 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.

Company Secretary

Capita Registrars Limited will provide company secretarial services to the Company pursuant to the Company Secretarial Agreement (further details of which are set out in paragraph 9 of Part VII of this Prospectus).

The Company Secretary will be 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 and Transparency Rules. In addition, the Company Secretary will be 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 VII 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 VII 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 will provide audit services to the Company.

Fees and expenses

Initial expenses

The costs and expenses of the Issue which will be paid by the Company are not expected to exceed £2,160,000, assuming Gross Issue Proceeds are £135 million.

The costs and expenses of the Issue will be paid out of Gross Issue Proceeds and will therefore be borne indirectly by the investors.

The costs and expenses of the Issue will be paid on or around Admission and will include, without limitation, placing fees and commissions; registration, listing and admission fees; printing, advertising and distribution costs; legal fees, and any other applicable expenses. All such expenses will be immediately written off.

On the assumption that the Company achieves its target issue size of £135 million, the Net Asset Value of the Company immediately following Admission is expected to increase by £132,840,000 (in other words, 98.4 per cent. of Gross Issue Proceeds) assuming initial expenses of the Issue being £2,160,000. In the event that the Company raises its minimum issue size of £70 million, the Net Asset Value of the Company immediately following Admission is expected to increase by approximately £68.6 million.

Ongoing expenses

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 arrears and is at the rate of 1/12 of 1.0 per cent. per month of Net Asset Value (the "**Management Fee**"). The Investment Manager also retains the discretion to charge a fee based on a percentage of Gross Assets (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 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.

For the period from Admission until the date on which 80 per cent. of the Net Proceeds have been invested or committed for investment, directly or indirectly, in:

(i) Debt Instruments; or

(ii) investments in Direct Lending Company Equity,

the value attributable to any assets of the Company other than Debt Instruments or investments in Direct Lending Company Equity held for investment purposes (including any cash) will be excluded from the calculation of Net Asset Value for the purposes of determining the Management Fee.

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 (including the VC Fund) 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 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 the VC Fund (or any other investment fund or special purpose vehicle managed or advised by the Investment Manager or any of its affiliates.

Where there are C Shares in issue, the Management Fee will be charged on the net assets attributable to the Ordinary Shares and the C Shares respectively.

The Management Fee will be calculated and payable monthly in arrears.

The Investment Manager has agreed that Qualifying Investors are 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.

Trail commissions will only be payable to Qualifying Investors in respect of Ordinary Shares subscribed pursuant to the 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 will be 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 are not Qualifying Investors. The trail commission will only be paid to Qualifying Investors in respect of those Ordinary Shares acquired by the Qualifying Investor in the 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 (as defined below) since the end of the Calculation Period (as defined below) in respect of which a performance fee was last earned or Admission 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.

"**Adjusted Net Asset Value**" means the Net Asset Value adjusted for: (i) any increases or decreases in Net Asset Value arising from issues or repurchases of Ordinary 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 (including the VC Fund) (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 shall be the period commencing on Admission and ending on 31 December 2015 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.

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

In the event that C Shares are in issue, the Investment Manager shall be entitled to a performance fee in respect of the net assets referable to the C Shares on the same basis as summarised above. A Calculation Period shall be deemed to end on the date of their conversion into Ordinary Shares.

The management fee and performance fee (if any) will be 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 will vary 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 will 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 VII of this Prospectus.

Other fees and expenses

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

- *Administrator*

  Under the terms of the 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. The Administrator will, in addition, be 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 company secretarial services it will provide, including corporate governance, regulatory compliance and Listing Rule continuing obligations. The Company Secretary will, in addition, be entitled to recover reasonable third party expenses and disbursements.

- *Registrar*

  The Registrar will be entitled to an annual fee from the Company equal to £1.25 per Shareholder per annum or part thereof; with a minimum of £2,500 per annum. Other registrar activity will be charged for in accordance with the Registrar's normal tariff as published from time to time.

- *Custodian*

  The Custodian will be 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.

- *Broker*

  Liberum has been appointed as the corporate broker to the Company and will be paid a nominal fee for performing that function.

- *Directors*

  The Directors will initially be remunerated for their services at a fee of £12,250 per annum (£15,000 for the Chairman and £13,750 for the chair of the Audit Committee). The remuneration payable to the Directors will increase on further capital raises being undertaken by the Company. Further information in relation to the remuneration of the Directors is set out in Part VII 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 will be borne by the Company including, without limitation, the incidental costs of making its investments and the implementation of its investment objective and policy (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 will be borne by the Company. No fees or expenses, including those listed above, will be borne directly by investors.

The Directors estimate that the operating expense cash flow (excluding the Management Fee) in the 12 months from the date of Admission will be between 0.34 per cent. and 0.35 per cent. of the Gross Issue Proceeds (assuming Gross Issue Proceeds of £135 million). This is an estimate only and not intended to be, and is not, a profit forecast.

Meetings and reports

The Company expects to hold its first annual general meeting in the second quarter of 2016 and subsequent annual general meetings in the second quarter of each calendar year. The Company's audited annual report and accounts will be prepared to 31 December each year, commencing in 2015, and it is expected that copies will be sent to Shareholders in April each year or earlier if possible. Shareholders will also receive an unaudited interim report each year in respect of the period to 30 June, expected to be despatched in August in each year, or earlier if possible. The Company's audited annual report and accounts and interim report will be available on the Company's website.

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

Net Asset Value publication and calculation

The unaudited Net Asset Value 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 is published through a Regulatory Information Service and is available through the Company's website.

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 will be calculated in US Dollars and will be published with the equivalent Sterling 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 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 Ordinary Share using previously provided data in order to avoid the suspension of the calculation of publication of Net Asset Value.

The Net Asset Value is the value of all assets of the Company 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 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 IV

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$3.2 billion as at 28 February 2015. 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 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.

Jack Antonini

Jack Antonini, a member of the Credit and Risk Committee, is Chairman of TDECU Holdings, a US$2 billion credit union company. Mr. Antonini formerly served as President of Wells Fargo, where he was responsible for the Consumer Banking Group, CFO of First USA, and CEO of USAA, a US$60 billion financial services company. Mr. Antonini previously served as a board member of MasterCard International and as Chairman of the Financial Institutions Advisory Board for the Federal Reserve Bank.

Mark Dawson

Mark Dawson, a member of the Credit and Risk Committee, is President of First United Bank. Mr. Dawson previously served as President and COO of Sebring Capital Corp., a US$2.4 billion mortgage banking

business. In addition, Mr. Dawson formerly served in a variety of roles at GMAC/Residential Funding Corporation.

Investment Selection and Due Diligence

The Investment Manager will seek 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 will seek 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: (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 underwriting 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 will, in all cases, be 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 will 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 context to such risk.

  In addition, as part of its due diligence process undertaken prior to the Company entering into further Platform Agreements (including those Platform Agreements described in paragraph 9 of Part VII of this Prospectus), the Investment Manager will review (with external legal advice where appropriate) the relevant Direct Lending Platform's regulatory status to check 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 will assign 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 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 will be initiated. When available, the Investment Manager will seek 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 will be subject to a multi-level underwriting process.

At the base level, the Direct Lending Platforms selected will typically have well established underwriting processes proven to choose the best 5 to 10 per cent. of 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 it 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 generally 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 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 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 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 an 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 will commonly share the margin that a traditional banking intermediary would normally capture; meaning borrowers will often be 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 will generally rescreen the approved applicants with its own underwriting process to accept or decline the proposed Debt Instrument. The Investment Manager's own underwriting process focuses less on indicators like credit scores but places more emphasises on the underlying information from credit bureaus as well as other sources.

  The Investment Manager has also developed a proprietary computer underwriting system called TruSight Technology which has been successfully used by the Investment Manager for over five years in choosing direct lending investments. This system will be implemented with respect to a portion of the Company's portfolio. The Investment Manager will use TruSight Technology to select those Debt Instruments where the interest rate would be higher than would otherwise be expected from the credit risk. When sufficient history of past investments from a Direct Lending Platform exists, the Investment Manager will engage TruSight Technology.

  Whenever available, high performance technical interfaces to the Direct Lending Platforms (called Application Program Interfaces or API) will be 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 underwriting 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 will generally try to include 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 members of the Investment Manager's Credit and Risk Committee to provide insight with respect to potential warnings on adverse changes at a macro level. Parameters used by TruSight Technology and the underwriting programs can then be modified by the Investment Manager as they endeavour to adapt to the changing economic environment.

Investment Manager Track Record

The Investment Manager's investment team has, in aggregate, over 20 years' experience of credit underwriting and more than five years' direct lending experience. In addition to the Company, the Investment Manager is also appointed as investment manager to Ranger Speciality Income Fund, an unlisted fund which was launched in 2013 and has US$15 million of assets under management as at December 2014.

Ranger Speciality Income Fund has produced attractive net returns for investors through investment in a portfolio of peer-to-peer loans sourced through multiple platforms (including Prosper, Lending Club and Funding Circle). Ranger Speciality Income Fund's portfolio is diversified across thousands of loans whilst also maintaining a conservative loan loss reserve. It also utilises the TruSight Technology as part of its investment process. A one per cent. management fee and 10 per cent. performance fee is payable by the fund to the Investment Manager.

The gross portfolio return on invested capital for the Ranger Speciality Income Fund is set out below*:

Year	*Gross portfolio return on invested capital*
2010	11.7%
2011	16.1%
2012	16.5%
2013	16.0%
2014	11.0%
2015 (to 31 March 2015)	2.4%
Annualised since inception date	14.3%

The net performance results of Ranger Speciality Income Fund are set out below*:

	Jan	*Feb*	*Mar*	*Apr*	*May*	*Jun*	*Jul*	*Aug*	*Sep*	*Oct*	*Nov*	*Dec*	*Annual*
2010		0.3%	0.2%	0.5%	0.8%	0.9%	1.0%	1.1%	1.0%	1.1%	0.6%	1.1%	8.8%
2011	1.0%	1.1%	1.1%	1.0%	1.1%	0.9%	1.0%	1.0%	0.8%	1.1%	0.9%	1.1%	13.0%
2012	1.1%	0.9%	0.9%	0.9%	1.0%	1.1%	1.1%	1.1%	1.0%	1.1%	1.0%	1.2%	13.2%
2013	1.1%	0.8%	1.2%	1.1%	1.1%	1.1%	1.1%	1.0%	0.9%	1.0%	–0.1%	0.2%	11.1%
2014	0.3%	0.4%	0.6%	0.6%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%	7.6%
2015	0.6%	0.6%	0.7%										
												Annualised Inception to Date	10.8%

**Source: Investment Manager, unaudited.*

The inception date for Ranger Speciality Income Fund is 1 January 2014. The performance data presented (i) for November and December 2013 represents the performance of the Ranger Speciality Income Fund, LP, a fund managed by the portfolio manager of Ranger Speciality Income Fund with identical investment objectives to Ranger Speciality Income Fund by virtue of its service as the master fund in a master-feeder structure with Ranger Speciality Income Fund; and (ii) for the period prior to 1 November 2013, represents the portable returns of a peer-to-peer loan portfolio managed exclusively by the portfolio manager of Ranger Speciality Income Fund prior to his affiliation with the Investment Manager with virtually the same investment objectives as Ranger Speciality Income Fund. A performance examination of the portable returns was conducted by Ashland Partners and Company, LLP. Copies of the performance examination may be obtained from the Investment Manager. References to "Ranger Speciality Income Fund" are to be read as a reference to all elements of the past performance data as summarised above.

In respect of the gross portfolio return on invested capital, this represents the gross performance of Ranger Speciality Income Fund (after loan loss reserves) excluding the effects of cash in the portfolio.

In respect of the net performance results, for the period beginning 1 November 2013, performance information is presented net of (i) the default reserve; (ii) management and performance based fees; and (iii) all fund expenses, For the period beginning 1 February 2010 through 31 October 2013, performance information is presented net of: (i) the default reserve; and (ii) management and performance based fees. The performance information for the period beginning 1 February 2010 through 31 October 2013 also assumes that cash in the portfolio was equal to or less than 5 per cent. of gross assets and excludes fund expenses. Interest income is reinvested for the entire period covered by the performance data.

Performance for March 2015 is estimated by Investment Manager.

The quarterly returns of investments made by Ranger Speciality Income Fund have outperformed all Lending Club and Prosper loans that have matured since 2010 by 5 to 9 per cent.

As can be seen from the table of returns, the Investment Manager has witnessed yield compressions in loans made through Lending Club and Prosper in 2014 due to increased competition and an increase in passive investments. This trend is expected to continue in 2015. As noted above, Ranger Speciality Income Fund historically only permitted investment in a limited number of peer-to-peer lending platforms but has recently permitted investment in Debt Instruments originated or issued by Direct Lending Platforms.

The Company (in accordance with its investment policy) will primarily invest in Debt Instruments originated or issued by Direct Lending Platforms. Accordingly, the portfolio of the Company and the historic portfolio of Ranger Speciality Income Fund on which this track record information is based will be materially different. It should also be noted that the past performance of Ranger Specialty Income Fund should not be treated as an indication of the future performance of the Company.

Conflicts of Interest

The Investment Manager and its officers and employees may from time to time act for other clients or manage other funds (including Ranger Speciality 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:

1. for Debt Instruments where the acquisition can be split between entities (such as Debt Instruments acquired from IFG or AmeriMerchant), pro rata based on the amount of deployable capital of the Company and the other entities managed by the Investment Manager; and
2. for Debt Instruments where the acquisition cannot be split between entities (such as Debt Instruments acquired from Biz2Credit or BlueBridge), 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 minimise 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 the best interests of the Company and ensure that the Company is 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 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 the best interests of the Company and its Shareholders.

Any such situation will be disclosed to 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 at least once a year or whenever there are material changes in the business services to be offered by the Investment Manager.

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 underwriting criteria, the Direct Lending Platform may offer such Debt Instruments to other third party investors where it chooses to do so.

PART V

THE ISSUE

The Issue

The Company is targeting raising £135 million through the Issue.

The total number of Ordinary Shares issued under the Issue will be determined by the Company, Liberum and the Investment Manager after taking into account demand for the Ordinary Shares, subject to a maximum of 15.5 million Ordinary Shares being issued under the Issue in aggregate.

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

The Issue is conditional on the raising of the Minimum Gross Proceeds. In the event that the Company and Liberum decide to lower the amount of the Minimum Gross Proceeds, the Company will be required to publish a supplementary prospectus. If the Issue does not proceed, subscription monies received under the Placing and the Intermediaries Offer will be returned without interest at the risk of the applicant. The target Issue size should not be taken as an indication of the number of Ordinary Shares to be issued.

The Directors have determined that the Ordinary Shares under the Issue will be issued at a price equal to £10 per Ordinary Share.

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 Ordinary 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 Ordinary Shares in the Issue.

The Placing

Each of Liberum and Sandler O'Neill has agreed to use its reasonable endeavours to procure Placees to subscribe for the Ordinary Shares on the terms and subject to the conditions set out in the Placing Agreement. Details of the Placing Agreement are set out in paragraph 9 of Part VII of this Prospectus.

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

Conditions

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

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

(ii) Admission occurring by 8.00 a.m. on 1 May 2015 (or such later time and date as may be agreed between Liberum, the Company and the Investment Manager, being not later than 8.00 a.m. (London time) on 29 May 2015) in respect of the Issue; and

(iii) the Issue raising Minimum Gross Proceeds.

Pricing

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

Subscriber warranties

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

The Company, the Investment Manager, Liberum, Sandler O'Neill 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 authorised to issue up to 15.5 million Ordinary Shares pursuant to the Issue. To the extent that applications under the Intermediaries Offer and commitments under the Placing exceed 15.5 million Ordinary Shares in aggregate, Liberum, in consultation with the Company, the Investment Manager and Sandler O'Neill, 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 Ordinary Shares pursuant to the Issue. Accordingly, applicants for Ordinary Shares may, in certain circumstances, not be allotted the number of Ordinary Shares for which they have applied.

There will be no priority given to applications under the Placing or applications under the Intermediaries Offer pursuant to the Issue.

The Company will notify investors of the number of Ordinary Shares in respect of which their application has been successful and the results of the Issue will be announced by the Company on or around 27 April 2015 via an RNS 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.

Issue arrangements

The Placing Agreement contains provisions entitling Liberum to terminate the Placing and Intermediaries Offer (and the arrangements associated with them) at any time prior to 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 provides for Liberum and Sandler O'Neill to be paid commissions in respect of the Ordinary Shares to be allotted pursuant to the Issue. Any commissions received by Liberum and Sandler O'Neill may be retained, and any Ordinary Shares subscribed for by Liberum and Sandler O'Neill may be retained, or dealt in, by them for their respective own benefit.

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

General

The Net Proceeds, assuming the target Gross Issue Proceeds of £135 million are raised, to the Company will amount to approximately £132.8 million, 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 expected to amount to £2,160,000 in aggregate if 13.5 million Ordinary Shares are issued.

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

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

Admission, the Company will publish a supplementary prospectus. The supplementary prospectus will give details of the significant change(s) or the significant new matter(s). In the event that a supplementary prospectus is published, applicants under the Intermediaries Offer will have a statutory right of withdrawal.

Clearing and settlement

Payment for the Ordinary Shares, in the case of the Placing, should be made in accordance with settlement instructions to be provided to Placees by Liberum. To the extent that any application for Ordinary Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest at the risk of the applicant.

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

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. Upon Admission, the Articles will permit the holding of Ordinary Shares under the CREST system. The Company has applied for the Ordinary Shares to be admitted to CREST with effect from Admission in respect of the Ordinary Shares issued under the Issue and it is expected that the Ordinary Shares will be admitted with effect from that time. Accordingly, settlement of transactions in the Ordinary Shares following 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 1 May 2015 to credit the appropriate CREST accounts of the subscribers concerned or their nominees with their respective entitlements to Ordinary Shares. The names of subscribers or their nominees investing through their CREST accounts will be entered directly on to the share register of the Company.

The transfer of Ordinary Shares out of the CREST system following the Issue should be arranged directly through CREST. However, an investor's beneficial holding held through the CREST system may be exchanged, in whole or in part, only upon the specific request of the registered holder to CREST for share certificates or an uncertificated holding in definitive registered form.

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 Ordinary Shares in the Issue may elect to receive Ordinary 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 Ordinary Shares to be issued in certificated form and is holding such Ordinary Shares outside CREST, a share certificate will be despatched either to him or his nominated agent (at his risk) within 21 days of completion of the registration process or transfer, as the case may be, of the Ordinary Shares. Shareholders holding definitive certificates may elect at a later date to hold such Ordinary Shares through CREST or in uncertificated form provided they surrender their definitive certificates.

Admission and dealings

Admission is expected to take place and dealings in the Ordinary Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 1 May 2015 in respect of the Issue. There will be no conditional dealings in Ordinary Shares prior to Admission.

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

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

Where applicable, definitive share certificates in respect of the Ordinary Shares are expected to be despatched, by post at the risk of the recipients, to the relevant holders, not later than the week commencing 4 May 2015 in respect of the Issue. The Ordinary 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 Ordinary Shares which are held in certificated form, transfers of those Ordinary 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 Admission and at certain other times, the Company will have surplus cash.

The Directors expect that the annual running costs of the Company will initially be approximately £0.5 million per annum assuming Gross Issue Proceeds of £135 million. The Company will use the Net Proceeds of the Issue to initially meet its running costs as necessary prior to making any investments.

Purchase and transfer restrictions

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

The Ordinary Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States and the Ordinary Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S), 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 Ordinary Shares in the United States. The Ordinary Shares are being offered and sold (i) outside the United States to non-US Persons in reliance on Regulation S and (ii) within the United States only to persons reasonably believed to be QIBs, as defined in Rule 144A under the Securities Act, that are also QPs, as defined in Section 2(a)(51) of the Investments Company Act.

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 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 Ordinary Shares so that the Company will not be required to register the offer and sale of the Ordinary 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 Ordinary Shares to trade such securities. The Company and its agents will not be obligated to recognise any resale or other transfer of the Ordinary Shares made other than in compliance with the restrictions described above.

PART VI

UK TAXATION

Introduction

The following statements are based upon current UK tax law and current practice of HMRC, both of which are subject to change, possibly with retrospective effect. The statements are intended only as a general guide and are not intended to be comprehensive. The statements may not apply to certain Shareholders, such as dealers in securities, insurance companies, trustees, collective investment schemes or Shareholders who have (or are deemed to have) acquired their Ordinary Shares by virtue of an office or employment, who may be subject to special rules. They apply only to Shareholders resident for UK tax purposes in the UK (except in so far as express reference is made to the treatment of non-UK residents), who hold Ordinary Shares as an investment rather than trading stock and who are the absolute beneficial owners of those Ordinary Shares.

There may be other tax consequence of an investment in the Company, and all prospective investors, 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 advisers on the potential tax consequences of subscribing for, purchasing, holding or disposing of Ordinary Shares under the laws of their country and/or state of citizenship, domicile or residence.

The Company

It is the intention of the Directors to conduct the affairs of the Company so that it satisfies the conditions in section 1158 CTA 2010 and the Investment Trust Regulations 2011 for it to be approved by HMRC as an investment trust. However, neither the Investment Manager nor the Directors can guarantee that this approval will be granted or 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

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 Ordinary 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 2014-2015 tax year is £11,000 (increasing to £11,100 for the 2015-2016 tax year). The exemption may not be transferred between spouses. The current capital gains tax rate is 18 per cent. for basic rate tax payers and 28 per cent. for higher and additional rate tax payers, subject to the availability of relief for capital losses. No indexation allowance will be available to individual Shareholders.

Corporate Shareholders who are resident in the UK will generally be subject to corporation tax on chargeable gains arising on a disposal, or deemed disposal, of their Ordinary Shares. 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.

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. An individual Shareholder who is resident in the UK for tax purposes and who receives a dividend from the Company should generally be entitled to a non-repayable tax credit which may be set-off against the Shareholder's total income tax liability on the dividend.

UK resident individual Shareholders will be liable to income tax on the amount of any dividends received. Additional rate taxpayers will be liable to income tax at 37.5 per cent., higher rate taxpayers at 32.5 per cent., and basic rate taxpayers at 10 per cent. As noted above, a tax credit equal to 10 per cent. of the gross dividend should be available to set off against a Shareholder's total income tax liability on the dividend. After taking account of the 10 per cent. tax credit, the effective dividend tax rate for additional rate Shareholders will be 30.6 per cent., for higher rate Shareholders this will be 25 per cent. and for basic rate taxpayers there will be no further tax.

There will be no repayment of any part of the tax credit to an individual Shareholder whose liability to income tax on all or part of the gross dividend is less than the amount of the tax credit.

(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.

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 should generally be exempt from corporation tax on dividends paid by the Company but will not be able to claim a repayment of the tax credit attaching to the dividends.

(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 Ordinary 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

Based on the type of investments which the Company anticipates making as described in this Prospectus, the Ordinary Shares are unlikely to be eligible for direct transfer into an Individual Savings Account.

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 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, directly or indirectly, and that individual performs investment management services for the Company. Investment management services includes, but is not limited to, fundraising activity, portfolio advice 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 Ordinary Shares.

Transfers on sale of Ordinary 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 Ordinary 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 Ordinary 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 Ordinary 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

The European Commission has made a proposal for the implementation of a financial transactions tax ("**FTT**"). Under the Commission's proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in certain securities where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including: (i) by transacting with a person established in a participating Member State; or (ii) where the financial instrument which is subject to the dealings is issued in a participating Member State.

A joint statement issued in January 2015 by ten participating Member States stated an intended implementation date of 1 January 2016.

The FTT proposal remains subject to negotiation between the participating Member States, and no technical details have yet been released. It may therefore be altered prior to any implementation, and additional EU Member States may decide to participate. The UK is currently not a participating Member State.

The Savings Directive

Dividends and other distributions made by the Company may (depending on the investment portfolio of the Company and the location of the paying agent – the definition of a paying agent for the purposes of the Savings Directive is not necessarily the same person who may legally be regarded as the paying agent) be subject to the exchange of information regime or withholding tax imposed by EU Council Directive 2003/48/EC of 3 June 2003 (the "**Savings Directive**" and as amended by the Council Directive 2014/48/EU) on taxation of savings income in the form of interest payments. If a payment is made to a Shareholder who is an individual resident in a Member State of the European Union (or a "**residual entity**" established in a Member State) by a paying agent resident in another Member State (or in certain circumstances the same Member State of the Shareholder) then the Savings Directive may apply. The Savings Directive applies to payments of "interest" or other similar income made on or after 1 July 2005 and applicants for Ordinary Shares in the Company will be requested to provide certain information as required under the Savings Directive. It should be noted that the imposition of exchange of information and/or withholding tax on payments made to certain individuals and residual entities resident in an EU Member State also applies to those resident or located in any of the following countries; Anguilla, Aruba, British Virgin Islands, Cayman Island, Guernsey, Isle of Man, Jersey, Montserrat, Netherlands Antilles and Turks and Caicos Islands.

Finally, the following countries, Andorra, Liechtenstein, Monaco, and Switzerland, will not be participating in automatic exchange of information. To the extent that they will exchange information it will be on a request basis only. Their participation is confined to imposing a withholding tax.

On 24 March 2014 the Savings Directive was amended by Council Directive 2014/48/EU. The changes included, inter alia; (i) extending the scope of the Savings Directive to payments made through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an EU resident individual; (ii) providing for a wider definition of interest subject to the Savings Directive; and (iii) requiring paying agents to establish the name, address, date and place of birth and any TIN of the beneficial owner. Member States have until 1 January 2016 to adopt the domestic legislation necessary to comply with the amended Savings Directive.

However, in October 2014 the European Commission has proposed that the Savings Directive be repealed, as it is anticipated that the DAC and CRS are likely to supersede the obligations under the Savings Directive.

U.S. TREASURY CIRCULAR 230 NOTICE

THE FOLLOWING NOTICE IS BASED ON REGULATIONS GOVERNING PRACTICE BEFORE THE IRS: (I) ANY U.S. FEDERAL TAX ADVICE CONTAINED HEREIN, INCLUDING ANY OPINION OF COUNSEL REFERRED TO HEREIN, IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING US FEDERAL TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (II) ANY SUCH ADVICE IS WRITTEN TO SUPPORT THE MOTION OR MARKETING OF THE TRANSACTIONS DESCRIBED HEREIN (OR IN ANY SUCH OPINION OF COUNSEL);

AND (III) EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

THE FOREGOING DISCUSSION OF CERTAIN TAX ASPECTS IS PROVIDED FOR INFORMATION PURPOSES ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR DISCUSSION OF ALL POTENTIAL TAX EFFECTS RELEVANT THE ACQUISITION OF SHARES IN THE FUND. ALL PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN TAX ADVISERS AS TO THE SPECIFIC UNITED STATES FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES TO THEM OF SUCH INVESTMENT.

PART VII

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, from Admission, it will be subject to the Listing Rules and the Disclosure and Transparency Rules. The principal legislation under which the Company operates and under which the Ordinary Shares will be issued is the Companies Act. The Company does not have any subsidiaries.

(b) 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.

(c) 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.

(c) 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.

(d) 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) Set out below is the issued share capital of the Company as at the date of this Prospectus:

	Nominal value (£)	*Number*
Ordinary Shares	0.01	1
Management Shares	50,000	50,000

The issued subscriber Ordinary Share and the Management Shares are fully paid up.

(c) Set out below is the issued share capital of the Company as it will be following the Issue (assuming that 13.5 million Ordinary Shares are allotted):

	Nominal value (£)	*Number*
Ordinary Shares	135,000	13,500,000
Management Shares	50,000	50,000

All Ordinary Shares will be fully paid. The Management Shares are fully paid up and will be redeemed following Admission out of the proceeds of the Issue.

(d) The effect of the Issue will be to increase the net assets of the Company. On the assumption that the Issue is subscribed as to 13.5 million Ordinary Shares, the Issue is expected to increase the net assets of the Company by approximately £132,840,000 assuming issue expenses equal to 1.60 per cent. of the Gross issue Proceeds. The Issue is expected to be earnings enhancing.

(e) By ordinary and special resolutions passed at the general meeting of the Company on 2 April 2015 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 £180,000 in connection with the Issue, such authority to expire immediately following Admission 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 first 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 Ordinary Shares up to an aggregate nominal amount of £18,000 or, if less, 10 per cent. of the aggregate nominal value of the issued share capital of the Company immediately following the completion of the Issue, such authority to expire at the conclusion of the first 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;

(iv) the Directors were empowered (pursuant to sections 570 and 573 of the Companies Act) to allot Ordinary Shares and to sell Ordinary Shares from treasury 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 or sale, such power to expire at the conclusion of the first 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 or sold from treasury after the expiry of such power, and the Directors may allot or sell from treasury equity securities in pursuance of such an offer or agreement as if such power had not expired;

(v) 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;

(vi) 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)(v) 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;

(vii) 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 2,698,200 Ordinary Shares (or such lesser amount, if applicable, as is equal to 14.99 per cent. of the allotted and fully paid up share capital of the Company immediately following Admission);

(bb) the minimum price (exclusive of expenses) which may be paid for such Ordinary Shares is 1 pence 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; and

(viii) that the capital of the Company be reduced by the cancellation of its share premium account in order to create distributable reserves.

(f) The Directors have absolute authority to allot the Ordinary Shares under the Articles and are expected to resolve to do so shortly prior to Admission.

(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 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 Ordinary Shares will be listed on the Official List and will be traded on the main market of the London Stock Exchange. The Ordinary Shares are not listed or traded on, and no application has been or is being made for the admission of the Ordinary Shares to listing or trading on, any other stock exchange or securities market.

(j) The Ordinary Shares are in registered form and, from Admission, will be capable of being held in uncertificated form and title to such Ordinary Shares may be transferred by means of a relevant system (as defined in the Regulations). Where the Ordinary Shares are held in certificated form, share certificates will be sent to the registered members or their nominated agent (at their own risk) within 21 days of the completion of the registration process or transfer, as the case may be, of the Ordinary Shares. Where Ordinary Shares are held in CREST, the relevant CREST stock account of the registered members will be credited. The Registrar, whose registered address is set out on page 41 of this Prospectus, maintains a register of Shareholders holding their Ordinary Shares in CREST.

(k) Ordinary Shares are being issued pursuant to the Issue at a price of £10 per Ordinary Share which represents a premium of £9.99 over their nominal value of one pence each. 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)(iv) and (vi) 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 deferred number of C Shares until the fourth annual general meeting of the Company.

(m) Each new Ordinary 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 existing Ordinary Share and will have the same rights (including voting and dividend rights and rights on a return of capital) and restrictions as each existing Ordinary Share, as set out in the Articles. The Ordinary 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: (i) 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; and (ii) the Auditors shall be requested to confirm that such calculations as have been made by the Company have, in their opinion, been performed in accordance with the Articles and are arithmetically accurate whereupon 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:

$$\text{Conversion Ratio} = \frac{A}{B}$$

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

$$B = \frac{F - C - G + D}{E}$$

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***

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***

The Ordinary Shares are not 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 by the acquiror or its concert parties during the previous 12 months.

(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	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 Optimal Tracker Fund PCC Limited
Jonathan Schneider	JMS Capital Limited IWOCA Limited Taurus Gold Limited	AFB Limited Talon Metals, Inc. Red Rose 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) The Directors currently have no interests in the share capital of the Company.

(b) Immediately following Admission, no 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 Ordinary Share held.

(d) As at the date of this Prospectus, the Company is not aware of any person who will, immediately following 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 and Transparency Rules of the FCA). 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 VII. 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 VII, 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	*Annual fee following Admission*	*Annual fee following second equity fundraising*	*Annual fee following third equity fundraising*
Chairman	£15,000	£23,750	£30,000
Chairman of the Audit Committee	£13,750	£21,250	£27,250
Other Non-executive Directors	£12,250	£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 VII.

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 14 April 2015 entered into by the Company, each of the Directors, the Investment Manager, Liberum and Sandler O'Neill pursuant to which, subject to certain conditions, Liberum has agreed to act as sponsor in respect of the Issue and to use its reasonable endeavours to procure purchasers for the Ordinary Shares to be issued pursuant to the Placing. Sandler O'Neill has also agreed to use its reasonable endeavours to procure purchasers for the Ordinary Shares to be issued pursuant to the Placing in the US by way of a private placement.

The Placing Agreement is conditional on, among other things, Admission occurring by 8.00 a.m. on 1 May 2015 (or such later date, being not later than 29 May 2015, as the Company and Liberum may agree).

The Placing Agreement is further conditional upon the Issue raising the Minimum Gross Proceeds. In the event that any of the conditions in the Placing Agreement are not met, Liberum shall, amongst other things, not be under any obligation to complete the Placing, the Company shall withdraw its application for Admission (making such announcement as reasonably required by Liberum) and appropriate arrangements for the return of Issue monies received shall be made.

In consideration for their services under the Placing Agreement, Liberum and Sandler O'Neill will receive, in aggregate, from the Company a placing commission equal to 1 per cent. of the Gross Issue Proceeds (other than Gross Issue Proceeds attributable to any subscription for Ordinary Shares by the Investment Manager, its partners or affiliates), together with reimbursement for all out-of-pocket expenses incurred by it in connection with the Issue.

In addition, the Investment Manager has agreed to pay Liberum an amount equal to 20 per cent. of the Management Fee received by it in each year.

The Company, the Investment Manager and the Directors have in the Placing Agreement given certain customary warranties (subject, in the case of the Directors, to certain agreed caps), and the Company and the Investment Manager have agreed to provide customary indemnities to Liberum and Sandler O'Neill.

(ii) the Intermediaries Agreement dated 10 April 2015 entered into by the Company, Liberum, the Intermediaries Offer Adviser and the Intermediaries who have been appointed by the Company prior to the date of this Prospectus pursuant to which the Intermediaries agree that, in connection with the Intermediaries Offer, they will be acting as agent for their Underlying Applicants.

None of the Company, the Intermediaries Offer Adviser, Liberum or any of their respective representatives will have any liability to the Intermediaries for liabilities, costs or expenses incurred by the Intermediaries in connection with the Intermediaries Offer.

The Intermediaries Offer Adviser has agreed to coordinate applications from the Intermediaries under the Intermediaries Offer. The Company will pay the Intermediaries Offer Adviser a fee of up to £83,000. Determination of the number of Ordinary Shares offered will be determined solely by the Company (following consultation with Liberum and the Investment Manager). Allocations to Intermediaries will be determined solely by the Company (following consultation with Liberum and the Investment Manager).

The Intermediaries agree to procure the investment of the maximum number of Ordinary Shares which can be acquired at the Issue Price for the sum applied for by such Intermediaries on behalf of their respective Underlying Applicants. A minimum application of £1,000 per Underlying Applicant will apply. Intermediaries agree to take reasonable steps to ensure that they will not make more than one application per Underlying Applicant.

Conditional upon Admission, Liberum agrees to pay (out of the commission that is paid to it pursuant to the Placing Agreement) the Intermediaries a commission of 0.5 per cent. of the aggregate value of the Ordinary Shares allocated to and paid for by each Intermediary in the Intermediaries Offer. This commission shall be deducted by Liberum from the gross proceeds of the Intermediaries Offer. No Intermediary shall be entitled to deduct any of this commission from any amount they are required to pay under the Intermediaries Offer.

The Intermediaries give certain undertakings regarding their use of information in connection with the Intermediaries Offer. 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 are 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 Ordinary Shares by the Intermediaries or any Underlying Applicant.

(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 has agreed to provide 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 III 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 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.

(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 will also provide certain valuation and tax reporting services.

Under the terms of the Accounting and Administration Services Agreement, the Administrator is entitled to an initial set-up fee of £30,000 and an annual fee in respect of the administration 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 respect of the valuation, investor reporting and financial reporting services it will provide (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 will be payable in respect of the tax reporting services provided by the Administrator. The Administrator will, in addition, be 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 will be 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 the Capita Registrars Limited whereby the Company Secretary is appointed to act as company secretary of the Company.

The Company Secretary shall be entitled to receive an initial set-up fee of £7,500 and an annual fee of £50,000 (plus VAT). The Company Secretary shall also be 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 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 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 will be 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 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.

(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 will perform 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 shall be 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 shall also be 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 shall be entitled to receive an annual registration fee from the Company based on activity, subject to an annual minimum charge of £2,500. The Registrar shall also be 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 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 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 will be 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 Broker Agreement dated 10 April 2015 between the Company and Liberum pursuant to which Liberum will act 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 significant movements in its share price.

Liberum shall be entitled to a nominal fee in respect of its broker services, together with an amount equal to any expenses properly incurred on behalf of the Company. All fees and other expenses are exclusive of VAT, if any.

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 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.

(ix) A Platform Agreement (consisting of a loan purchase agreement and a services agreement) dated 13 April 2015 between the Company, FreedomPlus and Cross River Bank (a New Jersey state chartered bank which originates the relevant Debt Instruments) pursuant to which Cross River Bank has agreed to sell to the Company whole unsecured consumer 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) and a variable platform fee (calculated by reference to the cumulative net return on Debt Instruments acquired by the Company) to FreedomPlus, monthly in arrears. In certain circumstances where FreedomPlus or Cross River Bank 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 has an initial term which expires on 30 June 2015 and which is renewable by agreement of the parties thereafter and 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. The Investment Manager currently expects the Platform Agreement to be renewed for a further term when the initial term expires on 30 June 2015. 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.

(x) A Platform Agreement (consisting of an investor syndication and management agreement) dated 13 April 2015 between the Company and IFG pursuant to which IFG will use its reasonable endeavours to make available for investment by the Company fractional invoice receivables which the Company may, in its sole discretion, elect to purchase. A transaction fee is payable by the Company in respect of each election to purchase and the Company 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.

(xi) A Platform Agreement (consisting of an equipment finance purchase agreement and a service agreement) dated 13 April 2015 between the Company and Blue Bridge pursuant to which Blue Bridge will use its reasonable endeavours to make available for investment by the Company equipment finance agreements, which the Company may in its sole discretion elect to purchase. The acquisition cost will include a spread and the Company 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 Blue Bridge in respect of each of the Debt Instruments purchased by the Company. In certain circumstances where Blue Bridge 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 term of the Platform Agreement will expire on the maturity of all the equipment finance agreements purchased by the Company. 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.

(xii) A Platform Agreement (consisting of a master purchase transaction and servicing agreement) dated 13 April 2015 between the Company and Biz2Credit pursuant to which Biz2Credit will make available receivables-based business financing transactions (that fall within defined underwriting criteria), which the Company shall have an option to purchase. The Company 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 the Company. Servicing fees are also payable on sums collected by Biz2Credit on behalf of the Company. The Company and Biz2Credit 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 Biz2Credit are receivables based business financing transactions.

(xiii) A Platform Agreement dated 13 April 2015 between the Company and Princeton consisting of a subscription agreement pursuant to which the Company may subscribe for shares in Princeton. Princeton is a business company incorporated in the British Virgin Islands which invests substantially all its assets in Princeton Alternative Income Fund, LP, 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 Princeton. Shares in Princeton may be transferred with consent. The Company has agreed to indemnify Princeton in respect of any losses incurred by Princeton 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.

(xiv) A Platform Agreement dated 13 April 2015 between the Company and Sharestates (consisting of a side letter, a subscription agreement and a guarantee from Shareholder's controlling existing) pursuant to which the Company may subscribe for unsecured borrower performance linked notes issued by Sharestates. A separate subscription agreement will be entered into by the Company 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 the Company 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 the Company will correspond to the relevant underlying real estate loan. Sharestates may terminate a subscription early on the occurrence of certain events, including breach of the relevant subscription agreement by the Company. The Company has agreed to indemnify Sharestates in respect of any losses incurred by Sharestates arising out of a breach of the subscription agreement by the Company. The Platform Agreement is governed by the laws of the State of Delaware.

(xv) An agreed form Platform Agreement between the Company and Main Street Business Loans, LLC ("**Main Street**"), a wholly owned subsidiary of AmeriMerchant (consisting of a whole loans participation agreement and a merchant cash advance participation agreement) pursuant to which Main Street has agreed to sell to the Company fractional interests in high yield SME loan and merchant cash advance Debt Instruments which meet the defined underwriting criteria and which the Company may, in its sole discretion, elect to purchase. The Platform Agreement will be executed when the Company just co-invests in a Debt Instrument organised or issued by Main Street. The Company will be required to pay a servicing fee to Main Street calculated by reference to the amount of capital committed by the Company 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.

(xvi) A loan referral services agreement dated 13 April 2015 between the Company and Lion Capital (the "**Loan Referral Services Agreement**"). Lion Capital has agreed to locate loan underwriters for the Company and provide introductions to such underwriters. In consideration for its services, the Company shall pay Lion Capital 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 Lion Capital and the net returns the Company 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 the Company'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.

(b) Except with respect to the appointment letters entered into between the Company and each director and the Investment Management Agreement, the Company has not been a party to any related party transaction since its incorporation.

10. Working Capital

Taking into account the Minimum Gross Proceeds, the Company is of the opinion that the Company has sufficient working capital for its present requirements that is for at least the next 12 months from the date of the Admission.

11. Capitalisation and Indebtedness

At the date of this Prospectus, the Company:

(i) does not have any secured, unsecured or unguaranteed indebtedness, including direct and contingent indebtedness;

(ii) has not granted any mortgage or charge over any of its assets;

(iii) does not have any contingent liabilities or guarantees; and

(iv) the Company's issued share capital consists of 50,000 Management Shares of £1.00 each, all fully paid up and one Ordinary Share of £0.01

12. No Significant Change

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

13. Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) since the Company's incorporation which may have, or have had in the recent past, significant effects on the financial position or profitability of the Company.

14. General

(a) The total costs (including fees and commissions) (exclusive of recoverable VAT) payable by the Company in connection with the Issue and Admission are estimated to amount to up to £2,160,000 assuming Gross Issue Proceeds of £135 million. The estimated net cash proceeds accruing to the Company from the Issue are £132,840,000 (assuming 13.5 million Ordinary Shares are issued pursuant to the Issue). Since the Company has not commenced operations and therefore not generated any earnings, the Issue will represent a significant gross change to the Company. At the date of this Prospectus and until Admission, the assets of the Company are £50,000.01. Under the Issue, on the basis that 13.5 million Ordinary Shares are to be issued, the net assets of the Company would increase by approximately £132.8 million immediately after Admission assuming that the expenses of the Issue do not exceed 1.60 per cent. of the Gross Issue Proceeds. Following completion of the Issue, the Net Proceeds of the Issue will be invested in accordance with the Company's investment policy and pending investment will be held on deposit or invested in near cash instruments and consequently it is expected that the Company will derive earnings from Gross Assets in the form of dividends and interest.

(b) The Issue will result in the existing Ordinary Shares being diluted by 99.99 per cent. (assuming Gross Issue Proceeds of £135 million). None of the Ordinary Shares available under the Issue are being underwritten.

(c) The Placing of the Ordinary Shares in the UK is being carried out on behalf of the Company by Liberum which is authorised and regulated in the United Kingdom by the Financial Conduct Authority. The private placement of the Ordinary Shares in the US is being carried out on behalf of the Company by Sandler O'Neill which is authorised and regulated in the US by the Securities and Exchange Commission.

(d) 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.

(e) Each of the Investment Manager and Liberum 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.

(f) The Investment Manager accepts responsibility for: (i) the information in Part I of this Prospectus under the headings "Investment structures for US Direct Lending Platforms" and "Direct Lending Platform access and pipeline"; and (ii) the information in Part IV of this Prospectus under the heading "Investment Manager track record". The Investment Manager has taken all reasonable care to ensure that the information contained in (i) Part I of this Prospectus under the headings "Investment structures for US Direct Lending Platforms" and "Direct Lending Platform access and pipeline"; and (ii) Part IV of this Prospectus under the heading "Investment Manager track record" is, to the best of its knowledge, in accordance with the facts and contains no omissions likely to affect its import.

(g) 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.

(h) The Company has no existing interests in real property and has no tangible fixed assets which are material to its business.

(i) The Company's audited financial statements for the period from incorporation to 9 April 2015 are set out in Appendix II to this Prospectus. These financial statements have been prepared and audited in connection with compliance with the requirements of the Companies Act that will apply in respect of the declaration of a dividend by the Company (to the extent a dividend is declared.

15. Intermediaries

The Intermediaries authorised as at the date of this Prospectus to use this Prospectus in connection with the Intermediaries Offer are:

Barclays Bank PLC of 1 Churchill Place, London E14 5HP;

Midas Investment Management Ltd of 2nd Floor, Arthur House, Charlton Street, Manchester M1 3FH;

Cornhill Capital Limited of 4th Floor, 18 Swithins Lane, EC4N 8AD;

iDealing.com Ltd of 4 Thomas More Square, London E1W 1YW;

AJ Bell Securities Ltd of Trafford House, Chester Road, Manchester M32 0RS;

Alliance Trust Savings Limited of PO Box 164, 8 West Marketgait, Dundee DD1 9YP; and

TD Direct Investing (Europe) Limited of Exchange Court, Duncombe Street, Leeds LS1 4AY.

16. 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 date of Admission:

(a) the statement of capital of the Company and the Articles;

(b) the letters of appointment referred to in this Part VII;

(c) the letters of consent referred to in paragraph 14(e) above; and

(d) this Prospectus.

This Prospectus is dated 14 April 2015.

PART VIII

TERMS AND CONDITIONS OF THE PLACING

1. Introduction

Each investor which confirms its agreement to Liberum, to subscribe for Ordinary Shares under the Placing (for the purposes of this Part VIII, a "**Placee**") will be bound by these terms and conditions and will be deemed to have accepted them.

Each of the Company and/or Liberum, 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 VIII, a "**Placing Letter**"). The terms of this Part VIII will, where applicable, be deemed to be incorporated into that Placing Letter.

2. Agreement to Subscribe for Ordinary Shares

Conditional on, amongst other things: (i) Admission occurring and becoming effective by 8.00 a.m. on or prior to 1 May 2015 (or such later time and/or date, not being later than 8.00 a.m. on 29 May 2015, as the Company and Liberum may agree); (ii) the Placing Agreement becoming otherwise wholly unconditional in all respects and not having been terminated in accordance with its terms at any time prior to Admission; (iii) the Minimum Gross Proceeds being raised pursuant to the Issue; and (iv) Liberum confirming to the Placees their allocation of Ordinary Shares, a Placee agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares allocated to it by Liberum at the Issue Price. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

Multiple applications or suspected multiple applications on behalf of a single investor are liable to be rejected.

Fractions of Ordinary Shares will not be issued.

3. Payment for Ordinary Shares

Each Placee undertakes to pay in full the Issue Price for the Ordinary Shares issued to such Placee in the manner and by the time directed by Liberum, as applicable. In the event of any failure by a Placee to pay as so directed and/or by the time required by Liberum, as applicable, the relevant Placee shall be deemed hereby to have irrevocably and unconditionally appointed Liberum, as applicable, or any nominee of Liberum as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the Ordinary Shares in respect of which payment shall not have been made as directed, and to indemnify Liberum 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 shall not release the relevant Placee from the obligation to make such payment for relevant Ordinary Shares to the extent that Liberum or its nominee has failed to sell such Ordinary Shares at a consideration which, after deduction of the expenses of such sale and payment of stamp duty and/or stamp duty reserve tax as aforementioned, is equal to or exceeds the Issue Price per Share.

4. Representations, Warranties and Undertakings

4.1 By agreeing to subscribe for Ordinary Shares, each Placee which enters into a commitment to subscribe for Ordinary Shares (for the purposes of this Part VIII, a "**Placing Commitment**") will (for itself and for any person(s) procured by it to subscribe for Ordinary Shares and any nominee(s) for any such person(s)) be deemed to acknowledge, understand, undertake, represent and warrant to each of the Company, the Investment Manager, the Registrar and Liberum, that:

4.1.1 in agreeing to subscribe for Ordinary Shares under the Placing, it is relying solely on this Prospectus and any supplementary prospectus issued by the Company and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the Ordinary Shares or the Placing. It agrees that none of the Company, the Investment Manager, the Registrar or Liberum, 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 under the Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any 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 Liberum, or any of their respective officers, agents, employees or affiliates acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing;

4.1.3 it has carefully read and understands this Prospectus (and any supplementary prospectus issued by the Company) in its entirety and acknowledges that it is acquiring Ordinary Shares on the terms and subject to the conditions set out in this Part VIII and, as applicable, in the contract note or placing confirmation, as applicable, referred to in paragraph 4.1.11 of this Part VIII (for the purposes of this Part VIII, the "**Contract Note**" or the "**Placing Confirmation**") and the Placing Letter (if any) and the Articles as in force at the date of Admission;

4.1.4 it has not relied on Liberum, or any person affiliated with Liberum in connection with any investigation of the accuracy of any information contained in this Prospectus;

4.1.5 the content of this Prospectus is exclusively the responsibility of the Company and its Directors and neither Liberum, the Investment Manager, the Registrar, 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 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 Placing based on any information, representation or statement contained in this Prospectus or otherwise;

4.1.6 no person is authorised in connection with the Placing to give any information or make any representation other than as contained in this Prospectus and, if given or made, any information or representation must not be relied upon as having been authorised by Liberum, 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 is fixed at the Issue Price and is payable to Liberum on behalf of the Company in accordance with the terms of this Part VIII 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 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 VIII 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 under the Placing will be agreed orally with Liberum as agent for the Company and that a Contract Note or Placing confirmation will be issued by Liberum as soon as possible thereafter. That oral confirmation will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and Liberum to subscribe for the number of Ordinary Shares allocated to it and comprising its Placing Commitment at the Issue Price on the terms and conditions set out in this Part VIII 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 Admission. Except with the consent of Liberum 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 under the Placing will be evidenced by Contract Note or Placing Confirmation, as applicable, confirming: (i) the number of Ordinary 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 (ii) settlement instructions to pay Liberum as agent for the Company. The terms of this Part VIII will be deemed to be incorporated into that Contract Note or Placing Confirmation;

4.1.12 settlement of transactions in the Ordinary Shares following Admission will take place in CREST but Liberum 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 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 Placing would breach any applicable law. Accordingly, the Ordinary Shares may not be offered, sold, issued or delivered, directly or indirectly, within the any member state of the EEA (other than the United Kingdom), United States, Canada, Japan, Australia, the Republic of South Africa or any other jurisdiction where the extension or availability of the 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 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 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 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 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 acquired by an investor as a financial intermediary within the meaning of the law in the relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of the Prospectus Directive: (i) the Ordinary Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of Liberum has been given to the offer or resale; or (ii) where Ordinary Shares have been acquired by it on behalf of persons in any relevant Member State other than qualified investors, the offer of those Ordinary Shares to it is not treated under the Prospectus Directive as having been made to such persons;

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 Placing or the Ordinary Shares (for the purposes of this Part VIII, 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 pursuant to the 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 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 If (a) it is a US-person (as defined in Regulation S), it is a QIB that is also a QP, and has acknowledged and complied with all of the requirements set forth in section 5 below, including the delivery of a signed Investor Representation Letter to the Company and Liberum and (b) if it is not a US-person, agrees that (i) the Ordinary Shares have not been and will not be registered under the Securities Act and are being offered outside the United States in compliance with Regulation S and that it is purchasing the Shares outside the United States in compliance with such regulations; (ii) the Company has not registered, and does not intend to register, as an investment company under the Investment Company Act and the Ordinary Shares may only be transferred under circumstances which will not result in the Company being required to register under the Investment Company Act and (iii) that, in each case, it agrees to sell, transfer, assign, pledge or otherwise dispose of the 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 in transactions that are exempt from registration under the Securities Act and do not require the Company to register under the Investment Company Act.

4.1.20 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 and it is not acting on a non-discretionary basis for any such person;

4.1.21 if the investor is a natural person, such investor is not under the age of majority (18 years of age in the United Kingdom) on the date of such investor's agreement to subscribe for Ordinary Shares under the Placing and will not be any such person on the date that such Placing is accepted;

4.1.22 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 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 Liberum, 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;

4.1.23 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;

4.1.24 it is aware of the obligations regarding insider dealing in the Criminal Justice Act 1993, section 118 of FSMA and the Proceeds of Crime Act 2002 and confirm that it has and will continue to comply with those obligations;

4.1.25 it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus (and any supplementary prospectus issued by the Company) or any other Placing Document to any persons within the United States or to any U.S. Person, nor will it do any of the foregoing;

4.1.26 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 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;

4.1.27 Liberum, 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 Placing or providing any advice in relation to the Placing and participation in the Placing is on the basis that it is not and will not be a client of Liberum and that Liberum has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing nor, if applicable, in respect of any representations, warranties, undertaking or indemnities contained in any Placing Letter;

4.1.28 that, save in the event of fraud on the part of Liberum, none of Liberum, 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 Liberum' role as sponsor, broker or otherwise in connection with the Placing and that where any such responsibility or liability nevertheless arises as a matter of law the Placee and, if relevant, its clients, will immediately and irrevocably waive any claim against any of such persons which the Placee or any of its clients may have in respect thereof;

4.1.29 that where it is subscribing for Ordinary Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the Ordinary Shares for each such account; (ii) to make on each such account's behalf the undertakings, acknowledgements, representations, warranties and agreements set out in this Prospectus; and (iii) to receive on behalf of each such account any documentation relating to the Placing in the form provided by the Company and Liberum. It agrees that the provision of this paragraph shall survive any resale of the Ordinary Shares by or on behalf of any such account;

4.1.30 it irrevocably appoints any Director and any director of Liberum 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 comprising its Placing Commitment, in the event of its own failure to do so;

4.1.31 if the Placing does not proceed or the conditions to the Placing under the Placing Agreement are not satisfied or the Ordinary 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, Liberum, 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;

4.1.32 in connection with its participation in the Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering 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 9, together the "Money Laundering Regulations") and that its application for Ordinary Shares under the 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. 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;

4.1.33 due to anti-money laundering requirements, Liberum may require proof of identity and verification of the source of the payment before the application for Ordinary Shares under the Placing can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Liberum may refuse to accept the application and the subscription monies relating thereto. It holds harmless and will indemnify Liberum 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;

4.1.34 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;

4.1.35 any personal data provided by it to the Company or 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 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 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.

4.1.36 Liberum is entitled to exercise any of their rights under the Placing Agreement (including, without limitation, rights of termination) or any other right in its absolute discretion without any liability whatsoever to them;

4.1.37 the representations, undertakings and warranties contained in this Part VIII and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any), are irrevocable. It acknowledges that Liberum 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 under the Placing are no longer accurate, it shall promptly notify Liberum and the Company;

4.1.38 where it or any person acting on behalf of it is dealing with Liberum any money held in an account with Liberum 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 Liberum to segregate such money, as that money will be held by Liberum under a banking relationship and not as trustee;

4.1.39 any of its clients, whether or not identified to Liberum will remain its sole responsibility and will not become clients of Liberum for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;

4.1.40 the allocation of Ordinary Shares in respect of the Placing shall be determined by Liberum in its absolute discretion (in consultation with the Company and the Investment Manager) and that Liberum may scale down any Placing Commitment on such basis as they may determine (which may not be the same for each Placee);

4.1.41 time shall be of the essence as regards its obligations to settle payment for the Ordinary Shares subscribed under the Placing and to comply with its other obligations under the Placing;

4.1.42 it authorises Liberum to deduct from the total amount subscribed under the Placing the aggregation commission (if any) (calculated at the rate agreed with the Placee) payable on the number of Ordinary Shares allocated under the Placing;

4.1.43 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 previously comprising its Placing Commitment;

4.1.44 the Placing will not proceed if the Issue does not raise the Minimum Gross Proceeds; and

4.1.45 the commitment to subscribe for Ordinary Shares on the terms set out in this Part VIII 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 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 Placing.

The Company, the Investment Manager, the Registrar, Liberum 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, Liberum 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 VIII.

5. Purchase and Transfer Restrictions for US Persons

5.1 By participating in the Placing, each Placee located within the US or is, or is acting for the account or benefit of, a US-person, as defined in Regulation S, acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for Ordinary Shares and any nominee(s) for any such person(s)) be further deemed to acknowledge, understand, undertake, represent and warrant to each of the Company, the Investment Manager, the Registrar, Liberum that:

5.1.1 it is a QIB, as defined in Rule 144A under the Securities Act, that is also a QP, as defined in Section 2(a)(51) of the Investments Company Act and has delivered to the Company and Liberum a signed Investor Representation Letter;

5.1.2 it confirms that: (i) it was not formed for the purpose of investing in the Company; and (ii) it is acquiring an interest in the Ordinary Shares for its own account as principal, or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements in this section 5 and in the Investor Representation Letter and for whom it exercises sole investment discretion;

5.1.3 It understands that the Ordinary Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;

5.1.4 it acknowledges that the Company has not registered, and does not intent to register, as an investment company under the Investment Company Act and 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) described herein so that the Company will qualify for the exemption provided under Section 3(c)(7) of the Investment Company Act and to ensure that the Company will not be required to register as an investment company;

5.1.5 it will not be entitled to the benefits of the U.S. Investment Company Act;

5.1.6 it is knowledgeable, sophisticated and experienced in business and financial matters and it fully understands the limitations on ownership and transfer and the restrictions on sales of the Ordinary Shares;

5.1.7 It is able to bear the economic risk of its investment in the Ordinary Shares and is currently able to afford the complete loss of such investment and is aware that there are substantial risks incidental to the purchase of the Ordinary Shares, including those summarised under "Risk Factors" in this Prospectus;

5.1.8 unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an "employee benefit plan" as defined in Section 3(3) of the United States Employee Retirement Income Security Act of 1974 as amended (for the purposes of this Part VIII, "**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 9, the "U.S. Internal Revenue Code"), including an individual retirement account or other arrangement that is subject to Section 4975 of the U.S. 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 U.S. Internal Revenue Code. In addition, if an investor is a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the U.S. Internal Revenue Code, its purchase, holding, and disposition of the Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

5.1.9 any Ordinary Shares delivered to the Placee in certificated form will contain a legend substantially to the following effect unless otherwise determined by the Company in accordance with applicable law:

"RANGER DIRECT LENDING FUND PLC (THE "COMPANY") HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "U.S. INVESTMENT COMPANY ACT"). IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE

REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN AN OFFSHORE TRANSACTION COMPLYING WITH THE PROVISIONS OF REGULATION S UNDER THE U.S. SECURITIES ACT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A U.S. PERSON OR ACTING FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON, BY PRE-ARRANGEMENT OR OTHERWISE, (2) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, (3) WITHIN THE UNITED STATES, IN ACCORDANCE WITH RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OF THE UNITED STATES, OR (4) SUBJECT TO CERTAIN REGULATORY EXCEPTIONS, TO PERSONS THAT ARE REASONABLY BELIEVED TO BE ACCREDITED INVESTORS WHO ARE ALSO QUALIFIED PURCHASERS IN ACCORDANCE WITH AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, IN EACH CASE (A) UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE U.S. INVESTMENT COMPANY ACT, (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS AND (C) UPON SURRENDER OF THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE AND, IN THE CASE OF CLAUSE (1) ABOVE, DELIVERY OF A WRITTEN CERTIFICATION THAT SUCH TRANSFEROR IS IN COMPLIANCE WITH THE REQUIREMENTS OF CLAUSE (1) IN THE FORM OF A DULY COMPLETED AND SIGNED OFFSHORE TRANSACTION LETTER (THE FORM OF WHICH MAY BE OBTAINED FROM THE REGISTRAR) TO THE COMPANY, WITH COPIES TO THE REGISTRAR AND THE ADMINISTRATOR. IN ADDITION, FOLLOWING THE INITIAL PLACEMENT OF THE SECURITIES BY THE COMPANY THIS SECURITY MAY NOT BE SUBSEQUENTLY OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED TO ANY PERSON USING THE ASSETS OF (I) (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA; (B) A "PLAN" AS DEFINED IN SECTION 4975 OF THE U.S. TAX CODE, INCLUDING AN INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO SECTION 4975 OF THE U.S. TAX CODE; OR (C) AN ENTITY WHICH IS DEEMED TO HOLD THE "PLAN 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 U.S. TAX CODE. FURTHER, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED TO A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER EMPLOYEE BENEFIT PLAN (A "NON-ERISA PLAN") THAT IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF TITLE I OF ERISA OR SECTION 4975 OF THE U.S. TAX CODE IF THE PURCHASE, HOLDING OR DISPOSITION OF THE SECURITIES BY SUCH NON-ERISA PLAN WILL RESULT IN A VIOLATION OF APPLICABLE LAW AND/OR CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 503 OF THE U.S. TAX CODE OR ANY SUBSTANTIALLY SIMILAR LAW.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THESE SECURITIES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THE COMPANY'S SECURITIES, ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK.

THIS SECURITY MAY NOT BE DEMATERIALIZED INTO CREST OR ANY OTHER PAPERLESS SYSTEM UNTIL THE HOLDER OF THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE DELIVERS A WRITTEN CERTIFICATION THAT SUCH HOLDER IS TRANSFERRING SUCH SECURITIES IN COMPLIANCE WITH THE FOREGOING RESTRICTIONS, IN THE CASE OF CLAUSE (1) ABOVE, IN THE FORM OF A DULY COMPLETED AND SIGNED OFFSHORE TRANSACTION LETTER (THE FORM OF WHICH MAY BE OBTAINED FROM THE REGISTRAR) TO THE COMPANY, WITH COPIES TO THE REGISTRAR AND THE ADMINISTRATOR."

5.1.10 if in the future the Placee decides to offer, sell, transfer, assign or otherwise dispose of the Ordinary Shares, it will do so only in an offshore transaction in compliance with Regulation S, provided it executes an Offshore Transaction Letter, and under circumstances which will not require the Company to register under the Investment Company Act. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such

laws and the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles (as amended from time to time);

5.1.11 the Company reserves the right to make inquiries of any holder of the Ordinary Shares or interests therein at any time as to such person's status under the US federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under the U.S. securities laws to transfer such Ordinary Shares or interests in accordance with the Articles (as amended from time to time);

5.1.12 the Company is required to comply with the U.S. Foreign Account Tax Compliance Act of 2010 and any regulations made thereunder or associated therewith (for the purposes of this Part10, "**FATCA**") and that the Company will follow FATCA's extensive reporting and withholding requirements. The Placee agrees to furnish any information and documents which the Company may from time to time request, including but not limited to information required under FATCA;

5.1.13 it is entitled to acquire the Ordinary Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the Ordinary Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the Investment Manager, the Registrar, Liberum or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Issue or its acceptance of participation in the Placing;

5.1.14 it has received, carefully read and understands this Prospectus (and any supplementary prospectus issued by the Company), and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus (and any supplementary prospectus issued by the Company) or any other presentation or offering materials concerning the Ordinary Shares to or within the United States or to any U.S. Persons, nor will it do any of the foregoing; and

5.1.15 it understands that this Prospectus has been prepared according to the disclosure requirements of the United Kingdom, which are different from those of the United States.

6. Supply and Disclosure of Information

If Liberum, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for Ordinary Shares under the Placing, such Placee must promptly disclose it to them and ensure that such information is complete and accurate in all respects.

7. Miscellaneous

The rights and remedies of Liberum, the Registrar, 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.

On application, if a Placee is an individual, that Placee may be asked to disclose in writing or orally, his nationality. If a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Placee's risk. They may be sent by post to such Placee at an address notified by such Placee to Liberum.

Each Placee agrees to be bound by the Articles (as amended from time to time) once the Ordinary Shares, which the Placee has agreed to subscribe for pursuant to the Placing, have been acquired by the Placee. The contract to subscribe for Ordinary Shares under the Placing and the appointments and authorities mentioned in this Prospectus will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Liberum, the Company, the Investment Manager and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against Placee in any other jurisdiction.

In the case of a joint agreement to subscribe for Ordinary Shares under the Placing, references to a Placee in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

Liberum and the Company expressly reserve the right to modify the Placing (including, without limitation, its timetable and settlement) at any time before allocations are determined. The Placing is subject to the satisfaction of the conditions contained in the Placing Agreement and to the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained in Part VII of this Prospectus.

DEFINITIONS

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 VII of this Prospectus
"Administrator"	Sanne Fiduciary Services Limited
"Admission"	the admission of the Ordinary 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
"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
"AmeriMerchant"	AmeriMerchant LLC and any wholly owned subsidiary of AmeriMerchant LLC which may serve as a counterparty to the relevant Platform Agreement
"Articles"	the articles of association of the Company (as adopted as at Admission)
"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
"Biz2Credit"	Biz2Credit Inc. or its wholly owned affiliate, Itria
"Blue Bridge"	Blue Bridge Financial LLC
"Board"	the directors of the Company whose names are set out on page 41 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 VII 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
"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 the Company Secretary, a summary of which is set out in paragraph 9 of Part VII of this Prospectus
"Company Secretary"	Capita Registrars Limited
"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
"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 VII of this Prospectus
"Debt Instrument"	means a debt obligation which will include (without limitation) a loan, invoice receivables and asset financing arrangements
"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 41 of this Prospectus
"DTRs" or "Disclosure and Transparency Rules"	the disclosure and transparency rules made by the FCA under Part VI of the FSMA
"EEA"	the states which comprise the European Economic Area
"Eligibility Date"	31 December in each year
"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

"Exchange Act"	the US Securities Exchange Act of 1934, as amended from time to time
"FATCA"	the US Foreign Account Tax Compliance Act of 2010
"FCA"	the Financial Conduct Authority
"Freedom Plus"	Freedom Financial Asset Management, LLC
"FSMA"	the Financial Services and Markets Act 2000, 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 Ordinary Shares issued under the Issue at the Issue Price
"Governance Code"	the UK Corporate Governance Code dated September 2014, as amended from time to time
"HMRC"	HM Revenue and Customs
"IFG"	IFG Network LLC
"IFRS"	International Financial Reporting Standards, as adopted by the European Union, as amended from time to time
"Intermediaries"	the entities listed in paragraph 15 of Part VII of this Prospectus, together with any other intermediary (if any) that is appointed by the Company in connection with the Intermediaries Offer after the date of this Prospectus
"Intermediaries Agreement"	the intermediaries agreement between the Company, Liberum, the Intermediaries Offer Adviser and the Intermediaries, a summary of which is set out in paragraph 9 of Part VII of this Prospectus
"Intermediaries Offer"	the offer of Ordinary Shares by the Intermediaries
"Intermediaries Offer Adviser"	Scott Harris UK Ltd
"Internal Revenue Code"	the US Internal Revenue Code of 1986, as amended from time to time
"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 VII of this Prospectus
"Investment Trust Regulations"	The Investment Trust (Approved Company) (Tax) Regulations 2011
"IRS"	the US Internal Revenue Service
"Issue"	the Placing and the Intermediaries Offer

"Issue Price"	£10 per Ordinary Share
"Itria"	Itria Ventures, LLC
"Liberum"	Liberum Capital Limited
"Lion Capital"	Lion Capital Group, LLC
"Listing Rules"	the Listing Rules made by the FCA under Part VI of the FSMA, as amended from time to time
"Loan Referal Services Agreement"	has the meaning given to it in paragraph 9(a) (xvi) of Part VII of this Prospectus
"London Stock Exchange"	London Stock Exchange plc
"Management Fee"	the fee payable by the Company to the Investment Manager, as described in Part III of this Prospectus
"Management Shares"	redeemable management shares of £1.00 each in the capital of the Company
"Minimum Gross Proceeds"	£70 million, being the total amount to be raised by the Issue prior to the deduction of the Issue commissions and the other fees and expenses payable by the Company which are related to the Issue
"Model Code"	the Model Code as set out in Annex 1 of Listing Rule 9
"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 Proceeds"	the net proceeds of the Issue, estimated at £132,840,000 million in aggregate (assuming Gross Issue Proceeds of £135 million and the costs and expenses of the Issue being equal to 1.60 per cent. of the Gross Issue Proceeds)
"Notes"	has the meaning given to it under the heading "Investment Structure and Regulatory Considerations" in Part I of this Prospectus
"Official List"	the Official List of the UK Listing Authority
"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 under the Placing
"Placing"	the conditional placing by Liberum on behalf of the Company of Ordinary Shares at the Issue Price closing at 5.00 p.m. on 24 April 2015 pursuant to the Placing Agreement
"Placing Agreement"	the Placing Agreement between the Company, the Directors, the Investment Manager, Sandler O'Neill and Liberum, as described in paragraph 9 of Part VIII 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(ix) to 9(xv) (inclusive) of Part VII of this Prospectus
"Princeton"	Princeton Alternative Income Offshore Fund, Ltd.
"Prospectus"	this Prospectus, including the Appendix
"Prospectus Rules"	the Prospectus Rules made by the FCA under Part VI of the FSMA
"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 Speciality Income Fund"	Ranger Speciality Income Fund, Ltd, an open-ended fund managed by the Investment Manager
"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 VII of this Prospectus
"Regulation S"	means Regulation S under the Securities Act
"Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
"RNS announcement"	means an announcement by a regulatory news service
"Sandler O'Neill"	Sandler O'Neill & Partners, LP
"Securities Act"	the US Securities Act of 1933, as amended
"Shareholder"	a holder of Ordinary Shares in the Company
"shares"	transferable securities
"Sharestates"	Sharestates Investments, LLC
"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
"SPV"	special purpose vehicle

"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
"Treasury Regulations"	the US Department of Treasury Regulations
"TruSight Technology"	the Investment Manger's credit analysis system
"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 the 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
"Underlying Applicants"	investors who wish to acquire Ordinary Shares under the Intermediaries Offer
"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$"	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
"VC Fund"	has the meaning given to it under the heading "Direct Lending Company Equity investments" in Part I of this Prospectus

Appendix I

SUPPLEMENT TO THE PROSPECTUS

FOR

RANGER DIRECT LENDING FUND PLC

for Offerings in or to Persons Domiciled or Registered in the European Economic Area

14 April 2015

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 14 April 2015, 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 I and Part II of the Prospectus, respectively. The "Investment Approval and Management Process" section in Part IV of the Prospectus describes the investment strategy of the Company.
2	Description of the types of assets in which the Company may invest	Please refer to the section titled "Investment Policy" in Part II of the Prospectus.
3	Techniques the Company may employ	Please refer to the section titled "Investment Approval and Management Process" in Part IV 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 Investment in Credit Investments and the Origination of Credit Investments through 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 II 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 II 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 II 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).
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 IV 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 III 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 VII of the Prospectus. The duties of the Investment Manager are set out in Part IV of the Prospectus and the Investment Management Agreement is described in more detail in paragraph 9, "Material contracts and related party transactions" of Part VII of the Prospectus. The duties of the Placing Agent are set out in Part V of the Prospectus and the Placing Agreement and Broker Agreement are described in more detail in paragraph 9, "Material contracts and related party transactions" of Part VII 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**	
	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's conflicts of interest policy is described in the paragraph titled "Conflicts of Interest" in Part IV of the Prospectus. 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 III 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 III of the Prospectus. Since all such fees and expenses will be borne by the Company, they will be borne indirectly by investors. Although not capped, it is estimated that the fees payable by the Company in the Issue will not exceed £2,160,000, assuming Gross Issue Proceeds are £135 million. No fees or expenses of the Company will be directly borne by the investors. Given that the amount of the 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 has agreed that Qualifying Investors are 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 III 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	The Company is newly incorporated and has not yet prepared its first annual report. When published, 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 Shares will be offered by way of a Placing and Intermediaries Offer. The procedure for the Issue is set out in Part V of the Prospectus and the terms and condition of the Placing are set out in Part VIII of the Prospectus. Certain restrictions on the sale and transfer of the Ordinary Shares are described in Part V of the Prospectus under the paragraph 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 Net Asset Value is not available as the Company is newly incorporated. When published, Net Asset Value announcements of the Company can be found on the Company's website: www.RangerDirectLending.com.
23(1)(N)	**HISTORICAL PERFORMANCE**	
	Where available, the historical performance of the Company	No historic performance is available as the Company is newly incorporated. When published, annual and interim financial statements of the Company can be found on the Company's website: www.RangerDirectLending.com.

23(1)(O)	**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.

Appendix II

AUDITED FINANCIAL INFORMATION ON THE COMPANY AS AT 9 APRIL 2015

RANGER DIRECT LENDING FUND PLC

Balance Sheet and Related Notes together with the Independent Auditor's Report

Company Number 9510201 as at 9 April 2015

Statement of directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RANGER DIRECT LENDING FUND PLC

We have audited the financial statements of Ranger Direct Lending Fund plc for the period from incorporation on 25 March 2015 to 9 April 2015 which comprise the balance sheet and the related notes 1 to 6. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards, as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 9 April, 2015;
- have been properly prepared in accordance with International Financial Reporting Standards, as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

In our opinion the information given in the Directors' Report for the period from incorporation on 25 March 2015 to 9 April, 2015 for which the financial statements are prepared is consistent with the financial statements.

Garrath Marshall, ACA *(Senior statutory auditor)*
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, UK
10 April 2015

Balance Sheet

As at 9 April 2015

	Notes	*US$*
Non-current assets		
Debtors: Amounts falling due within one year	3	74,500
Total non-current assets		74,500
Net assets		**74,500**
Capital and reserves		
Called up share capital	4	74,500
Total equity		**74,500**

The balance sheet and related notes of Ranger Direct Lending Fund Plc were approved by the Board of Directors and authorised for issue on 10 April 2015.

Signed on behalf of the board

Scott Canon

Director

Company Number 9510201

Notes to the financial statements

As at 9 April 2015

1. Accounting policies

Basis of preparation

These financial statements are prepared on the going concern basis under the historical cost convention and in accordance with applicable United Kingdom law and International Financial Reporting Standards, as adopted by the European Union. The principal accounting policies are set out below and have been applied consistently throughout the period.

These statements are denominated in US dollars, at a conversion rate of 1.49 dollars to one pound British sterling.

Profit and loss account

No profit and loss account is presented with these financial statements because the company has not received income, incurred expenditure or recognised any gains or losses.

Going concern

At the balance sheet date, the Company had net assets of $US74,500. The Directors have reviewed the financial projections of the Company for a period of 17 months from the date of this report, which shows that the Company will be able to generate sufficient cash flows in order to meet its liabilities as they fall due. Accordingly, the Directors are satisfied that the going concern basis remains appropriate for the preparation of the financial statements.

2. Debtors: Amounts falling due within one year

	US$
Amounts owed by group undertakings	74,500

The balance represents amounts due from Ranger Alternative Management II, LP, repayable on demand.

3. Called-up share capital

	US$
Allotted, called up, issued and not paid	
1 Ordinary share of US dollar equivalent of .15	–
50,000 Management Shares of US dollar equivalent $74,500	74,500
	$74,500

Called-up share capital

	US$
Issue at incorporation	74,500
As at 9 April 2015	$74,500

4. Related party transactions

All related party transactions are disclosed in note 2.

5. Ultimate parent company and controlling parties

The Company's immediate parent undertaking party is Ranger Alternative Management II, LP. The ultimate undertaking and controlling party is Ranger Alternative Management (GP), L.L.C., a limited liability company registered in the State of Texas.

Ranger Alternative Management II, LP is the management company of the largest and smallest group of which the Company is a member and for which group financial statements are drawn up.

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