THIS DOCUMENT 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 an independent financial adviser who specialises in advising on shares or other securities and who is authorised under the Financial Services and Markets Act 2000 or, if you are not resident in the UK, from another appropriately authorised independent financial adviser in your own jurisdiction.

This document comprises a prospectus relating to P2P Global Investments PLC (the "Company") prepared in accordance with the Prospectus Rules. This document has been approved by the FCA and has been filed with the FCA in accordance with Rule 3.2 of the Prospectus Rules.

Applications have been made to the UK Listing Authority and the London Stock Exchange for all of the C Shares now being offered to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that dealings for normal settlement in the C Shares will commence on 29 January 2015. All dealings in C Shares prior to the commencement of unconditional dealings will be at the sole risk of the parties concerned. The C Shares are not dealt in on any other recognised investment exchange and no other such applications have been made or are currently expected.

The Company and each of the Directors, whose names appear on page 39 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The C 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 C 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.

Prospective investors should read this entire document and, in particular, the section headed "Risk Factors" when considering an investment in the Company.

P2P GLOBAL INVESTMENTS PLC

(Incorporated in England and Wales with company no. 8805459 and registered as an investment company under section 833 of the Companies Act 2006)

PLACING AND OFFER OF UP TO 20 MILLION C SHARES AT £10 PER C SHARE TO RAISE UP TO £200 MILLION*

ADMISSION TO THE PREMIUM SEGMENT OF THE OFFICIAL LIST OF THE UK LISTING AUTHORITY AND TO TRADING ON THE MAIN MARKET OF THE LONDON STOCK EXCHANGE

Investment Manager
Marshall Wace LLP

Sub-Manager
Eaglewood Capital Management LLC

Sponsor, Broker and Sole Bookrunner
Liberum Capital Limited

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*The Directors have reserved the right, in consultation with Liberum, to increase the size of the Issue to up to 30 million C Shares if overall demand exceeds 20 million C Shares, with any such increase being announced through a Regulatory Information Service.

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 document. Liberum will not regard any other person (whether or not a recipient of this document) as its client in relation to Admission and the Issue 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 document or any transaction or arrangement referred to herein. 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 this document or any other statement made or purported to be made by it or on its behalf in connection with the Company, the C Shares or the Issue. Liberum accordingly, to the fullest extent permissible by law, disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might have in respect of this document or any other statement.

The C Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States, and 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")). In addition, the Company has not been and will not be registered under the US Investment Company Act of 1940, as amended (the "US Investment Company Act"), and the recipient of this document will not be entitled to the benefits of that Act. This document must not be distributed into the United States or to US Persons. Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved of these securities or determined if this document is truthful or complete. Any representation to the contrary is a US criminal offence.

This document does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, C Shares in any jurisdiction where such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company or Liberum. The C 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) or any province or territory of Australia, Canada, the Republic of South Africa or Japan. Subject to certain exceptions, the C Shares may not, directly or indirectly, be offered, sold, taken up or delivered in, into or from any member state of the EEA (other than the United Kingdom), Australia, Canada, the Republic of South Africa or Japan or to or for the account or benefit of any national, resident or citizen or any person resident in any member state of the EEA (other than the United Kingdom), Australia, Canada, the Republic of South Africa or Japan. This document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for C Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves of and observe any restrictions.

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SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A-E (A. 1-E.7). This summary contains all the Elements required to be included in a summary for this type of 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 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 12 January 2015 and closes at 5.00 p.m. on 26 January 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	P2P Global Investments PLC
B.2.	Domicile and legal form	The Company was incorporated in England and Wales on 6 December 2013 with registered number 8805459 as a public company limited by shares under the Act. The principal legislation under which the Company operates is the Act.
B.3.	Current operations	The Group invests in Credit Assets which have been originated via Platforms, primarily in the US and Europe.

B.4.a	Known trends affecting the issuer	In the UK, peer-to-peer lending became subject to increased regulation with effect from 1 April 2014. The Company currently holds an interim permission from the FCA for consumer credit regulated activities. The Company will, between 1 August 2015 and 31 October 2015, be required to seek full authorisation from the FCA to carry on consumer credit regulated activities. The current market in which the Company participates is competitive and rapidly changing. In the United States, the regulatory environment for peer-to-peer loans and securitisation is increasingly dynamic and multilateral, and new statutes that may impact the industry await implementation. The Company may face increasing competition for access to loans as the peer-to-peer lending industry continues to evolve.
B.5.	Group description	The Company is the holding company of a group consisting of the Company and Eaglewood SPV I LP, a Delaware limited partnership and P2PCL1 PLC, a limited liability company incorporated in England and Wales. The Company holds all of the limited partnership interests in Eaglewood SPV I LP and one Class A Share in P2PCL1 PLC.
B.6.	Major shareholders	So far as is known to the Company by virtue of the notifications made to it pursuant to the Disclosure and Transparency Rules, as at the Latest Practicable Date, the following persons held, directly or indirectly, three per cent. or more of the Company's voting rights: *Name* — *Number of voting rights held* — *% of voting rights* Invesco Limited — 1,700,000 — 8.5 Ruffer LLP — 1,550,000 — 7.75 Thesis Asset Management plc — 1,500,000 — 7.50 AXA Investment Managers S.A. — 1,475,000 — 7.38 J O Hambro Capital Management Limited — 950,000 — 4.75 All Shareholders have the same voting rights in respect of the share capital of the Company. The Company and the Directors are not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

B.7.	Key financial information	The financial information below illustrates the audited net assets as at 30 September 2014: *30 September 2014* £ ***Non-current assets:*** Investment assets designated as held at fair value through profit or loss 161,392,603 Loans at amortised cost 29,537,230 190,929,833 ***Current assets*** Cash and cash equivalents 7,188,643 Cash pledged as collateral 2,050,000 Other current assets and prepaid expenses 201,050 9,439,693 **Total assets** 200,369,526 ***Current liabilities*** Derivative financial instruments 1,576,225 Investment management fees payable 54,670 Accrued expenses and other liabilities 193,086 1,823,981 **Total assets less current liabilities** 198,545,545 Save to the extent disclosed below, as at the date of this document, there has been no significant change in the financial or trading position of the Company since 30 September 2014, being the end of the last period for which audited financial information has been published. A dividend of 6 pence per Ordinary Share was paid by the Company on 30 December 2014 resulting in a reduction in cash and cash equivalents of £1,200,000.
B.8.	Key pro forma financial information	Not applicable. No pro forma financial information is included in this document.
B.9.	Profit forecast	Not applicable. No profit forecast or estimate 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 document is not qualified.
B.11.	Insufficiency of working capital	Not applicable. In the opinion of the Company, the working capital available to the Group is sufficient for its present requirements, namely for at least 12 months from the date of this document.
B.34.	Investment objective and policy	The Company's investment objective is to provide Shareholders with an attractive level of dividend income and capital growth through exposure to investments in alternative finance and related instruments.

		The Company invests in consumer loans, SME loans, advances against corporate trade receivables and/or purchases of corporate trade receivables ("Credit Assets") which have been originated via Platforms. The Company will typically seek to invest in Credit Assets with targeted net annualised returns of 5 to 15 per cent. The Company purchases Credit Assets directly (via Platforms) and also invests in Credit Assets indirectly via other investment funds (including those managed by the Investment Manager, the Sub-Manager or their affiliates) that it deems suitable with a view to enhancing Shareholder returns and providing diversification of the Company's assets. The Company's investments in Credit Assets may be made through subsidiaries of the Company. The Company may also invest (in aggregate) up to 5 per cent. of Gross Assets (at the time of investment) in the listed or unlisted securities issued by one or more Platforms. This restriction shall not apply to any consideration paid by the Company for the issue to it of any convertible securities by a 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 Platform. The Company invests across various Platforms, asset classes, geographies (primarily US and Europe) and credit risk bands 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: *Platform restrictions* The Company will not invest more than 33 per cent. of Gross Assets via any single Platform. This limit may be increased to 66 per cent. of Gross Assets via any single Platform, provided that where this limit is so increased in respect of any Platform the Company does not invest an amount which is greater than 25 per cent. (by value) of the total loan origination of the preceding calendar year through such Platform. *Asset class and geographic restrictions* No single loan acquired by the Company will be for a term longer than 5 years. No single trade receivable asset acquired by the Company will be for a term longer than 180 days. The Company will not invest more than 20 per cent. of Gross Assets, at the time of investment, via any single investment fund investing in Credit Assets. The Company will not invest, in aggregate, more than 60 per cent. of Gross Assets, at the time of investment, in other investment funds that invest in Credit Assets. The Company will not invest more than 10 per cent. of its Gross Assets, at the time of investment, in other listed closed-ended investment funds, whether managed by the Investment Manager or not, 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 following restrictions apply, in each case at the time of investment by the Company, to both Credit Assets acquired by the Company directly and

		on a look-through basis to any Credit Assets held by another investment fund in which the Company invests: No single consumer loan acquired by the Company shall exceed 0.25 per cent. of Gross Assets. No single SME loan acquired by the Company shall exceed 5.0 per cent. of Gross Assets. No single trade receivable asset acquired by the Company shall exceed 5.0 per cent. of Gross Assets. The following restrictions apply to both Credit Assets acquired by the Company directly and on a look-through basis to any Credit Assets held by another investment fund in which the Company invests: At least 10 per cent. (but not more than 75 per cent.) of Gross Assets will be maintained in consumer Credit Assets, not more than 50 per cent. of Gross Assets will be maintained in SME Credit Assets and not more than 50 per cent. of Gross Assets will be maintained in trade receivable assets. The Company will maintain at least 10 per cent. of Gross Assets in Credit Assets in Europe and at least 10 per cent. of Gross Assets in Credit Assets in the United States. *Other restrictions* The Company may invest in cash, cash equivalents and fixed income instruments for cash management purposes and with a view to enhancing returns to Shareholders or mitigating credit exposure. However, the Company will only invest in fixed income instruments of investment grade. The Company will not invest in CLOs or CDOs.
B.35	Borrowing limits	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 special purpose vehicle ("SPV") that may be established 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 33 per cent. of Net Asset Value (calculated at the time of draw down under any facility that the Company has entered into). The aggregate leverage of the Company and any investee entity (on a look-through basis) shall not exceed 1.5 times Net Asset Value. The Company may seek to securitise all or parts of its portfolio of Credit Assets and may establish one or more SPVs in connection with any such securitisation.
B.36.	Regulatory status	As an investment trust, the Company is not regulated as a collective investment scheme by the Financial Conduct Authority. However, it is subject to the Listing Rules, Prospectus Rules and the Disclosure and Transparency Rules and the rules of the London Stock Exchange. The Company currently holds an interim permission from the FCA for consumer credit regulated activities.
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 P2P loans. The C

		Shares may also be suitable for investors who are financially sophisticated, non-advised private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in C Shares in the Issue.
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 Marshall Wace LLP ("MW LLP"). MW LLP, with the assistance of principals and employees of Eaglewood Europe LLP ("Eaglewood Europe") who have been seconded to MW LLP, is responsible for the management of the assets of the Company in accordance with the terms of the Management Agreement. Eaglewood Europe is a newly established limited liability partnership incorporated under the laws of England and Wales and it is indirectly majority owned and controlled by Marshall Wace Holdings Limited, the ultimate parent company of MW LLP. Eaglewood Europe is currently seeking its Part IV permission under FSMA for, *inter alia*, the regulated activity of managing an AIF. It is intended that the Management Agreement will be novated to Eaglewood Europe in due course, but in any event, not before Eaglewood Europe receives this permission. Under the terms of the 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"). Following Admission, the Management Fee will be charged on the net assets attributable to the Ordinary Shares and the C Shares respectively. To seek to avoid fee layering, if at any time the Company invests in or through any other investment fund or special purpose vehicle and a management fee or advisory fee is charged to such investment fund or special purpose vehicle by the Investment Manager, the Sub-Manager or any of their affiliates, the value of such investment will be excluded from

		the calculation of Net Asset Value for the purposes of determining the Management Fee. The Investment Manager charges a fee based on a percentage of gross assets (such percentage not to exceed 1.0 per cent.) to any entity which is within the Group and which employs leverage for the purpose of its investment policy or strategy. *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 First Admission if no performance fee has yet been earned (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 First Admission and ending on 31 December 2014 and provided further that 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 will be a sum equal to 15 per cent. of such amount (if positive) and will only be payable if the Adjusted Net Asset Value at the end of a Calculation Period exceeds the High Water Mark. Following Admission, 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. *Sub-Manager* The Investment Manager has, pursuant to the Sub-Management Agreement, delegated certain of its responsibilities and functions, including its discretionary management of the Company's portfolio of Credit Assets, to the Sub-Manager, Eaglewood Capital Management LLC. The Sub-Manager is an affiliate of the Investment Manager. The Sub-Manager is a Delaware limited liability company and is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940, as amended. *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 C 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 commission of up to 1.1 per cent. of the value of the C Shares issued pursuant to the Issue at the Issue Price. *Administrator and External Valuer* Citco Fund Services (Ireland) Limited has been appointed as the administrator of the Group. The Administrator is responsible for the Group's

		general administrative functions, such as the calculation of the Net Asset Value and maintenance of the Group's accounting records. Under the terms of the Administration Agreement, the Administrator is entitled to an administration fee of 0.05 per cent. per annum of Net Asset Value, subject to a minimum monthly fee of £5,000. Under the terms of the External Valuer Agreement, the Company has appointed the External Valuer to provide valuation services in respect of any Designated Investments. *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 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 £45,000, plus VAT and disbursements. Capita Registrars Limited will also be entitled to receive a fee of £5,000 for its services in respect of the Issue. *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). *Depositary* Deutsche Bank Luxembourg S.A. has been appointed as the Company's depositary for the purposes of the AIFM Directive. Under the terms of the Depositary Agreement, the Depositary is entitled to a fee of up to 0.025 per cent. per annum of Net Asset Value, subject to a minimum monthly fee of £3,000 (exclusive of VAT). Subject to the terms of the AIFM Directive and the Depositary Agreement, the Depositary is entitled to delegate its custody and safe-keeping functions. It is intended that title to the Company's assets will ordinarily be registered or held directly in the name of the Company or a wholly-owned SPV and that the Company will generally not invest in financial instruments that are required to be held in custody within the meaning of Article 21(8)(a) of the AIFM Directive. Notwithstanding such intention, there is the possibility that investments in such financial instruments may be made and/or applicable law or regulations from time to time in force may require title to some or all of the Company's assets to be registered in the name of the Depositary or its delegates. In such event, the Depositary may wish to delegate its safekeeping function with respect to such asset(s) to one or more sub-custodians (who may be an affiliate of the Depositary) and may wish to enter an arrangement to contractually discharge itself of liability. Investors will be informed of any such arrangements, and any increase to the depositary fees charged as a result, in accordance with the disclosure requirements under the AIFM Directive. Any fees and expenses of a sub-custodian will be payable by the Company in addition to the fees charged by the Depositary. *Broker* Liberum has been appointed as corporate broker to the Company. Under the terms of the Broker Agreement, Liberum is entitled to a fee of £50,000 per annum (exclusive of VAT).

B.41.	Regulatory status of investment manager and depositary	The Investment Manager is authorised and regulated by the FCA. The Depositary is authorised and regulated by the Commission de Surveillance du Secteur Financier of Luxembourg (the "CSSF").
B.42.	Calculation and publication of Net Asset Value	The unaudited Net Asset Value per Share is calculated by the Administrator on a monthly basis. Such calculations are published monthly through a Regulatory Information Service and are 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	As at the Latest Practicable Date, the Company had deployed 89.86 per cent. of the net proceeds of the First Placing and Offer ("Net Proceeds") in European and US consumer and SME Credit Assets and in equity issued by Platforms, with the balance being held as cash and other assets in accordance with the Company's investment policy. The table below illustrates the portfolio composition as at the Latest Practicable Date, and has been produced from unaudited Investment Manager management accounts: *Credit Assets held directly via Platforms* / *Credit Assets held indirectly via other investment funds* % of Net Proceeds in European Consumer Credit Assets: 12.11 / Nil % of Net Proceeds in European SME Credit Assets: 18.21 / Nil % of Net Proceeds in US Consumer Credit Assets: 5.36 / 42.62 % of Net Proceeds in US SME Credit Assets: 3.93 / 6.31 % of Net Proceeds in equity issued by Platforms: 1.32 / Nil
B.46.	Net Asset Value	As at 30 November 2014, the unaudited Net Asset Value per Ordinary Share was 996.80 pence.

Section C – Securities

Element	Disclosure Requirement	Disclosure
C.1.	Type and class of securities	C Shares of nominal value £0.10 each. The ISIN of the C Shares is GB00BV7L9053. The SEDOL of the C Shares is BV7L905. The ticker for the C Shares is P2PC.

C.2.	Currency denomination of C Shares and 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 document: *Nominal Value (£)* *Number* Ordinary Shares 200,000 20,000,000 The Ordinary Shares are fully paid up.
C.4.	Rights attaching to the C Shares and Ordinary Shares	The holders of the C Shares and Ordinary Shares shall only be entitled to receive, and to participate in, any dividends declared in relation to the relevant class of shares that they hold. On a winding-up or a return of capital by the Company, if there are C Shares in issue, the net assets of the Company attributable to the C Shares shall be divided pro rata among the holders of the C Shares. For so long as C Shares are in issue, and without prejudice to the Company's obligations under the Act, the assets attributable to the C Shares shall, at all times, be separately identified and shall have allocated to them such proportion of the expenses or liabilities of the Company as the Directors fairly consider to be attributable to the C Shares. 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 the C Shares. The C Shares and the Ordinary Shares shall carry the right to receive notice of, attend and vote at general meetings of the Company. The consent of either the holders of C Shares or the holders of Ordinary Shares will be required for the variation of any rights attached to the relevant class of 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 2019 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 Shares, subject to compliance with applicable securities laws.
C.6.	Admission	Application has been made to the UK Listing Authority and the London Stock Exchange for all of the C Shares now being offered to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that dealings for normal settlement in the C Shares will commence on 29 January 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, with dividends for 2015

		expected to be declared in February, May, August and November and paid in April, June, October and December. The Company targets an annualised dividend yield of at least 6 to 8 per cent. of the Issue Price. It is the 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. Investors should note that the target dividend, including its declaration and payment dates, is a target only and not a profit forecast. The Company has arranged a dividend reinvestment plan that gives Shareholders the opportunity to use any cash dividends to buy Ordinary Shares through a special dealing arrangement.
C.22.	Information about the Ordinary Shares	Following Conversion, the investments which were attributable to the C Shares will be merged with the Company's existing portfolio of investments. The new Ordinary Shares arising on Conversion of the C Shares will rank *pari passu* with the Ordinary Shares then in issue. The Ordinary Shares carry the right to receive all dividends declared by the Company or the Directors, subject to the rights of any C Shares in issue. On a winding-up, provided the Company has satisfied all of its liabilities and subject to the rights conferred by any C Shares in issue at that time to participate in the winding-up, the holders of Ordinary Shares are entitled to all of the surplus assets of the Company. Holders of Ordinary Shares are entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Ordinary Share held. The nominal value of the Ordinary Shares is £0.01 per Ordinary Share. The Ordinary Shares are in registered form, have been admitted to the premium listing segment of the Official List and are traded on the London Stock Exchange's main market for listed securities. The Company will use its reasonable endeavours to procure that, upon Conversion, the new Ordinary Shares are admitted to the premium listing segment of the Official List and admitted to trading on the London Stock Exchange's main market for listed securities. There are no restrictions on the free transferability of the Ordinary Shares, subject to compliance with applicable securities laws.

Section D – Risks

Element	Disclosure Requirement	Disclosure
D.1.	Key information on the key risks that are specific to the Company and its industry	● There can be no guarantee that the investment objective of the Company will be achieved or that the Group's portfolio of investments will generate the rates of return referred to in this document. There is no guarantee that any dividends will be paid in respect of any financial year or period. ● The Company has no employees and is reliant on the performance of third party service providers. ● The Company is reliant on the effective operation of the Investment Manager's, the Sub-Manager's and the Platforms' IT systems for the

		loan acquisition process. Any IT systems failure could have a material adverse effect on the ability to acquire and realise investments. ● The Group may borrow money for investment purposes, which exposes the Group to risks associated with borrowings. ● Loans acquired through Platforms are subject to risks of borrower default. The default history for loans is limited and actual defaults may be greater than indicated by historical data. ● The P2P industry in the UK faced increased regulation from 1 April 2014. These and any future regulatory changes may result in interruptions in operations, increased costs and reduced returns to the Company. The Company will, between 1 August 2015 and 31 October 2015, be required to seek full authorisation from the FCA to carry on consumer credit regulated activities. Any failure to obtain authorisation may have an adverse impact on the Company's future ability to invest in UK consumer loans. ● The Company, in common with other Platform lender members, may be exposed to the following risks relating to compliance and regulation of the Platforms and the Company in the United States: – Federal and state regulators could subject the Platforms and their lender members, such as the Company, to legal and regulatory examination or enforcement action. – Non-compliance with laws and regulations may impair the Platforms' ability to arrange or service borrower member loans, which could impact the Company's ability to purchase loans or Notes or receive payments on the loans or Notes it has already purchased. – Potential characterisation of loan marketers as lenders may have a material adverse effect on the Company. ● Any change in the Company's tax status or in taxation legislation or practice generally could adversely affect the value of the investments held by the Company, or the Company's ability to provide returns to Shareholders, or alter the post-tax returns to Shareholders.
D.3.	Key information on the key risks that are specific to the C Shares and the Ordinary Shares	● The value of the Ordinary Shares and the C Shares and the income derived from those shares (if any) can fluctuate and may go down as well as up. The Ordinary Shares and the C 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 or the C 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 C Shares and 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 proceeds of the Issue are £200 million, the net proceeds will be approximately £197.4 million. The costs and expenses of the Issue have been capped at 1.3 per cent. of the gross proceeds and will not therefore exceed £2.6 million, assuming gross proceeds of the Issue are £200 million.
E.2.a.	Reasons for the Issue, use of proceeds and estimated net amount of proceeds	The Company had deployed 89.86 per cent. of the net proceeds of the First Placing and Offer as at the Latest Practicable Date. As at 30 November 2014, the Company's return on Net Asset Value was 1.81 per cent. (which figure excludes the costs of the First Placing and Offer). 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 alternative finance investments and related instruments, including P2P loans. Taken together with the prevailing rating of the Ordinary Shares, and the support shown by existing Shareholders, the Board believes that it is appropriate to seek to increase the size of the Company. The estimated net proceeds of the Issue are £197.4 million, assuming that target gross proceeds of £200 million are raised. The Directors intend to use the net proceeds of the Issue to acquire investments in accordance with the Company's investment objective and policy.
E.3.	Terms and conditions of the Issue	The C Shares are being made available under the Issue at the Issue Price. The Placing will close at 5.00 p.m. on 26 January 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 shares with a minimum subscription amount of £1,000. The Issue is conditional upon: (a) admission of the C 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 29 January 2015 (or such time and/or date as the Company and Liberum may agree, being not later than 31 March 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 Shares as part of the Issue.
E.6.	Dilution	The C Shares issued pursuant to the Issue will convert into Ordinary Shares. The number of Ordinary Shares into which each C Share converts will be determined by the relative NAV per C Share and NAV per Ordinary Share at the Conversion Date. As a result of Conversion, the percentage of the

		total number of issued Ordinary Shares held by each existing holder of Ordinary Shares will be reduced to the extent that Shareholders do not acquire a sufficient number of C Shares under the Issue. However, Conversion will be NAV neutral to holders of Ordinary Shares.
E.7.	Estimated expenses charged to the investor by the issuer	Not applicable. 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 (and which will be borne by holders of C Shares only), 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 document and the risks attaching to an investment in the Company, including, in particular, the risks described below.

The Directors believe that the risks described below are the material risks relating to the Shares at the date of this document. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem immaterial at the date of this document, may also have an adverse effect on the performance of the Group and the value of the Shares. Investors should review this document 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 Group, its industry and the Shares summarised in the section of this document headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Shares. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

The past performance of the Group and of investments which are referred to in this document 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 GROUP AND THE INVESTMENT STRATEGY

The Company may not meet its 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'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 Group's portfolio of investments. There can be no guarantee that the Group's portfolio of investments will achieve the target rates of return referred to in this document or that it will not sustain any capital losses through its investments.

The Company has a limited operating history

The Company was incorporated on 6 December 2013. An investment in the Company is subject to all the risks and uncertainties associated with a recently established business, including the risk that the Company will not achieve its investment objective and that the value of an investment in the Company could decline substantially as a consequence.

The effects of both normal market fluctuations and the current global economic crisis may impact the Group's business, operating results or financial condition

These are factors which are outside the Company's control and which may affect the volatility of underlying asset values and the liquidity and the value of the Group's portfolio of investments. Changes in economic conditions in the US, UK and Europe where the Group predominantly invests (for example, interest rates and rates of inflation, industry conditions, competition, political and diplomatic events, unemployment, consumer spending, consumer sentiment and other factors) could substantially and adversely affect the Group's prospects.

Borrowing risk

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 special purpose vehicle ("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 33 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 Shares when the value of the Group'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 Group's income falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net revenue of the Group and accordingly will have an adverse effect on the Company's ability to pay dividends to Shareholders.

The Group will pay interest on any borrowing it incurs. As such, the Group is exposed to interest rate risk due to fluctuations in the prevailing market rates.

There is no guarantee that any borrowings of the Group will be refinanced on their maturity either on terms that are acceptable to the Company or at all.

The Group may also invest in other investment funds that employ gearing with the aim of enhancing returns to investors. Where an investment fund employs gearing, 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 has no employees and is reliant on the performance of third party service providers

The Company has no employees and the Directors have all been appointed on a non-executive basis. Whilst the Company has taken all reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations, the Company is reliant upon the performance of third party service providers for its executive function. In particular, the Investment Manager, the Sub-Manager, the Depositary, the Administrator, the Loan Administrator, the External Valuer and the Registrar perform services which are integral to the operation of the Company. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company.

The past performance of other investments managed or advised by the Investment Manager or the Sub-Manager cannot be relied upon as an indicator of the future performance of the Company. Investor returns are dependent upon the Company successfully pursuing its investment policy. The success of the Company depends *inter alia* on the Investment Manager's and the Sub-Manager's ability to identify, acquire and realise investments in accordance with the Company's investment policy. This, in turn, depends on the ability of the Investment Manager and the Sub-Manager to apply their investment processes in a way which is capable of identifying suitable investments for the Group to invest in. There can be no assurance that the Investment Manager or the Sub-Manager will be able to do so or that the Group will be able to invest its assets on attractive terms or generate any investment returns for Shareholders or avoid investment losses.

The Group is reliant on IT systems to facilitate the loan acquisition process

The Investment Manager has developed its own bespoke software and infrastructure to facilitate the loan acquisition process through direct API connectivity with certain Platforms. The Group is reliant on the functionality of such systems. 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 Group's results of operations.

The Investment Manager is reliant upon attaining data feeds directly from the Platforms via an API connection. 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 Platform. Any such issues may result in processing delays. To seek to mitigate this risk the Investment Manager has put in place,

with each Platform through which the Group has already invested, 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 Platforms through which the Group may in future invest.

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

The Sub-Manager relies extensively on computer systems and proprietary programs to evaluate and purchase member loans, to monitor its portfolios and to generate reports that are critical to oversight of the Eaglewood Funds' activities. In addition, certain of the Eaglewood Funds' and the Sub-Manager's operations interface with or depend on systems operated by third parties, and the Sub-Manager may not be in a position to verify the risks or reliability of such third-party systems. These programs or systems may be subject to certain defects, failures or interruptions, including those caused by computer "worms," viruses and power failures. Such failures could cause the evaluation and purchase of member loans to fail, lead to inaccurate accounting, recording or processing of transactions relating to member loans, and cause inaccurate reports, which may affect the Sub-Manager's ability to monitor investments and risks as well as its ability to deploy capital. Any such defect or failure could cause the Group to suffer financial loss, the disruption of its business, regulatory intervention or reputational damage.

The Group may experience fluctuations in its operating results

The Group may experience fluctuations in its operating results due to a number of factors, including changes in the values of the investments made by the Group, changes in the amount of interest paid in respect of loans in the portfolio, changes in the Group's operating expenses and the operating expenses of the Investment Manager and Sub-Manager, the degree to which the Group encounters competition and general economic and market conditions. Such variability may lead to volatility in the trading price of the Shares and cause the Group's results for a particular period not to be indicative of its performance in a future period.

Delays in deployment of the proceeds of the Issue may have an impact on the Group's results of operations and cash flows

Pending deployment of the net proceeds of the Issue, the Company intends to invest cash held in cash deposits, cash equivalents and fixed income instruments for cash management purposes. Interim cash management is likely to yield lower returns than the expected returns from investments. There can be no assurance as to how long it will take for the Company to invest any or all of the net proceeds of the Issue, if at all, and the longer the period the greater the likelihood that the Group's results of operations will be materially adversely affected which will in turn impact the Net Asset Value attributable to the C Shares.

Changes in laws or regulations governing the Group operations may adversely affect the Group's business

The Group is subject to laws and regulations enacted by national and local governments. In particular, the Company is subject to and required to comply with certain regulatory requirements that are applicable to listed closed-ended investment companies. The Company must comply with the Listing Rules for premium listed equity securities and the Disclosure and Transparency Rules.

Any change in the law and regulation affecting any entity in the Group may have a material adverse effect on the ability of the Group to carry on its business and successfully pursue its investment policy and on the value of the Company and the Shares.

Currency risk

The assets of the Group are invested in Credit Assets which are denominated in US Dollars, Euros, Sterling or other currencies. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates. The Company typically seeks to hedge currency exposure between Sterling and any other currency in which the Group's assets may be denominated, in particular US Dollars and Euros. However, there can be no assurances or guarantees that the Company will successfully hedge against such risks.

Valuation risk

The Group's investments are largely unquoted Credit Assets 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 Group'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 for its services to the Company which is based, in part, on the value of the Group's investments. This creates a potential conflict of interest as the Investment Manager is involved in the valuation of the Group's investments.

US Investment Company Act

Because the Company's business involves the identification and investment in loans and securities related to loans, it is possible that the Company could be considered an "Investment Company" as defined in the US Investment Company Act of 1940, as amended (Investment Company Act). Investment Companies must register with the SEC and comply with an on-going strict regime of regulations. The Company believes it qualifies for numerous exemptions from registration as an Investment Company, including a jurisdictional paradigm essentially exempting non-US entities. Although the Issue is not being made in the United States and qualifies as an offshore transaction under US securities laws, US investors may nevertheless acquire Shares on the secondary market. While the Company believes it to be unlikely, because of the character of its future assets and US activities which may attract US investors, it is possible that the SEC determines that the Company must register and operate as an Investment Company, which will be costly, time-consuming and potentially hinder the Company's investment activities and investment returns. Moreover, potential changes to the SEC's view of whole loans (which comprise the bulk of the Group's portfolio) as securities could potentially lead to greater reliance on the offshore exemption, which, as noted above, may be weakened in the future by the purchase of the Ordinary Shares by US persons. This risk may be compounded because of the level of investment by the Group in the US, and because US regulators may view the peer-to-peer market with disfavour.

FATCA

US source payments to the Company may be subject to withholding as a result of the Foreign Account Tax Compliance Act ("FATCA") provisions of the US Hiring Incentives to Restore Employment Act. In addition, if the Company were to enter into a FATCA Agreement (as defined below) then in certain instances the Company may be required to withhold on distributions it makes to Shareholders. FATCA is a US law aimed at foreign financial institutions ("FFIs") and other financial intermediaries to prevent tax evasion by US citizens and residents through use of offshore accounts. The Company will, for purposes of the FATCA rules and regulations, be treated as a FFI.

As the Company will be treated as a FFI, it would, unless it enters into an agreement (a "FATCA Agreement") with the US tax authorities (the Internal Revenue Service, or "IRS") or is a Reporting FI under the UK-US IGA (both defined below), be subject to a 30 per cent. withholding tax on receipt of certain US source income (including interest and dividends) and on the receipt of gross proceeds after 31 December 2016 from the sale or other disposition of property that can produce US source interest or dividends. In addition, unless the Company enters into a FATCA Agreement or is a Reporting FI under the UK-US IGA (as discussed below), the Company could be subject to withholding tax, depending on future guidance provided by the IRS, on certain non-US source payments that it receives after 31 December 2016 from other non-US financial institutions acting in the capacity of withholding agents pursuant to FATCA. The Company expects that it will receive US source income that could (subject to the discussion below) be subject to withholding under FATCA and may receive gross proceeds from the sale or other disposition of property that can produce US source interest or dividends. Therefore, unless the Company enters into a FATCA Agreement or is a Reporting FI under the UK-US IGA (as discussed below), the Company expects that it would be subject to withholding under FATCA.

On 12 September 2012, the US Department of Treasury and the UK HMRC signed the "UK-US Agreement to Improve International Tax Compliance and to Implement FATCA" (the "UK-US IGA"). Under the UK-US IGA, which has been implemented in the UK through UK regulations, a FFI that is resident in the UK (a "Reporting FI") will not be subject to withholding under FATCA for any US source payments it receives nor will it be required to withhold any tax under FATCA or the UK-US IGA on any payments it makes (unless the Reporting FI is subject to a separate special taxation regime). In order to benefit from this treatment, the Reporting FI is required to comply with the terms of the UK regulations implementing the UK-US IGA including registration requirements 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 treated as regularly traded on an established securities market), 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 US-UK IGA and that it will comply with the requirements under the UK-US IGA (as implemented in the UK). However, there can be no assurance that the Company will be, and continue to be, treated as a Reporting FI, or that it would in the future not be subject to withholding tax under FATCA or required to deduct withholding tax under FATCA. If the Company becomes subject to a withholding tax as a result of FATCA or any similar laws, or is required to withhold on distributions made to Shareholders, the return on investment of some or all Shareholders may be materially adversely affected.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and the UK-US IGA, all of which are subject to change. All prospective investors and Shareholders should consult with their own tax advisors regarding the possible implications of FATCA on their investment in the Company.

RISKS RELATING TO COMPLIANCE AND REGULATION OF P2P PARTICIPANTS

Risks relating to compliance and regulation of P2P participants in the UK

On 1 April 2014, the regulation of the consumer credit market transferred from the Office of Fair Trading to the FCA, including responsibility for regulating peer-to-peer lending platforms.

The Company currently holds an interim permission from the FCA for its consumer credit regulated activities. The Company will be required, between 1 August 2015 and 31 October 2015, to seek full authorisation from the FCA.

Although the Company intends to apply for full authorisation within the application period specified above, if the Company were to fail to obtain authorisation from the FCA, its future ability to invest in loans to UK consumer borrowers would be curtailed as the Company would no longer be authorised to carry on the regulated activity of entering into a regulated credit agreement as a lender.

If the Company could not invest in further UK consumer loans, this may adversely affect the overall returns to the Company from its portfolio of investments and the Company may be required to seek Shareholder approval for an amendment to its investment policy to, for example, invest a higher proportion of its assets in SME or trade receivables Credit Assets. However, failure to obtain FCA authorisation would not impact the Company's ability to invest in consumer loans in the US and in other European jurisdictions and if there were a sufficient level of suitable consumer Credit Assets available for investment in these jurisdictions the Company would not need to seek an amendment to its investment policy.

In respect of UK consumer loans in which the Company has invested prior to requiring full FCA authorisation, the Company will have advanced funds in respect of those loans whilst holding the correct regulatory approval (being interim permission). Additional activities relating to loan servicing, such as debt administration, for which authorisation is required, are not in any event carried out by the Company but instead by the UK Platforms or their agents. The Company would, however, still be carrying on the regulated activity of exercising the rights of a lender in respect of its existing investments in UK consumer loans. The Company would face uncertainty of its treatment by the FCA in the event it failed to obtain full authorisation. The Company may be required to wind down its regulated activities if it failed to obtain full FCA authorisation and there can be no guarantee that the Company would be able to continue to hold its existing investments in UK consumer loans. The FCA may require the Company to sell its existing UK consumer loans. Any such decision of the regulator would be based on the specific circumstances of the Company at the time, including the timescale for winding-down its regulated activities and any concerns about debt collection processes. The Company may seek to sell or assign its existing UK consumer loans to a third party. However, any such sale or assignment would be subject to the Company being able to find a buyer or assignee for the loans and, at present, there is no secondary exchange operated by the UK consumer Platforms for the sale of whole consumer loans. In addition, any sale or assignment of the loans would also be subject to, and may be restricted by, the terms of the governing loan agreements. In the event of a sale or assignment of the Company's portfolio of UK consumer loans, the Company would no longer hold those investments to maturity and would not therefore receive its expected interest on those loans following sales or assignments.

The FCA has created a new sourcebook called CONC which contains the detailed conduct requirements for consumer credit firms. This sets out detailed requirements on the Company in relation to its activities of lending under regulated consumer credit agreements and on the Platforms which facilitate such lending. As both the holder of an interim permission and as a fully authorised consumer credit firm that, through certain Platforms, is lending to UK consumer borrowers, the Company is subject to detailed requirements in relation to, *inter alia*, pre-contract disclosures to such borrowers and the content of loan agreements with those borrowers. Any failure to comply with such requirements may result in those agreements being unenforceable. In such circumstances, the Company may not be able to recover its investment in any such loan.

There is a new regulated activity of 'operating an electronic system in relation to lending'. The UK Platforms through which the Company invests must hold interim permission or authorisation from the FCA for this activity. The FCA has introduced application periods, giving firms with interim permission a three-month window in which they must apply to the FCA for full authorisation. If any Platform through which the Company invests were to fail to obtain full authorisation, this may result in the Platform being forced to cease its operations and may cause disruption to the servicing and administration of loans in which the Company has invested through that Platform. Any such disruption may impact the quality of debt collection procedures in relation to those loans and may result in reduced returns to the Company from those investments.

The FCA has introduced new regulatory controls for Platform operators, including the application of conduct of business rules (in particular, around disclosure and promotions), minimum capital requirements, client money protection rules, dispute resolution rules and a requirement for firms to take reasonable steps to ensure existing loans continue to be administered if the firm goes out of business. The introduction of these regulations and any further new laws and regulations could have a material adverse effect on the UK Platforms' businesses and may result in interruption of operations by the Platforms or these Platforms seeking to pass increased regulatory compliance costs to their lender members, such as the Company, through the lender fees charged to them.

Risks relating to compliance and regulation of P2P participants in the US

The loan industry in the US is highly regulated

The loan industry in the US is highly regulated. The loans made through the US Platforms are subject to extensive and complex rules and regulations issued by various federal, state and local government authorities. These authorities also may impose obligations and restrictions on the Platforms' activities. In particular, these rules require extensive disclosure to, and consents from, applicants and borrowers, prohibit discrimination and may impose multiple qualification and licensing obligations on Platform activities. In addition, one or more US regulatory authorities may assert that the Company, as a lender member of the US Platforms, is required to comply with certain laws or regulations which govern the consumer or commercial (as applicable) loan industry. If the Company were required to comply with additional laws or regulations, this would likely result in increased costs for the Company and may have an adverse effect on its results or operations or its ability to invest in loans through the US Platforms. The Platforms' failure to comply with the requirements of applicable US rules and regulations may result in, among other things, the Platform (or its lender member) being required to register with governmental authorities and/or requisite licences being revoked, or loan contracts being voided, indemnification liability to contract counterparties, class action lawsuits, administrative enforcement actions and/or civil and criminal liability. Determining the applicability of and effecting compliance with such requirements is at times complicated by the Platforms' novel and various business models. Moreover, these requirements are subject to periodic changes. Any such change necessitating new significant compliance obligations could have an adverse effect on the Platforms' compliance costs and ability to operate. The Platforms would likely seek to pass through any increase in the Platforms' costs to the lender members such as the Company.

There are currently no known material risks that would result in the Platforms ceasing to exist. However, if the Platforms' ability to export the interest rates, and related terms and conditions, permitted under an applicable state's law to borrowers in other states were determined to violate applicable lending laws, this could subject the Platforms to the interest rate restrictions, and related terms and conditions, of the lending laws of all of the US states which a Platform's business touches in any way. The result would be a complex patchwork of regulatory restrictions that could materially and negatively impact the Platforms' operations and potentially make them no longer able to operate, in which case they could terminate their business and

all activities. This could have a material adverse effect on all lender members of the Platform because the volume of loans available to invest in would potentially be drastically reduced.

Different Platforms adhere to different business models, resulting in uncertainty as to the regulatory environment applicable to the Company. Funding Circle (US), for example, holds a California Finance Lender's license, and operates from California to make SME loans across the US. It complies with California's licensing requirements and usury limitations. However, other states could seek to regulate Funding Circle (US) or the Company (as lender member) on the basis that loans were made to SMEs located in such other state. In that case, loans made in that other state could be subject to the maximum interest rate limits of such jurisdiction, which could limit potential revenue for the Company. In addition, it could subject Funding Circle (US) or the Company to state licensing requirements.

Lending Club, on the other hand, follows a different model. All Lending Club loans are closed in the name of and are exclusively funded by WebBank, a Utah-chartered industrial bank organised under Title 7, Chapter 8 of the Utah Code and which has its deposits insured by the FDIC. WebBank works jointly with Lending Club to act as issuer, i.e. the true lender, of the Platform loans. Some US courts, when considering the validity of loans issued in third party lending arrangements involving banks and non-banks, only consider whether the loans issued were valid at inception. However, other US courts engage in an analysis to determine the true lender of the loans. To the extent that either Lending Club or the Company (as lender member) is deemed to be the true lender in any jurisdiction, loans made to borrowers in that jurisdiction would be subject to the maximum interest rate limits of such jurisdiction, and Lending Club and/or the Company (as lender member) could be subject to state licensing requirements. Any such requirement would likely have an adverse effect on the Sub-Manager's ability to continue to invest in loans through Lending Club and therefore affect the returns to the Company.

US state licensing requirements

The Company is not currently required to hold a licence in connection with the acquisition of loans as a lender member through the US Platforms. However, one or more states could take the position that Platform lender members are required to be licensed. Lender members becoming licensed could subject lender members to a greater level of regulatory oversight by state government as well as cause lender members to incur additional costs. If unable to obtain any required licences, lender members could be required to cease investing in loans issued to borrowers in the states in which they are not licensed.

Risk of the Company being deemed the true lender

The risk that either the Platforms, or the Company or another member of the Group (as lender member) is deemed the true lender in any jurisdiction exists with respect to loans made to both consumers and businesses. US courts have rarely analysed questions regarding true lenders in the context of business loans. Although it is expected that US courts' true lender analysis would be the same for both consumer and business loans, additional uncertainty exists as to how US courts would analyse questions regarding true lenders in a business loan context.

Although the Directors are not currently aware that any state regulators have taken the position that the Platforms are the actual providers of loans to borrower members, any action undertaken by state regulators to assert such a position could have a material adverse effect on the lending model utilised by the US P2P industry and, consequently, the ability of the Company to pursue a significant part of its investment strategy in the US.

A civil action brought against WebBank, the Bank that issues the loans for Lending Club, concluded in May 2014 in federal district court for the District of Utah. The complaint alleged, among other claims, violations of California consumer protection laws for WebBank's participation in a lending arrangement involving Bill Me Later, Inc. (which has subsequently been acquired by eBay, Inc. and renamed PayPal Credit), in which Bill Me Later, Inc. purchased the receivables and services loans issued to consumers by WebBank. The district court granted WebBank and Bill Me Later Inc.'s motion to dismiss, ruling, in pertinent part, that section 27 of the Federal Deposit Insurance Act expressly preempted the claims based on California law. The decision of the district court was not appealed. However, if another similar civil action was brought and a court were to rule in favour of a plaintiff's claims relating to state consumer protection laws, it could have a material adverse effect on Lending Club's ability to make loans and could consequently have a material adverse effect on the Company.

Additionally, eBay Inc., which owns PayPal Credit, formerly known as Bill Me Later, Inc., disclosed in its 10-Q filing with the Securities and Exchange Commission dated 16 October 2014, that it is co-operating with the Consumer Financial Protection Bureau's Civil Investigative Demands it received on 7 August 2013 and 13 January 2014, for testimony and documentation relating to the acquisition, management, and operation of PayPal Credit, including online credit products and services, advertising, loan origination, customer acquisition, servicing, debt collection, and complaints handling practices. Any determination that the PayPal Credit business does not properly comply with laws and regulations could have a material adverse effect on WebBank, as a participant in PayPal Credit's business. It also could suggest that lending models similar to that of PayPal Credit, such as Lending Club's lending model, in which third parties (such as the Company) purchase loans originated by WebBank, do not properly comply with laws and regulations. If true, this could subject Lending Club to fines, penalties, or other regulatory action that could have a material adverse effect on the Lending Club Platform. The Lending Club Platform could also be forced to comply with the lending laws of all US states, which may not be feasible and could result in Lending Club ceasing to operate. Any increase in cost or regulatory burden on Lending Club could have a material adverse effect on the Company.

Specifically, an adverse ruling in a case similar to the civil action in Utah could undermine the basis of Lending Club's business model and could result ultimately in Lending Club or its lender members being characterised as a lender, which as a consequence would mean that additional US consumer protection laws would be applicable to the borrower member loans originated on the Lending Club Platform, investments in which are acquired by the Group. For example, the borrower member loans could be voidable or unenforceable. In addition, Lending Club or its lender members could be subject to claims by borrower members, as well as enforcement actions by regulators. Even if Lending Club were not required to cease operation with residents of certain states or to change its business practices to comply with applicable laws and regulations, Lending Club or its lender members could be required to register or obtain, and maintain, licences or regulatory approvals in all 50 US states at substantial cost. If Lending Club were subject to fines, penalties, or other regulatory action, or ceased to operate, this could have a material adverse effect on the Group and its investments in Lending Club.

The Company may contract with other US consumer Platforms which follow the Lending Club model, which will result in the Company having the same risks relative to such other US Platforms as are described above with respect to Lending Club.

Fair Debt Collection Practices Act

The US federal Fair Debt Collection Practices Act (FDCPA) provides guidelines and limitations on the conduct of third party debt servicers in connection with the collection of consumer debts. In order to ensure compliance with the FDCPA, the US Platforms often contract with professional third party debt collection agencies to engage in debt collection activities. The Consumer Financial Protection Bureau (CFPB), the US federal agency now responsible for administering the FDCPA, is engaged in a comprehensive rulemaking regarding the operation of the FDCPA which likely will affect the obligations of sellers of debt to third parties, as well as change other regulatory requirements. The CFPB initiated its rulemaking in November 2013 and solicited comments until February 2014. The agency is currently developing rules and is expected to release a proposed rule in the first half of 2015, which would be subject to revision before future implementation. The implementation of rules by the CFPB could have an adverse effect on any US Platforms following the Lending Club model and therefore on the Company as a lender member.

Privacy and Data Security Laws

The US federal Gramm-Leach-Bliley Act (GLBA) limits the disclosure of non-public personal information about a consumer to non-affiliated third parties and requires financial institutions to disclose certain privacy policies and practices with respect to its information sharing with both affiliates and non-affiliated third parties. A number of states have enacted privacy and data security laws requiring safeguards on the privacy and security of consumers' personally identifiable information. Other federal and state statutes deal with obligations to safeguard and dispose of private information in a manner designed to avoid its dissemination. Privacy rules adopted by the US Federal Trade Commission implement the GLBA and other requirements and govern the disclosure of consumer financial information by certain financial institutions, ranging from banks to private investment funds. US Platforms following the Lending Club model generally have privacy policies that conform to these GLBA and other requirements. In addition, such US Platforms have policies and procedures intended to maintain Platform participants' personal information securely and dispose of it properly. The Platforms do not, and no entity in the Group will sell or rent such information to third parties

for marketing purposes. Through their participation in the Platforms, the Company and other entities in the Group obtain non-public personal information about loan applicants, as defined in GLBA, and intend to conduct themselves in compliance with such law, as if it were subject to the same limitations on disclosure and obligations of safeguarding and proper disposal of non-public personal information. In addition, the Company and/or other entities in the Group could be subject to state data security laws, depending on whether the information obtained is considered non-public personally identifiable information under those state laws. Any violations of state data security laws by the Company or other Group entity could subject it to fines, penalties, or other regulatory action on a state-by-state basis, which, individually or in the aggregate, could have a material adverse effect on the Group due to the compliance costs related to any violations as well as costs to ensure compliance with such laws on an on-going basis. Additionally, any violations of the GLBA by the Company or other Group entity could subject it to regulatory action by the US Federal Trade Commission, which could require the Company or such other Group entity to, *inter alia*, implement a comprehensive information security and reporting program and to be subject to audits on an on-going basis.

OFAC and Bank Secrecy Act

In co-operation with WebBank, the US Platforms implement the various anti-money laundering and screening requirements of applicable US federal law. The Company is not able to control or monitor the compliance of WebBank or the Platforms with these regulations. Moreover, in the Company's participation with the Platforms, it is subject to compliance with OFAC (Office of Foreign Assets Control), the USA PATRIOT Act and Bank Secrecy Act regulations applicable to all businesses, which for the Company generally involves co-operation with US authorities in investigating any purported improprieties. Any material failure by any of WebBank, the Platforms or the Company to comply with OFAC and other similar anti-money laundering restrictions or in connection with any investigation relating thereto could result in additional fines or penalties that, depending on the violations, could amount to US$1,000 to US$25,000 per violation. Such fines or penalties could have a material adverse effect on the Company directly, for amounts owed for fines or penalties, or indirectly, as a negative consequence of the decreased demand for loans from the Platforms as a result of any such adverse publicity and other reputation risks associated with any such fines and penalties assessed against the Platforms or WebBank.

RISKS RELATING TO THE INVESTMENT MANAGER AND THE SUB-MANAGER

The Investment Manager and the Sub-Manager allocate many of their resources to activities in which the Company is not engaged, which could have a negative impact on the Company's ability to achieve its investment objective

The Investment Manager and the Sub-Manager are not required to commit all of their resources to the Company's affairs. Insofar as the Investment Manager or the Sub-Manager devotes resources to their responsibilities to other business interests, their ability to devote resources and attention to the Company's affairs will be limited. This could adversely affect the Company's ability to achieve its investment objective, which could have a material adverse effect on the Company's profitability, Net Asset Value and share price.

The Investment Manager, the Sub-Manager and their affiliates may provide services to other clients which could compete directly or indirectly with the activities of the Company and may be subject to conflicts of interest in respect of its activities on behalf of the Company

The Investment Manager, the Sub-Manager and their affiliates are involved in other financial, investment or professional activities which may on occasion give rise to conflicts of interest with the Company. In particular, the Investment Manager and the Sub-Manager manage funds other than the Company and may provide investment management, investment advisory or other services in relation to these funds or future funds which may have similar investment policies to that of the Company.

The Investment Manager, the Sub-Manager and their affiliates may carry on investment activities for other accounts in which the Company has no interest. The Investment Manager, the Sub-Manager and their affiliates may also provide management services to other clients, including other collective investment vehicles. The Investment Manager, the Sub-Manager and their affiliates may give advice and recommend securities to other managed accounts or investment funds which may differ from advice given to, or investments recommended or bought for, the Company, even though their investment policies may be the same or similar.

As a registered investment adviser, the Sub-Manager is subject to examination by the US Securities Exchange Commission

The Sub-Manager is registered as an investment adviser under the Investment Advisers Act of 1940. The Sub-Manager is required to adhere to certain US rules and regulations applicable to such registered advisers and is subject to examination by the US Securities Exchange Commission. As an entity regulated in the US, the activities of the Sub-Manager with respect to the investments by the Group in the US may be subject to a greater or different degree of regulatory restriction than those of the Investment Manager. In addition, should the Sub-Manager be subjected to examination by US regulatory authorities, such examination may interfere with the daily operations of the Sub-Manager.

RISKS RELATING TO THE GROUP'S PORTFOLIO

Competition and portfolio concentration risks

The current market in which the Group participates is competitive and rapidly changing. The Company (or its subsidiary undertakings) and/or the Investment Manager have entered into agreements with a number of Platforms, including each of Funding Circle (UK), RateSetter, Zopa, Crossflow, Upstart and Prosper in relation to the deployment of the Company's capital. However, there can be no guarantee that the Group will be able to secure terms in relation to the deployment of its capital through any other Platforms.

The Group may face increasing competition for access to Credit Assets as the peer-to-peer lending industry continues to evolve. The Group may face competition from other institutional lenders such as fund vehicles and commercial banks 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, commercial banks and managed accounts which have already deployed capital in the P2P lending space. Other institutional sources of capital may enter the market in both the UK and US. 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 or the Sub-Manager. 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 Group.

The Group intends to continue to build relationships with and enter into agreements with additional Platforms. However, if there are not sufficient qualified loan requests through any Platform, the Company may be unable to deploy its capital in a timely or efficient manner. In such event, the Company may be forced to invest in cash, cash equivalents, or other assets that fall within its investment policy that are generally expected to offer lower returns than the Company's target returns from investments in Credit Assets.

In the event that the number of Platforms through which the Group invests were to be limited in number, whether due to termination of existing agreements or failure to secure terms with other Platforms, the Group may be subject to certain risks associated with the concentration of its portfolio. A smaller universe of Platforms through which to acquire Credit Assets increases the risks associated with those 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 Group. 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.

Lack of suitable inventory

There can be no guarantee that the rapid origination growth experienced by Platforms in recent periods will continue. Without sufficient number of new qualified loan requests, there can be no assurances that the Group will be able to compete effectively for loans with other market participants.

The following risks are specific to the Group's investments in loans:

Risk of borrower default

The ability of the Group to earn revenue is completely dependent upon payments being made by the borrower of the loan acquired by the Group through a Platform. The Company or relevant member of its Group (as a lender member) will receive payments under any loans it acquires through a Platform only if the corresponding borrower through that Platform (borrower member) makes payments on the loan.

Consumer loans are unsecured obligations of borrower members. They 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 Platforms and their designated third party collection agencies may be limited in their ability to collect on loans. The Group must rely on the collection efforts of the Platforms and their designated collection agencies and has no direct recourse against borrower members, is not able to obtain the identity of the borrower members in order to contact a borrower about a loan and otherwise has no ability to pursue borrower members to collect payment under loans. In addition, in the case of five years loans on US consumer Platforms, after the final maturity date, the Platform may have no obligation to make any late payments to their lender members.

The Platform will retain from the funds received from the relevant borrower and otherwise available for payment to the Group 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.

The return on the Group's portfolio of loans depends on borrower members fulfilling their payment obligations in a timely and complete manner. Borrower members may not view the lending obligations facilitated through a Platform as having the same significance as other credit obligations arising under more traditional circumstances, such as loans from banks. If a borrower neglects its payment obligations on a loan or chooses not to repay its loan entirely, the Group may not be able to recover any portion of its outstanding principal and interest under such loan.

All loans are credit obligations of individual borrowers and the terms of the borrower members' loans may not restrict the borrowers from incurring additional debt. If a borrower member incurs additional debt after obtaining a loan through a 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 loan and the Group's ability to receive the principal and interest payments that it expects to receive on those loans. To the extent borrower members 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 Platform's ability to collect on the loan if it goes unpaid. Since consumer loans are unsecured, borrower members may choose to repay obligations under other indebtedness before repaying loans facilitated through a Platform because the borrowers have no collateral at risk. The Group will not be made aware of any additional debt incurred by a borrower, or whether such debt is secured.

Where a borrower member is an individual, if such a borrower with outstanding obligations under a loan dies while the loan is outstanding, the borrower's estate may not contain sufficient assets to repay the loan 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 loan acquired by the Group, including divorce or sudden significant expenses, such as uninsured healthcare costs.

Identity fraud may occur and adversely affect the Group's ability to receive the principal and interest payments that it expects to receive on loans. A Platform may have the exclusive right and ability to investigate claims of identity theft and this creates a conflict of interest between the relevant Group entity and such Platform. If a Platform determines that verifiable identity theft has occurred, that Platform may be required to repurchase the loan or indemnify the relevant Group entity and in the alternative, if the Platform denies a claim under any identify theft guarantee, the Platform would be saved from its repurchase or indemnification obligations.

If a borrower member files for bankruptcy in any of the jurisdictions in which the Group 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 member's personal liability on its member loan will be discharged in bankruptcy. In most cases involving the bankruptcy of a borrower member with an unsecured loan, unsecured creditors, including the relevant Group entity, will receive only a fraction of any amount outstanding on their loans, if anything.

The Group will not be protected from any losses it may incur from its investments in any loans resulting from borrower default by any insurance-type product operated by any of the Platforms through which it may invest.

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

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

The default history for Credit Assets originated via Platforms is limited and actual defaults may be greater than indicated by historical data and the timing of defaults may vary significantly from historical observations.

Service Members Civil Relief Act

US Federal law provides borrower members on active military service with rights that may delay or impair a Platform's ability to collect on a borrower member loan. The Service Members Civil Relief Act ("SCRA") requires that the interest rate on pre-existing debts, such as member loans, be set at no more than 6 per cent. while the qualified service member or reservist is on active duty. A holder of a Note that is dependent on such a member loan, as a Group entity may be, will not receive the difference between 6 per cent. and the original stated interest rate for the member loan during any such period. This law also permits courts to stay proceedings and execution of judgments against service members and reservists on active duty, which may delay recovery on any member loans in default and, accordingly, payments on the Notes that are dependent on these member loans. If there are any amounts under such a member loan still due and owing to the Platform after the final maturity of the Notes that correspond to the member loan, the Platform will have no further obligation to make payments on the Notes to the relevant Group entity, even if the Platform later receives payments after the final maturity of the Notes.

Platforms do not take military service into account in assigning loan grades to borrower member loan requests. In addition, as part of the borrower member registration process, Platforms do not request their borrower members to confirm if they are a qualified service member or reservists within the meaning of the SCRA. The SCRA is specific to the United States and therefore does not pose a risk for other jurisdictions in which the Group may invest.

Prepayment risk

Borrowers may decide to prepay all or a portion of the remaining principal amount due under a borrower loan at any time without penalty. In the event of a prepayment of the entire remaining unpaid principal amount of a borrower loan acquired by a Group entity, the relevant Group entity will receive such prepayment but further interest will not accrue on such loan after the date of the prepayment. If the borrower prepays a portion of the remaining unpaid principal balance interest will cease to accrue on the prepaid portion, and the relevant Group entity will not receive all of the interest payments that it expected to receive.

Limited secondary market and liquidity

Peer-to-peer loans generally have a maturity between 1 to 5 years. Investors acquiring P2P loans directly through Platforms and hoping to recoup their entire principal must generally hold their loans through maturity. In the US, a rudimentary secondary exchange is currently in place for fractional consumer loans through Foliofn, but this system is at present inefficient. In the UK, Funding Circle (UK) operates a secondary exchange for the sale of partial interests in SME loans but there can be no guarantee that the Group will be able to readily access liquidity on demand. There is also currently no formal secondary market operated by any of the Platforms through which the Group invests in relation to the sale of whole loans. Trade receivables and trade finance loans typically have short durations of 30 to 180 days and the Group intends to purchase these assets to hold to maturity. There is currently very limited liquidity in the secondary trading of these investments. Peer-to-peer loans are not at present listed on any national or international securities exchange. Until an active secondary market develops, the Group 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 Group to sell certain of its Credit Assets, the Group 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 Group from its investments may be adversely affected.

Risks associated with the Platforms', the Investment Manager's and the Sub-Manager's credit scoring models

A prospective borrower is assigned a loan grade by a Platform based on a number of factors, including 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 assigned to a borrower member by a Platform may not reflect that borrower's actual creditworthiness because the credit score may be based on outdated, incomplete or inaccurate reporting data. The Platforms seek to verify the majority, but not all, of the information obtained from most of their borrower members.

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

Each of the Investment Manager and the Sub-Manager is reliant on the borrower credit information provided to it by the Platforms which may be out of date or inaccurate. In addition, for consumer loans, neither the Investment Manager nor the Sub-Manager has 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, neither the Investment Manager nor the Sub-Manager is able to perform any independent follow-up verification with respect to a borrower member, as the borrower member's name, address and other contact details remain confidential.

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

The following risks are specific to the Group's proposed investments in corporate trade receivables:

The Group may invest in trade receivables originated by Platforms and will therefore be subject to the Platforms' ability to sufficiently source deals that fall within the Investment Manager's and the Sub-Manager's investment and risk parameters. Limited origination of suitable trade receivables through the Platforms could have a negative impact on the Company's ability to deploy its capital and therefore impact the Group's expected returns.

The Group will be subject to the 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 Group's investment in trade receivables through Platforms will therefore be reliant on the Platforms' ability to carry out appropriate due diligence on all parties involved such that no losses occur due to fraudulent activity.

The Group, the Investment Manager and the Sub-Manager will to some extent be reliant on the internal credit ratings by the Platform but may 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 Group, the relevant Group entity 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 relevant Group entity. However, the relevant Group entity will be subject to the risk of payment being delayed or not made.

Platforms that lend to corporations conduct due diligence but do not always conduct on-site visits to verify that the business exists and is in good standing. For this reason, the risk of fraud may be greater with corporate trade receivables.

The 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 Group on its investments in trade receivables.

The following risks are specific to the Group's investments in the equity of Platforms:

These investments are expected to be in entities which are 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 such companies 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 Platforms. 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:

- 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;
- often operate at a financial loss;
- 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
- 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.

The following risks are specific to the Group's investments in the Eaglewood Funds:

The Eaglewood Income Fund invests in consumer loans and the Eaglewood Small Business Fund invests in SME loans. Accordingly, the investment in these funds is subject to the same risks which apply to the Group's direct investments in loans, set out above under the heading "*The following risks are specific to the Group's investments in loans*". In addition, the Group's investments in the Eaglewood Income Fund and the Eaglewood Small Business Fund are subject to the following risks:

The Group's investments in the Eaglewood Funds are relatively illiquid investments because the limited partnership interests in the Eaglewood Funds are not generally transferable and the withdrawal rights of investors are restricted. In the event that the returns to the Group as an investor in the Eaglewood Funds are below those expected from such investments, the Group may be unable to transfer or withdraw its interest in the Eaglewood Funds which may in turn affect the overall returns to the Company, its ability to pay dividends and lead to volatility in the market price of the Shares.

The Sub-Manager utilises leverage in investing the Eaglewood Funds' assets, including by borrowing funds and pledging the Eaglewood Funds' assets as collateral. The Eaglewood Income Fund is authorised to employ leverage up to 4.0 times its net asset value. The Eaglewood Small Business Fund may employ leverage against its assets as a means of enhancing returns, although its maximum leverage ratio may not exceed 1.5 times its net asset value without the prior written approval of its advisory board. While the use of leverage increases returns if a fund earns a greater return on the incremental investments purchased with leverage than it pays for such leverage, the use of leverage decreases returns if the fund fails to earn as much on such incremental investments as it pays for such funds. The effect of leverage may therefore result in a greater decrease in the net asset value of the fund than if the fund were not so leveraged. The Group, as an investor in these funds, is exposed to these risks associated with gearing. In addition, the Sub-Manager has elected to securitise the loans in the Eaglewood Income Fund's portfolio and may elect to securitise the loans in the Eaglewood Small Business Fund's portfolio, which may reduce the overall expected return obtained by investments in assets that are securitised versus those held to maturity.

An Eaglewood Fund might be considered to be engaged in a trade or business in the United States and, if so, a non-US investor, such as the Group, would be subject to federal income tax in the United States with respect to its share of the fund's income from such trade or business. In these circumstances, the Eaglewood

Fund would be required to withhold and remit certain amounts to the US Internal Revenue Service and other tax authorities. Such action could have a material adverse effect on the Group's return from its investment in the Eaglewood Funds.

The Eaglewood Income Fund's success or failure is highly dependent on the success or failure of Lending Club. In the event Lending Club were not able to conduct its business successfully (including, without limitation, with respect to attracting borrower members, servicing member loans and remaining adequately capitalised) or if Lending Club were to experience a material adverse effect or a complete failure of its business, it would materially and adversely affect the performance of the Eaglewood Income Fund and its returns for investors, such as the Group. The success or failure of Eaglewood Income Fund is also dependent on the continuation of the arrangements which it has in place for the purchase of consumer loans from Lending Club.

For both tax and regulatory purposes, it is critical that the Eaglewood Income Fund be considered independent of Lending Club. The Sub-Manager and the general partner of Eaglewood Income Fund have taken steps to attempt to preserve the fund's independence as an arms-length entity separate and distinct from Lending Club, which independence is critical from both a tax and regulatory perspective. There is no guarantee, however, that the US Internal Revenue Service or other applicable taxing and/or regulatory authority will respect the fund's independence from Lending Club. If a taxing authority were to claim that the fund is not separate and independent from Lending Club, the fund and/or investors, including the Group, could be subjected to increased tax liability, which could impair the performance of the fund and negatively affect the value of the Group's limited partnership interests. Additionally, if a regulatory authority were to challenge the fund's independence from Lending Club, the fund could be subjected to substantial regulatory and licensing requirements, which could have a material adverse effect on the financial condition and performance of the fund and on the Sub-Manager's ability to implement its investment strategy and on its ability to generate returns for investors such as the Group.

The Eaglewood Small Business Fund's success or failure is highly dependent on the success or failure of the sources of commercial loans. In the event any such sources were not able to conduct its business successfully (including, without limitation, with respect to attracting loans for purchasers and borrowers, servicing commercial loans and remaining adequately capitalised) or if any such source were to experience a material adverse effect or a complete failure of its business, it could materially and adversely affect the performance of the fund due to the inability to generate returns for its investors, including the Group.

The following risks are specific to the Group's investments in other fund vehicles:

The Group may invest in Credit Assets indirectly via other investment funds, including those managed by the Investment Manager, the Sub-Manager or their affiliates. As a participant in any such vehicle, the Group 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 Group 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 Group invests may employ gearing. Accordingly, the Group will be subject to the risks associated with gearing in connection with such investments. Whilst gearing 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 CUSTODY

Any financial instruments of the Company that are required to be held in custody pursuant to the AIFM Directive shall be held in custody with the Depositary and/or its sub-custodians. Cash and matured fiduciary deposits may not be treated as segregated assets and might therefore not be segregated from the Depositary's or sub-custodian's own assets in the event of the insolvency or the opening of bankruptcy, moratorium, liquidation or reorganisation proceedings of the Depositary or its sub-custodian (as the case may be). In such circumstances, the Company may suffer an irrecoverable loss in respect of such assets which could have a material adverse effect on the Company's financial performance.

RISKS RELATING TO TAXATION

Investment trust status

It is the intention of the Directors to conduct the affairs of the Company so as to satisfy the conditions for approval as an investment trust. Any change in the Company's tax status or in taxation legislation generally could affect the value of the investments held by the Company, affect the Company's ability to provide returns to Shareholders, lead the Company to lose its exemption from UK corporation tax on chargeable gains or alter the post-tax returns to Shareholders. It is not possible to guarantee that the Company will remain a non-close company, which is a requirement to maintain status as an investment trust, as the 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.

Overseas taxation

The Group may be subject to taxation under the tax rules of the jurisdictions in which it invests, including by way of withholding of tax from interest and other receipts. Although the Group will endeavour to minimise any such taxes this may affect the level of returns to Shareholders.

Changes in taxation legislation or practice may adversely affect the Group and the tax treatment for Shareholders investing in the Company

Changes in tax legislation or practice, whether in the United Kingdom or in jurisdictions in which the Group invests, could affect the value of the investments held by the Group, affect the Company's ability to provide returns to Shareholders, and affect the tax treatment for Shareholders of their investments in the Company (including rates of tax and availability of reliefs).

RISKS RELATING TO THE SHARES

General risks affecting the Ordinary Shares and C Shares

The value of an investment in the Company, and the income derived from it, if any, may go down as well as up and an investor may not get back the amount invested.

The market price of the Ordinary Shares and C Shares may fluctuate independently of their underlying net asset value and may trade at a discount or premium at different times, depending on factors such as supply and demand for the Ordinary Shares and C Shares, market conditions and general investor sentiment. There can be no guarantee that any discount control policy will be successful or capable of being implemented.

It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Shares

The price at which the Ordinary Shares and C Shares will be traded and the price at which investors may realise their investment will be influenced by a large number of factors, some specific to the Company and its investments and some which may affect companies generally. Admission should not be taken as implying that there will be a liquid market for the Ordinary Shares or the C Shares.

While the Directors retain the right to effect repurchases of Ordinary Shares in the manner described in this document, they are under no obligation to use such powers or to do so at any time and Shareholders should not place any reliance on the willingness of the Directors so to act. Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Ordinary Shares in the market. There can be no guarantee that a liquid market in the Ordinary Shares will develop or that the Ordinary Shares will trade at prices close to their underlying Net Asset Value. Accordingly, Shareholders may be unable to realise some or all of their investment at such Net Asset Value.

The number of C Shares to be issued pursuant to the Issue is not yet known, and there may be a limited number of holders of such C Shares. Limited numbers and/or holders of such C Shares may mean that there is limited liquidity in such C Shares which may affect (i) an investor's ability to realise some or all of his investment and/or (ii) the price at which such investor can effect such realisation and/or (iii) the price at which such C Shares trade in the secondary market.

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

Although the 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 or redeem the Shares. These circumstances include where a transfer of Shares would cause, or is likely to cause: (i) the assets of the Company to be considered "plan assets" of any Benefit Plan Investor; (ii) the Company to be required to register under the US 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 FATCA.

RISKS RELATING TO THE ISSUE

Dilution risk

Pursuant to Conversion, the C Shares issued pursuant to the Issue will convert into Ordinary Shares. The number of Ordinary Shares into which each C Share converts will be determined by the relative NAV per C Share and NAV per Ordinary Share at the Conversion Date. As a result of Conversion, the percentage of the total number of issued Ordinary Shares held by each existing holder of Ordinary Shares will be reduced to the extent that Shareholders do not acquire a sufficient number of C Shares. However, Conversion will be NAV neutral to holders of Ordinary Shares.

IMPORTANT NOTICES

Forward-looking statements

This document contains forward-looking statements including, without limitation, statements containing the words "believes", "estimates", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variation or similar expressions. Such forward-looking statements involve unknown risk, uncertainties and other factors which may cause the actual results, financial condition, performance or achievement of the Company, or industry results, to be materially different from future results, financial condition, performance or achievements expressed or implied by such forward-looking statements.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. These forward-looking statements speak only as at the date of this document. Subject to its legal and regulatory obligations, the Company expressly disclaims any obligation to update or revise any forward-looking statement contained herein to reflect changes in expectations with regard thereto or any change in events, conditions, or circumstances on which any statement is based, unless required to do so by law or any appropriate regulatory authority, including FSMA, the Listing Rules, the Prospectus Rules and the Disclosure and Transparency Rules.

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

General

This document should be read in its entirety before making any application for C Shares. Prospective Shareholders should rely only on the information contained in this document. No person has been authorised to give any information or make any representations other than as contained in this document 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 Sub-Manager, Administrator, Depositary, Loan 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 document nor any subscription made under this document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information contained herein is correct as at any time subsequent to its date.

Apart from the liabilities and responsibilities (if any) which may be imposed on Liberum by FSMA or the regulatory regime established thereunder, Liberum does not make any representations, express or implied, or accept any responsibility whatsoever for the contents of this document nor for any other statement made or purported to be made by it or on its behalf in connection with the Company, the C Shares, Admission or the Issue. Liberum (together with its respective affiliates) accordingly disclaims all and any liability (save for any statutory liability) whether arising in tort or contract or otherwise which either might otherwise have in respect of this document or any such statement.

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

All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Memorandum of Association and the Articles which investors should review. A summary of the Articles is contained in paragraph 3 of Part VII of this document under the section headed "Articles of Association".

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 14 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 26 January 2015, unless closed prior to that date.

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 12 January 2015 and closes at 5.00 p.m. on 26 January 2015, unless closed prior to that date (any such prior closure to be announced via a Regulatory Information Service).

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.

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 C 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) 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) 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) 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 EEA States to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors in the United Kingdom (as applicable).

If the Company (or any third party, functionary or agent appointed by the Company) 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

The contents of this document 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 C Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of the C 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 C Shares.

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

The distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and persons into whose possession this document comes should inform themselves about and observe any such restrictions. The C Shares may not be offered, sold, pledged or otherwise transferred to (i) any US Person or a person acting for the account of a US Person or (ii) a Benefit Plan Investor.

This document does not constitute, and may not be used for the purposes of, an offer or an invitation to subscribe for any C Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation.

Statements made in this document are based on the law and practice currently in force in England and Wales and are subject to changes therein.

Notice to prospective investors in the European Economic Area

The C 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 C 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 document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions.

EXPECTED TIMETABLE

	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 26 January
Latest time and date for commitments under the Placing	5.00 p.m. on 26 January
Publication of results of the Placing and the Intermediaries Offer	27 January
Admission and dealings in C Shares commence	29 January
CREST accounts credited with uncertificated C Shares	29 January
Where applicable, definitive share certificates despatched by post in the week commencing*	2 February

Any changes to the expected timetable set out above will be notified by the Company through a Regulatory Information Service

All references to times in this document are to London times

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

ISSUE STATISTICS

Issue Price	£10 per C Share
Gross proceeds of the Issue*	£200 million
Estimated net proceeds of the Issue to be received by the Company*	£197.4 million
Expected Net Asset Value per C Share on Admission*	£9.87 per C Share

*Assuming that the Issue is subscribed as to £200 million. The costs of the Issue to be borne by the Company will not exceed 1.3 per cent. of the gross proceeds of the Issue.

DEALING CODES

The dealing codes for the C Shares are as follows:

ISIN	GB00BV7L9053
SEDOL	BV7L905
Ticker	P2PC

The dealing codes for the Ordinary Shares are as follows:

ISIN	GB00BLP57Y95
SEDOL	BLP57Y9
Ticker	P2P

DIRECTORS, INVESTMENT MANAGER, SUB-MANAGER AND ADVISERS

Directors	Stuart Cruickshank Michael Cassidy Simon King *all of the registered office below*
Registered Office	1st Floor 40 Dukes Place London EC3A 7NH United Kingdom Telephone: +44 (0)20 7954 9796
Sponsor, Broker and Sole Bookrunner	Liberum Capital Limited Level 12, Ropemaker Place 25 Ropemaker Street London EC2Y 9LY United Kingdom
Investment Manager and AIFM	Marshall Wace LLP 13th Floor, The Adelphi Building 1-11 John Adam Street London WC2N 6HT United Kingdom Telephone: +44 (0)20 7316 2280
Sub-Manager	Eaglewood Capital Management LLC 350 Park Avenue 18th Floor New York, NY10022 United States
Company Secretary	Capita Registrars Limited 1st Floor 40 Dukes Place London EC3A 7NH United Kingdom
Administrator and External Valuer	Citco Fund Services (Ireland) Limited Custom House Plaza, Block 6 International Financial Services Centre Dublin 1 Ireland
Registrar	Capita Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU United Kingdom
Depositary	Deutsche Bank Luxembourg S.A. 2, boulevard Konrad Adenauer L-1115 Luxembourg

Loan Administrator	Deutsche Bank AG, London Branch Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom
English Legal Adviser to the Company	Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH United Kingdom
US Legal Adviser to the Company	Pepper Hamilton LLP 3000 Two Logan Square Eighteenth and Arch Streets Philadelphia, PA 19103-2799 USA
English Legal Adviser to the Sponsor, Broker and Sole Bookrunner	Travers Smith LLP 10 Snow Hill London EC1A 2AL United Kingdom
Auditors and Reporting Accountant	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH United Kingdom

PART I

INTRODUCTION TO THE COMPANY AND THE P2P LENDING OPPORTUNITY

The Company

The Company is a closed-ended investment company incorporated in England and Wales on 6 December 2013. The Company carries on business as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010.

The Company's investment objective is to provide Shareholders with an attractive level of dividend income and capital growth through exposure to investments in alternative finance and related instruments.

The Company invests in consumer loans, SME loans, advances against corporate trade receivables and/or purchases of corporate trade receivables ("Credit Assets") which have been originated via Platforms. The Company will typically seek to invest in Credit Assets with targeted net annualised returns of 5 to 15 per cent.

The Company purchases Credit Assets directly (via Platforms) and also invests in Credit Assets indirectly via other investment funds (including those managed by the Investment Manager, the Sub-Manager or their affiliates).

The Company also invests in the listed or unlisted securities issued by one or more Platforms.

The Investment Manager and the Sub-Manager

Investment Manager

The Company's investment manager is Marshall Wace LLP. The Investment Manager is responsible for the discretionary management of the Company's portfolio of Credit Assets and other investments. The Investment Manager is assisted in providing its services to the Company by principals and employees of Eaglewood Europe LLP ("Eaglewood Europe") who have been seconded to MW LLP.

Eaglewood Europe is currently seeking its Part IV permission under FSMA for, *inter alia*, the regulated activity of managing an AIF. It is intended that the Management Agreement will be novated to Eaglewood Europe in due course and that Eaglewood Europe will become the Company's investment manager, but in any event not before Eaglewood Europe receives this permission. Further information on the Investment Manager and Eaglewood Europe is set out in Part II of this document under the heading "Investment Manager".

The managing member of Eaglewood Europe is MW Eaglewood Management Limited (which currently holds a majority stake in Eaglewood Europe). MW Eaglewood Management Limited is majority owned by Marshall Wace Holdings Limited (which is the holding company of the various Marshall Wace operating entities).

Sub-Manager

On 30 April 2014, Marshall Wace Holdings Limited (via a subsidiary) acquired a controlling stake in Eaglewood Capital Management LLC, a SEC registered investment adviser. The Investment Manager has, pursuant to the Sub-Management Agreement, delegated certain of its responsibilities and functions, including its discretionary management of the Company's portfolio of Credit Assets, to the Sub-Manager. The Sub-Manager is the manager of the Eaglewood Funds (which invest in Credit Assets) in which the Group has invested and acts as investment adviser to a number of separate managed accounts which also invest in Credit Assets.

Introduction to the P2P lending industry

In the peer-to-peer (P2P) lending industry, borrowers (also commonly referred to as "borrower members") and investors (also commonly referred to as "lender members") are matched via Platforms to originate credit transactions, resulting in the disintermediation of more traditional financial institutions. The business model, which originated in 2005 and is driven by financial technology, has begun to take market share from the more traditional lending operations of the large commercial banks. There has been a recent rise in the number of P2P exchanges (or "Platforms") globally.

In the traditional bank lending model, a decision to extend credit to an individual or business is 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. Some of the typical factors that may affect a bank's lending decisions and the price at which to extend credit are outlined below.

Banks typically operate on a large fixed cost basis, including personnel, branch infrastructure and administration. These costs can be a factor in the interest rates offered to their customers.

Bank regulation (in particular in Europe and the US) has also imposed restrictions on certain types of lending by banks to ensure that deposit taking institutions maintain defined capital and liquidity requirements to safeguard client deposits. As such, banks will typically make decisions on originating loans at least in part based on their own capital adequacy requirements in respect of risk weighted assets, as opposed to analysing the true creditworthiness of borrowers.

Through the emergence of e-commerce and big data processing, the online peer-to-peer lending model has developed 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 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.

The P2P lending model

Overview

P2P marketplaces have evolved to help accommodate borrowers from various debt classes, including consumers, SMEs and corporates.

Focusing on high quality credit via a transparent and risk based process, Platforms allow borrower members to obtain loans with interest rates that are often lower than those offered by commercial banks or credit card providers. Platforms also enable lender members to acquire loans with interest rates and credit characteristics that can offer attractive returns. As a result, investor and borrower members on Platforms commonly share the margin that a traditional banking intermediary would normally capture. The Platforms often charge fees to their lender members for the services provided, including screening borrower members for their eligibility and credit criteria, managing the supply and demand of the marketplace, and facilitating payments and debt collection.

P2P process

Platforms typically use multi-level credit and risk rating models to assess the creditworthiness of borrower members. Consumer Platforms typically focus on high quality borrowers, categorised as prime to super-prime by historic FICO-based or similar standards.

Certain Platforms provide upwards of 200 anonymised data fields on each borrower member which allows lender members to make educated decisions in their loan selection process.

Borrower members are required to submit detailed information about themselves, their employment status (in the case of consumer loans), their general finances and the purpose of their loan. Their applications are subject to detailed review and credit scoring by the 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 financial history. The 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, most employed borrowers and/or their employers are contacted individually in order to verify information provided. After accepting a loan application and classifying each loan into a credit grade and assigning an interest rate level or band, the Platform posts the loan request online for funding on an individual or pooled basis, depending on the Platform. As a result, investors then

have the transparency through certain Platforms to acquire loans based on their desired borrower criteria and risk appetite.

Once a borrower receives funding and accepts a loan offer, the amortising loan is activated and principal and interest are paid down on a monthly basis for the specified loan term. Investor members earn the stated interest net of any Platform servicing fees and less any defaulted repayments.

Platform asset classes in the P2P lending market

The concept of the P2P lending marketplace has lent itself to a broad range of product offerings. Consumer debt, SME debt and corporate invoice receivables are some of the most developed products, with leading Platforms in each area seeing significant growth in recent years.

Consumer loans

The global P2P consumer loan business is a multi-billion dollar industry that matches retail borrowers with retail and institutional capital at rates that are competitive with those offered by traditional banks. As at 30 September 2014, total consumer credit outstanding in the US stood at US$3.25 trillion (Source: US Federal Reserve) and the EU market size for outstanding consumer debt to banks was US$705 billion (Source: European Central Bank).

The cost effective origination model operated by Platforms allows certain consumers to borrow money at interest rates at which banks would generally not be able to cover their cost base. For example, in the US, certain consumer borrowers have the opportunity to obtain small loans of up to 5 year terms at interest rates below 7 per cent. per annum. For lenders, consumer Platforms offer net returns of 5 to 10 per cent. per annum, depending on the risk profile of their loan selection.

SME loans

The Platforms operating in this asset class focus on connecting institutional and retail capital to SMEs requiring debt finance. Generally, SMEs that are accepted as borrower members are established businesses. As at 30 September 2014, the outstanding balance of loans to SMEs in the UK was US$267 billion (Source: Bank of England).

The emergence of P2P SME loan Platforms in the UK, such as Funding Circle (UK), allows creditworthy SMEs to borrow money online at interest rates as low as 6 per cent. per annum. For lenders, the Funding Circle (UK) SME Platform offers the majority of investors net returns of 6 to 8 per cent. per annum.

Corporate invoice receivables

Invoice financing has emerged as a lending asset class whereby a Platform advances funds against invoice receivables. This form of financing allows businesses seeking working capital to get advances on cash due from their customers. From a borrower's perspective, this form of short-term (typically 30 to 180 days) financing provides for a low cost way for the business to receive capital instead of an often more restrictive and/or more expensive banking facility. For some businesses, this form of invoice financing did not previously exist in their jurisdiction or was offered at high rates, irrespective of the collateral or creditworthiness of the debtor.

In many cases, SMEs which sell goods or services to blue chip companies can receive advances against their invoices via P2P Platforms for an annualised discount factor of 8 to 20 per cent. of the face value of the invoice.

Platforms in the US & UK

Set out below is an overview of some of the established Platforms in the US and UK through which the Company currently invests (directly or indirectly through other investment funds) and which the Company (or its subsidiary undertakings) and/or the Investment Manager have entered into agreements with in relation to the deployment of the Company's capital.

Lending Club (US)

Lending Club is a US-based Platform for consumer lending that was established in 2007. It is the largest P2P loan platform globally, in terms of volume of loan origination, with loan origination over US$6.2 billion since launch and current quarterly origination reaching approximately US$1.16 billion. Lending Club currently offers lenders average net annualised returns of 4.7 to 8.8 per cent., depending on credit grade (after fees and default losses) on their 3 to 5 year fully amortising loans with (across both 3 and 5 year loans) annualised lifetime default rates of 2 to 14 per cent. (Source: Lending Club website)

Upstart (US)

Launched in April 2012 by ex-Google employees, Upstart offers unsecured loans ranging from US$3,000 to US$25,000 to consumers, including those with shorter credit history ("thin file applicants") who, based on Upstart's underwriting and risk assessment process, are able to demonstrate potential for future income earnings based on their education and work experience. Upstart currently offers lenders average net annualised returns of 5.1 per cent. to 8.5 per cent. (after fees and default losses), depending on credit grade. (Source: Upstart website)

Prosper (US)

Founded in 2005, Prosper is the second largest consumer platform in the US, with more than two million members and over US$2 billion in funded loans. Borrowers list unsecured loan requests between US$2,000 and US$35,000. The current average expected annualised net yield (after fees) is 6.87 per cent. (Source: Prosper website)

Funding Circle (UK)

Launched in 2010, Funding Circle (UK) was the first, and is now the leading, P2P SME Platform in the UK and globally in terms of volume of loan origination. The Platform has originated over £442 million of loans since inception. The loans have been funded by lenders including retail lenders, county councils, the Government-backed British Finance Partnership (£20 million lent from March 2013) and the Government-backed British Business Bank, who have committed to lend £40 million from its £300 million investment programme. The Platform operates using a floored auction rate model which has achieved net annualised returns to lenders of 6.4 per cent., since inception and which has a current expected lifetime bad debt rate of 4.4 per cent. Funding Circle (UK) currently offers loans with terms up to 5 years to UK-based established SMEs. (Source: Funding Circle (UK) website).

Zopa (UK)

Zopa, founded in 2005, was the first P2P Platform worldwide and is currently the largest Platform in the UK with over £712 million in origination since inception. Its business focuses on matching high credit quality consumer borrowers in search of 2 to 5 year term loans with lenders, who can earn a current expected annualised net yield (after fees) of 4.0 per cent. and 5.1 per cent. on 3 and 5 year loans respectively. Loans originated through the Platform have an historic lifetime overall default loss rate of less than 0.7 per cent. (Source: Zopa website).

RateSetter (UK)

Founded in 2010, the business has emerged as one of the leading UK consumer Platforms, having originated over £430 million since launch. The current average expected annualised net yield (after fees) is 4.3 per cent. and 5.9 per cent on 3 and 5 year loans respectively. Over the full term, RateSetter expects the bad debt rate on outstanding loans to be approximately 2.326 per cent. (Source: RateSetter website).

Default rates

Borrower default rates across Platforms are key variables that could impact the Company's future performance. The Investment Manager has undertaken substantial research into historical loss rates across each of the Platforms via which the Company purchases assets in order to extrapolate forecasted default losses. The methodology and assumptions used by the Platforms to present historical default experience varies for different Platforms and certain Platforms have more limited performance data due to their short operating history, and accordingly past data may not reflect future developments. In order to evaluate expected net returns on loans, the Investment Manager applies what it considers to be a realistic, yet

prudent, view on expected annualised loss rates by considering fully matured loans and loans that have sufficient performance history to extrapolate expected lifetime of loan defaults based on default curves.

The regulatory environment

United Kingdom

On 1 April 2014, the regulation of the consumer credit market transferred from the Office of Fair Trading to the FCA, including responsibility for regulating peer-to-peer lending platforms. There is a new regulated activity of 'operating an electronic system in relation to lending' that covers the facilitation of lending and borrowing through electronic platforms. This new regulated activity covers the operation of the electronic platform, as well as other connected activities including, presenting the loan agreements to the lender and borrower, providing information to potential lenders about the financial standing of potential borrowers, collecting debts and administering the agreements facilitated by the Platform and providing credit information services (including credit repair). Certain of the Platforms operating in the UK through which the Company invests must hold either interim permission or authorisation from the FCA for this activity. As part of its due diligence procedures, the Investment Manager will check that Platforms through which it invests are appropriately authorised.

The FCA has also introduced new regulatory controls for Platform operators, including the application of conduct of business rules (in particular, around disclosure and promotions), minimum capital requirements, client money protection rules, dispute resolution rules and a requirement for firms to take reasonable steps to ensure existing loans continue to be administered if the firm goes out of business.

The Company currently holds an interim permission from the FCA for its consumer credit regulated activities. As the holder of an interim permission, the Company is required to comply with the FCA's Principles for Business and is subject to certain of the FCA's Systems and Controls (SYSC) guidance for consumer credit firms. The Company will, between 1 August 2015 and 31 October 2015, be required to seek full authorisation from the FCA. Once the Company is fully authorised, it will also be subject to a number of other requirements applicable to other authorised firms, including the approved persons regime, the controllers regime, periodic reporting requirements and complaints reporting and publication rules.

The FCA has created a new sourcebook called CONC which contains the detailed conduct requirements for consumer credit firms. This sets out the detailed requirements on the Company in relation to its activities of lending under regulated consumer credit agreements and on the Platforms which facilitate such lending. As both the holder of an interim permission and as a fully authorised consumer credit firm that will, through certain Platforms, be lending to UK consumer borrowers, the Company is and will be subject to detailed requirements in relation to, *inter alia*, the content of loan agreements with those borrowers and pre-contract disclosures to such borrowers.

United States

Consumer lending in the US is highly regulated. SME and other types of lending are less regulated but are by no means free of regulatory oversight in the US.

For consumer lending regulatory reasons in the US, Platforms following the Lending Club model operate differently to the UK Platforms. All loans on the Lending Club Platform are closed in the name of and are exclusively funded by WebBank, a Utah-chartered industrial bank organised under Title 7, Chapter 8 of the Utah Code and which has its deposits insured by the FDIC. It has worked jointly with Lending Club to act as issuer of the Platform's loans. WebBank is subject to supervision and examination by the Utah Department of Financial Institutions and the FDIC. Following loan closing and funding, WebBank holds each loan for two days before it sells each loan to Lending Club.

The US Platforms following the Lending Club model are required to hold consumer lending licences, collections licences or similar authorisations in some 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 recordkeeping 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.

Funding Circle (US) operates differently to Lending Club. ELN Partners, LP an affiliate of Funding Circle (US), holds a California Finance Lender's License and originates commercial loans to SMEs. It then sells those loans to institutional and accredited investors.

A US Platform takes one of the following actions with respect to each loan: (a) it holds it on its books and sells borrower payment dependent notes ("Notes"), to each investor who made a successful bid in relation to a borrower's loan request, with the cash flows on the Notes tracking the cash flows on the underlying borrower loan, or (b) in the case of Lending Club, certificates ("Certificates") are issued by LC Trust I, a trust affiliated with Lending Club. The Certificates are linked to interests in consumer loans which Lending Club has acquired from WebBank, or (c) it sells all rights, title and interest in the loan pursuant to a loan purchase agreement ("Loan Purchase Agreement") to a single acquirer which becomes the sole investor in such loan.

The sale of Notes (described in (a) above) is the mechanism pursuant to which the Platform sells "fractional loans" to an investor (namely, where the investor holds, through the Notes, only a percentage of a particular loan). The Notes are registered as securities with the US Securities and Exchange Commission ("SEC"). As they are securities registered with the SEC, they may be sold by a holder via a secondary market.

The sale of Certificates (described in (b) above) through Lending Club is specific to lender member interest in LC Advisors, an SEC registered investment adviser that acts as the general partner for certain separately managed accounts offered by Lending Club. These Certificates, although linked to the acquisition of fractional interests in consumer loans similar to the Notes, are not registered with the SEC and accordingly may not be sold in the same way as Notes.

The sale pursuant to (c) above is the mechanism for the sale of "whole loans" to the acquirer. The whole loan programme is generally available only to institutional investors and they are not SEC registered securities.

In each of the above scenarios, the Platform services the borrower's loan, collects payments and makes distributions to the lender members in accordance with the terms of the Notes, Certificates or the Loan Purchase Agreement, as applicable. For its loan servicing activity, the Platform earns servicing fees.

In the US, the Company acquires loans or interests in loans through various techniques, including the purchase of Notes, Certificates and the purchase of whole loans directly.

PART II

THE COMPANY

Investment objective

The Company's investment objective is to provide Shareholders with an attractive level of dividend income and capital growth through exposure to investments in alternative finance and related instruments.

Investment policy

The Company invests in consumer loans, SME loans, advances against corporate trade receivables and/or purchases of corporate trade receivables ("Credit Assets") which have been originated via Platforms. The Company will typically seek to invest in Credit Assets with targeted net annualised returns of 5 to 15 per cent.

The Company purchases Credit Assets directly (via Platforms) and also invests in Credit Assets indirectly via other investment funds (including those managed by the Investment Manager, the Sub-Manager or their affiliates) that it deems suitable with a view to enhancing Shareholder returns and providing diversification of the Company's assets. The Company will generally only seek to invest via other investment funds where these enable investments in Credit Assets from Platforms that the Company either cannot gain direct access to or could only gain direct access to on less favourable terms than an investment via another investment fund. Although the Company may invest in other investment funds that are managed by the Investment Manager, the Sub-Manager or their affiliates, these other investment funds will not be part of the Company's group. The Company's investments in Credit Assets may be made through subsidiaries of the Company.

The Company may also invest (in aggregate) up to 5 per cent. of Gross Assets (at the time of investment) in the listed or unlisted securities issued by one or more Platforms. This restriction shall not apply to any consideration paid by the Company for the issue to it of any convertible securities by a 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 Platform.

The Company invests across various Platforms, asset classes, geographies (primarily US and Europe) and credit risk bands 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:

Platform restrictions

The Company will not invest more than 33 per cent. of Gross Assets via any single Platform. This limit may be increased to 66 per cent. of Gross Assets via any single Platform, provided that where this limit is so increased in respect of any Platform the Company does not invest an amount which is greater than 25 per cent. (by value) of the total loan origination of the preceding calendar year through such Platform.

Asset class and geographic restrictions

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

The Company will not invest more than 20 per cent. of Gross Assets, at the time of investment, via any single investment fund investing in Credit Assets. The Company will not invest, in aggregate, more than 60 per cent. of Gross Assets, at the time of investment, in other investment funds that invest in Credit Assets.

The Company will not invest more than 10 per cent. of its Gross Assets, at the time of investment, in other listed closed-ended investment funds, whether managed by the Investment Manager or not, 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 following restrictions apply, in each case at the time of investment by the Company, to both Credit Assets acquired by the Company directly and on a look-through basis to any Credit Assets held by another investment fund in which the Company invests:

No single consumer loan acquired by the Company shall exceed 0.25 per cent. of Gross Assets.

No single SME loan acquired by the Company shall exceed 5.0 per cent. of Gross Assets.

No single trade receivable asset acquired by the Company shall exceed 5.0 per cent. of Gross Assets.

The following restrictions apply to both Credit Assets acquired by the Company directly and on a look-through basis to any Credit Assets held by another investment fund in which the Company invests:

At least 10 per cent. (but not more than 75 per cent.) of Gross Assets will be maintained in consumer Credit Assets, not more than 50 per cent. of Gross Assets will be maintained in SME Credit Assets and not more than 50 per cent. of Gross Assets will be maintained in trade receivable assets.

The Company will maintain at least 10 per cent. of Gross Assets in Credit Assets in Europe and at least 10 per cent. of Gross Assets in Credit Assets in the United States.

Other restrictions

The Company may invest in cash, cash equivalents and fixed income instruments for cash management purposes and with a view to enhancing returns to Shareholders or mitigating credit exposure. However, the Company will only invest in fixed income instruments of investment grade.

The Company will not invest in CLOs or CDOs.

Borrowing policy

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 special purpose vehicle ("SPV") that may be established 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 33 per cent. of Net Asset Value (calculated at the time of draw down under any facility that the Company has entered into).

The aggregate leverage of the Company and any investee entity (on a look-through basis) shall not exceed 1.5 times Net Asset Value.

The Company may seek to securitise all or parts of its portfolio of Credit Assets 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 loans, 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 loans, seek to assign existing assets to one or more SPVs and/or seek to acquire loans using an SPV. The Company will ensure that any SPV used by it to acquire or receive (by way of assignment or otherwise) any loans to UK consumers shall first obtain any required authorisation from the FCA for consumer credit business.

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution.

Hedging policy

The Company typically seeks to hedge currency exposure between Sterling and any other currency in which the Group's assets may be denominated, including US Dollars and Euros.

The Company will, 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, 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.

Investment strategy and risk management policy

The Investment Manager's investment strategy and risk management policy can be broadly split into three stages: (i) Platform due diligence and on boarding; (ii) capital allocation and asset selection; and (iii) portfolio and risk monitoring.

Platform due diligence and on boarding

Prior to investing in any Credit Assets through a Platform, the Investment Manager engages in a thorough due diligence process to ensure that the Platform has appropriate expertise and the necessary operational systems in place. A commercial and financial assessment is undertaken in order to examine: (a) any potential partner Platform's ability to do business in the markets in which it operates for the foreseeable future; (b) the soundness of the Platform's financial planning; (c) the Platform's ability to manage regulatory and business risks; and (d) the robustness of the Platform's outsourcing to third party agencies to continue servicing loans in the event of that Platform's insolvency.

Subsequently, a systems and infrastructure validation is carried out to assess the robustness of each potential partner Platform's systems and infrastructure in the context of its internal operations and procedures, as well as its ability to manage operational risks in its major internal functions.

The Investment Manager intends, as far as possible, to automate all information gathering, documentation and reconciliation processes, and will seek to implement API access to Platforms' data; both on its existing portfolio of investments through a Platform and in relation to potential investments through a Platform.

Capital allocation and asset selection

The market for peer-to-peer lending Platforms is growing and the Investment Manager considers, across a broad spectrum of Platforms, the relative merits of different asset classes and sources of Credit Assets. Risk-reward optimisation takes place across individual Platform grades and takes into account, *inter alia*, gross interest rates, expected default loss rates, market capacity and leverage considerations. Expected default loss rates are derived from the Investment Manager's analysis of historical payment data, where possible. The availability of large datasets of historical origination and payment performance (including Credit Assets not purchased by the Investment Manager) is a key feature of peer-to-peer lending Platforms' businesses.

Within each risk band of Credit Assets, the Investment Manager typically has a further choice of individual assets to select from. Depending on each Platform's operating model, Credit Assets may be offered for sale on an individual or a pooled basis. The Investment Manager may work with partner Platforms to design bespoke credit and underwriting criteria that are set as minimum requirements for any loans selected by the Investment Manager for investment, or will develop its own algorithms for selecting individual assets, again based on expected default loss and net return rates. The Investment Manager intends to exploit its algorithms and technology to achieve the fastest possible execution for the acquisition of loans through Platforms.

The Investment Manager allocates assets using its proprietary asset selection models which are designed to identify individual assets within each Platform credit grade with superior risk/reward ratios. The proprietary asset selection models will seek to generate outperformance from active selection of individual assets, as compared to a passive investment approach, by analysing parameters such as default risk, duration, geography and asset class at the market place and aggregate portfolio level. The Investment Manager backtests the performance of historical loan parameters to assess their outperformance against indexing.

Portfolio and risk monitoring

The balance of anticipated rewards with inherent risks is an integral part of the Investment Manager's asset selection strategy and drives all aspects of capital allocation. The Investment Manager applies risk management processes in order to limit the impact of unforeseen shocks, maintain the required diversification standards, and provide the Board with timely and accurate reporting on all components of the Group's portfolio of investments. The Investment Manager has built extensive portfolio monitoring tools that calculate exposures for controlled parameters and other categories, such as asset class, Platform, geography, expected default loss rates, payment status, term and time to maturity. For example, US Platforms generally offer a wider credit grade spectrum of loans as compared to the UK Platforms. Platforms in both the US and the UK, however, offer loans that meet an acceptable risk-return profile that the Investment Manager seeks to invest in in order to create a diversified portfolio of Credit Assets.

The Investment Manager's portfolio monitoring tools also allow the Investment Manager to drill-down into sub-categories and conduct scenario analysis of future positions. For assets that have attained around 30 per cent. of their scheduled maturity, the Investment Manager regularly compares realised static pool losses against initial expected losses. The Investment Manager also regularly monitors the correlation between default loss rates from different asset classes.

Stress tests on the portfolio are based on scaling of the expected portfolio loss rates. The Investment Manager uses long-term historical time-series, such as the US Federal Reserve's credit card charge-off statistics, to calibrate its stress severities.

Where the Company invests in Credit Assets indirectly through any other investment fund, those investments are made in accordance with the investment policy, investment strategy and risk tolerances stated above. Each such investment fund is analysed and monitored to understand its investment objective and policy, the associated credit asset risk and its ability to generate returns for the Company. At the Company portfolio level, any investments into other investment funds are expected to assist in mitigating any concentration risks by offering the Company the opportunity to access a broader spectrum of Credit Assets through different Platforms and across different credit grades, enhancing the overall portfolio diversification the Company seeks while also supporting the risk-adjusted returns that the Company is targeting.

The Company may also seek to make strategic investments in the equity of Platforms where the Investment Manager believes there to be significant potential valuation upside. The Investment Manager will seek to invest in Platforms which exhibit the potential to capture significant market share. The Investment Manager will undertake an extensive due diligence process prior to the acquisition of any equity stake in a Platform. The Company will be a passive investor in any Platform in which it invests.

Investment portfolio

As at the Latest Practicable Date, the Company had deployed 89.86 per cent. of the net proceeds of the First Placing and Offer ("Net Proceeds") in European and US consumer and SME Credit Assets and in equity issued by Platforms, with the balance being held as cash and other assets in accordance with the Company's investment policy. The table below illustrates the portfolio composition as at the Latest Practicable Date, and has been produced from unaudited Investment Manager management accounts:

	Credit Assets held directly via Platforms	*Credit Assets held indirectly via other investment funds*
% of Net Proceeds in European Consumer Credit Assets	12.11	Nil
% of Net Proceeds in European SME Credit Assets	18.21	Nil
% of Net Proceeds in US Consumer Credit Assets	5.36	42.62
% of Net Proceeds in US SME Credit Assets	3.93	6.31
% of Net Proceeds in equity issued by Platforms	1.32	Nil

As at 30 November 2014, the unaudited Net Asset Value per Ordinary Share was 996.80 pence, the Company having deployed approximately 77 per cent. of the Net Proceeds as at that date. It is expected that the unaudited Net Asset Value per Ordinary Share as at 31 December 2014 will be published prior to the close of the Issue.

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 declared its first dividend in November 2014, which was paid on 30 December 2014, in respect of the period to 30 September 2014. The Company intends to pay dividends on a quarterly basis, with dividends for 2015 expected to be declared in February, May, August and November and paid in April, June, October and December. The Company targets an annualised dividend yield of at least 6 to 8 per cent. of the Issue Price.

It is the 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.

Investors should note that the target dividend, including its declaration and payment dates, is a target only and not a profit forecast. There may be a number of factors that adversely affect the Company's ability to achieve the target dividends and there can be no assurance that it will be met or that any growth in the dividend will be achieved. The target dividend should not be seen as an indication of the Company's expected or actual results or returns. Accordingly, investors should not rely on these targets in deciding whether to invest in the Shares or assume that the Company will make any distributions at all.

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 reinvestment plan

The Company has arranged a dividend reinvestment plan (the "Plan") that gives Shareholders the opportunity to use any cash dividends to buy Ordinary Shares through a special dealing arrangement. The Ordinary Shares to be bought will be existing Ordinary Shares in the Company and will be bought on the open market. No new Ordinary Shares will be created.

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.

Share rating management

The Board considers that it would be undesirable for the market price of the Ordinary Shares to diverge significantly from their Net Asset Value.

Premium management

In the event that the Ordinary Shares trade at a premium to NAV, the Company may issue new Ordinary Shares. The Directors have authority to issue Ordinary Shares representing up to 10 per cent. of the Company's issued ordinary share capital until the first annual general meeting of the Company. Shareholders' pre-emption rights over this unissued share capital have been disapplied so that the Directors will not be obliged to offer any new Ordinary Shares to Shareholders on a pro rata basis. The reason for this is to retain flexibility to issue new Ordinary Shares to investors. No Ordinary Shares will be issued at a price less than the Net Asset Value per existing Ordinary Share at the time of their issue.

Investors should note that the issuance of new Ordinary Shares is entirely at the discretion of the Board, and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions or as to the proportion of new Ordinary Shares that may be issued.

Treasury shares

The Act allows companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. 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. No Ordinary Shares will be sold from treasury at a price less than the Net Asset Value per existing Ordinary Share at the time of their sale.

Discount management

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 make market purchases of up to 14.99 per cent. of the Ordinary Shares in issue following the conclusion of the First Placing and Offer. The maximum price (exclusive of expenses) which may be paid for an Ordinary Share must not be more than the higher of (i) 5 per cent. above the average of the mid-market values of the Ordinary Shares for the five Business Days before the purchase is made, or (ii) the higher of the price of the last independent trade and the highest current independent bid for the Ordinary Shares. Ordinary Shares will be repurchased only at prices below the prevailing NAV per Ordinary Share, which should have the effect of increasing the NAV per Ordinary Share for remaining Shareholders.

A renewal of the authority to make market purchases will be sought from Shareholders at each annual general meeting of the Company. Purchases of Ordinary Shares will be made within guidelines established from time to time by the Board. Any purchase of Ordinary Shares would be made only out of the available cash resources of the Company. Ordinary Shares purchased by the Company may be held in treasury or cancelled.

Purchases of Ordinary Shares may be made only in accordance with the Act, the Listing Rules and the Disclosure and Transparency Rules.

Conversion of C Shares

The net proceeds of the Issue and the investments made with the net proceeds of the Issue will be accounted for and managed as a separate pool of assets until the Calculation Date, being a date determined by the Directors occurring not more than 10 Business Days after the day on which the Investment Manager shall have given notice to the Directors that at least 90 per cent. of the net proceeds of the Issue (or such other percentage as the Directors and Investment Manager shall agree) shall have been invested (or, if earlier, nine months after the date of issue of the C Shares). It is expected that the net proceeds of the Issue will be invested in cash deposits, cash equivalents and fixed income instruments for cash management purposes, pending investment in Credit Assets. The Investment Manager expects the net proceeds of the Issue to be largely fully invested within 6 to 9 months of Admission.

The Conversion Ratio will then be calculated (to four decimal places) and the C Shares in issue will convert into a number of Ordinary Shares calculated by reference to the net assets then attributable to the C Shares compared to the net assets at the same time attributable to the Ordinary Shares then in issue. Entitlements to Ordinary Shares will be rounded down to the nearest whole number. The C Shares will convert into Ordinary Shares on the Conversion Date, being 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.

The Articles contain the C Share rights, full details of which are set out in paragraph 3.18 of Part VII of this document.

Life of the Company

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 2019 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.

Net Asset Value

The unaudited Net Asset Value and the Net Asset Value per Share are calculated by the Administrator (on the basis of information provided by the Investment Manager and/or the External Valuer) 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 Company has appointed the External Valuer to value its Designated Investments in accordance with, and subject to, the requirements of the AIFM Directive, and in accordance with the terms of the External Valuer Agreement.

The Net Asset Value is the value of all assets of the Company less its liabilities to creditors (including provisions for such liabilities) determined in accordance with the Association of Investment Companies' valuation guidelines and in accordance with applicable accounting standards.

Investments in unlisted equity are valued at fair value through the profit and loss account. The fair value is based on cost less accumulated impairment loss as determined by the Investment Manager at the date of measurement relative to comparable instruments. The value of financial instruments is as determined by the purchase value less transaction costs at the time of recognition. Borrowings are valued as the principal amount of borrowings less any discounts and costs of issuance. All loans and receivables are accounted for on trade date based on an amortised cost basis. At acquisition, loans are valued at the initial advance amount inclusive of any fees paid to the Platforms or, at the purchase consideration paid, if acquired from a third party. Thereafter, all loans 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 loan over its expected life. The EIR is that rate of interest which, at inception, exactly discounts the future cash payments and receipts from the loan to the initial carrying amount.

Loans 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 Platform; (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.

Loans 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 carrying amount and the present value of estimated cash flows, discounted at the financial asset's original effective interest rate. 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 loan advance is not more than what the amortised cost would have been had the impairment not been recognised.

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 P2P Credit Assets is established and the Company elects to buy and sell Credit Assets via this exchange, the Company may adopt a 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.

Any suspension in the calculation of the Net Asset Value, to the extent required under the Articles or by the Listing Rules, will be notified through a Regulatory Information Service as soon as practicable after any such suspension occurs.

Meetings, reports and accounts

The Company is expected to hold its first annual general meeting in May 2015 and is expected to then hold an annual general meeting in May each year thereafter. The annual report and accounts of the Company will be made up to 31 December in each year with copies expected to be sent to Shareholders within the

following four months. The Company also publishes unaudited half-yearly reports to 30 June with copies expected to be sent to Shareholders within the following two months.

The Group's financial statements are prepared in accordance with IFRS.

The Takeover Code

The Takeover Code applies to the Company.

Given the existence of the buyback powers as set out in the paragraphs above, there are certain considerations that Shareholders should be aware of with regard to the Takeover Code.

Under Rule 9 of the Takeover Code, any person who acquires shares which, taken together with shares already held by him or shares held or acquired by persons acting in concert with him, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, are normally required to make a general offer to all the remaining shareholders to acquire their shares. Similarly, when any person or persons acting in concert already hold more than 30 per cent. but not more than 50 per cent. of the voting rights of such company, a general offer will normally be required if any further shares increasing that person's percentage of voting rights are acquired.

Under Rule 37 of the Takeover Code when a company purchases its own voting shares, a resulting increase in the percentage of voting rights carried by the shareholdings of any person or group of persons acting in concert will be treated as an acquisition for the purposes of Rule 9 of the Takeover Code. A Shareholder who is neither a Director nor acting in concert with a Director will not normally incur an obligation to make an offer under Rule 9 of the Takeover Code in these circumstances.

However, under note 2 to Rule 37 of the Takeover Code where a shareholder has acquired shares at a time when he had reason to believe that a purchase by the company of its own voting shares would take place, then an obligation to make a mandatory bid under Rule 9 of the Takeover Code may arise.

The buyback powers could have implications under Rule 9 of the Takeover Code for Shareholders with significant shareholdings. The buyback powers should enable the Company to anticipate the possibility of such a situation arising. Prior to the Board implementing any share buyback the Board will identify any Shareholders who they are aware may be deemed to be acting in concert under note 1 of Rule 37 of the Takeover Code and will seek an appropriate waiver in accordance with note 2 of Rule 37. However, neither the Company, nor any of the Directors, nor the Investment Manager will incur any liability to any Shareholder(s) if they fail to identify the possibility of a mandatory offer arising or, if having identified such a possibility, they fail to notify the relevant Shareholder(s) or if the relevant Shareholder(s) fail(s) to take appropriate action.

Taxation

Potential investors are referred to Part VI of this document for details of the taxation of the Company and of Shareholders resident for tax purposes 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 own professional advisers.

Risk factors

The Company's business is dependent on many factors and potential investors should read the whole of this document and in particular the section entitled "Risk Factors" on pages 18 to 34.

PART III

DIRECTORS AND MANAGEMENT

Directors

The Directors are responsible for the determination of the Company's investment policy and strategy and have overall responsibility for the Company's activities including the review of investment activity and performance and the control and supervision of the Investment Manager. All of the Directors are non-executive and are independent of the Investment Manager.

The Directors meet at least four times per annum, and the Audit and Valuation Committee meets at least twice per annum. The Directors are as follows:

Stuart Cruickshank (Chairman) (aged 61)

Stuart Cruickshank is an established financial professional with public company and Whitehall experience. He has worked for large, blue chip organisations such as Diageo, Whitbread and Kingfisher and he has also spent a number of years in SMEs. Stuart's sector exposure is wide and includes financial services, fast moving consumer goods, business to business, mass retailing, technology and entertainment. He has experience of investor relations on both sides of the Atlantic and in Continental Europe. His last executive role was Director General and Chief Finance Officer of HM Revenue & Customs.

Stuart has a number of non-executive roles. He chairs the Audit Committee of and is the Vice Chairman of Cambridge Building Society and is Chairman of the BMA Audit Committee. He recently took InternetQ Plc through the AIM admission process and chaired the organisation through the early stages of its life as a public company. He has previously held non-executive positions in the healthcare sector as well as with the technology company, Psion Plc.

Michael Cassidy (aged 67)

Michael has had over 40 years' experience as a qualified lawyer, principally engaged in investment work for a large pension fund and most recently as a consultant to DLA Piper. He had a career in City Local Government, with senior roles at Guildhall including Leader of the Council and Planning Chairman, and also the Museum of London and Property Investment Board. He has also been non-executive director of British Land and is currently senior non-executive director at Crossrail, a non-executive director of UBS Ltd and Chairman-Designate of Ebbsfleet Urban Development Corporation. He was awarded CBE in 2004 for services to the City of London.

Simon King (aged 50)

Simon has many years of experience of managing investment companies and trusts. Simon joined Gartmore Fund Managers in 1994, initially working on the UK Smaller Companies team where he took charge of the NatWest Smaller Companies Exempt fund, the UK Emerging Companies Strategy fund and a selection of specialist pension fund products. In 2000 he became a senior investment manager on Gartmore's UK Equities team. He managed and co-managed a series of funds including the Gartmore UK Focus Fund, the Alphagen Avior Hedge Fund and the Alphagen Octanis Hedge Fund. From 2009 to 2012, Simon worked at Premier Asset Management where he managed UK unit trusts. Simon was also previously a research analyst at CCF Laurence Prust and at County NatWest Securities and Credit Lyonnais. He holds a degree in Economics from Surrey University. Simon brings a wealth of experience in the areas of fund management, regulation and adherence to investment mandates.

Investment Manager

The Company's investment manager is Marshall Wace LLP ("MW LLP"). MW LLP was founded by (and remains, indirectly, majority controlled by) Paul Marshall and Ian Wace. MW LLP was incorporated as a limited liability partnership on 16 May 2002 under the laws of England and Wales and is authorised and regulated by the Financial Conduct Authority. MW LLP is a signatory to the Hedge Funds Standards Board Best Practice Standards.

MW LLP, with the assistance of principals and employees of Eaglewood Europe LLP ("Eaglewood Europe") who have been seconded to MW LLP, is responsible for the management of the assets of the Company in accordance with the terms of the Management Agreement. Eaglewood Europe is a newly established limited liability partnership incorporated under the laws of England and Wales and is indirectly majority owned and controlled by Marshall Wace Holdings Limited, the ultimate parent company of MW LLP. Simon Champ is a member of Eaglewood Europe. Liberum is also a member of Eaglewood Europe, holding a 2.5 per cent. interest in Eaglewood Europe. Liberum also has the right to be awarded a further 2.5 per cent. interest in Eaglewood Europe in the event that specified revenue hurdles are achieved by Eaglewood Europe.

MW LLP has invested substantially in technology and has built a robust and scalable global infrastructure. MW LLP's expertise has been leveraged by building out the operations and technology infrastructure which it will use in the management, including execution and reconciliation, of the Group's portfolio.

Eaglewood Europe is currently seeking its Part IV permission under FSMA for, *inter alia*, the regulated activity of managing an AIF. It is intended that the Management Agreement will be novated to Eaglewood Europe in due course, but in any event not before Eaglewood Europe receives this permission.

Eaglewood Europe will have access to the operational and technology infrastructure developed by MW LLP for the execution and reconciliation of the Group's portfolio.

Management Agreement

The Company and the Investment Manager have entered into the Management Agreement, a summary of which is set out in paragraph 7.6 of Part VII of this document, under which the Investment Manager has been given responsibility for the discretionary management of the Company's assets (including uninvested cash) in accordance with the Company's investment policy, subject to the overall control and supervision of the Directors.

Details of the fees and expenses payable to the Investment Manager are set out in the section headed "Fees and expenses" below.

Sub-Manager

The Investment Manager has, pursuant to the Sub-Management Agreement, delegated certain of its responsibilities and functions, including its discretionary management of the Company's portfolio of Credit Assets, to the Sub-Manager, Eaglewood Capital Management LLC. The Sub-Manager is an affiliate of the Investment Manager. The Sub-Manager is a Delaware limited liability company and is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940, as amended. The Sub-Manager is also responsible for managing the Eaglewood Funds in which the Group has invested.

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

Simon Champ

Simon is the Chief Executive Officer of Eaglewood Europe and has been seconded to the Investment Manager. Simon has nineteen years' experience in banking as a Director of Equity Sales and Equity Capital Markets at Dresdner Kleinwort, JP Morgan Cazenove and most recently Liberum. As a founder and former board Director of Liberum, Simon was part of a number of innovative transactions in the equity space and has advised many new technology companies in equity and debt raisings. Simon has been involved in the UK peer-to-peer industry as both an investor and advisor and has built extensive relationships with many of the leading peer-to-peer platforms.

Abror Ismailov

Abror Ismailov is a Portfolio Manager at Eaglewood Europe with responsibility for managing the Company's assets and has been seconded to the Investment Manager. Previously Abror worked as a Director within Lazard's Structured Credit Advisory group, was a Senior Portfolio Manager for Union Investment in Frankfurt, a Portfolio Manager at Cambridge Place Investment Management and worked within the Global Portfolio

Management Group at Deutsche Bank. In these roles, Abror has been responsible for managing over €3.5 billion of funds invested in structured credit, real estate and private equity investments.

He holds Master's degrees in Business and Finance from University of Hamburg, University of Nantes and University of Valencia and is a CFA charterholder.

Steven Lee

Steven is the Chief Investment Officer of Eaglewood. Prior to joining the Sub-Manager, Steven worked for Cambridge Place Investment Management, a London-based hedge fund, as the Global Head of Credit and Research. Prior to Cambridge Place Investment Management, he worked as a Director for UBS in Zürich in cash and collateral trading and as a research analyst at Fidelity Investments focused on ABS and corporate debt. He has also worked for Prudential and Coopers & Lybrand. Steven has over 20 years of fixed income investment experience and has invested across several ABS sectors, both in the United States and in Europe. Steven graduated with an M.B.A. from the University of Chicago, a B.S. from Binghamton University and is a CFA charterholder.

Jonathan Barlow

Jon is the Chief Executive Officer of Eaglewood. Prior to founding the Sub-Manager, Jon worked for Weiss Multi-Strategy Advisers, a US$2.5 billion New York based hedge fund, where he co-managed a US $350 million investment portfolio concentrated in the real estate and financial sectors globally. Previously, Jon worked as a Portfolio Manager and Vice President within proprietary trading at Lehman Brothers, where he co-founded their small-cap investment strategy and focused on real estate and financial companies in the United States. Jon started his career with J.P. Morgan in New York. He graduated with a B.S. in accounting from Brigham University, and is a CFA charterholder.

Administration of the Company

The Administrator provides the day to day administration of the Company and is also 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.

Fees and expenses

Issue expenses

The issue expenses of the Company are those which are necessary for Admission and the Issue. These expenses include fees and commissions payable under the Placing Agreement, admission fees, printing, legal and accounting fees and any other applicable expenses which will be met by the Company and paid on or around Admission out of the gross proceeds of the Issue.

The costs and expenses of the Issue (including all fees, commissions and expenses payable to the Sole Bookrunner) will be paid by the Company out of the proceeds of the Issue (and accordingly will be borne by the holders of C Shares only). Such costs and expenses have been capped at £2.6 million, equivalent to 1.3 per cent. of the gross proceeds of the Issue, assuming gross proceeds of £200 million are received under the Issue.

On-going annual expenses

On-going annual expenses include the following:

(i) *Investment Manager*

Under the terms of the 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").

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 is calculated and payable monthly in arrears.

To seek to avoid fee layering, if at any time the Company invests in or through any other investment fund or special purpose vehicle and a management fee or advisory fee is charged to such investment fund or special purpose vehicle by the Investment Manager, the Sub-Manager or any of their affiliates, the value of such investment will be excluded from the calculation of Net Asset Value for the purposes of determining the Management Fee.

The Investment Manager charges a fee based on a percentage of gross assets (such percentage not to exceed 1.0 per cent.) to any entity which is within the Group and which employs leverage for the purpose of its investment policy or strategy.

Performance fee

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 First Admission if no performance fee has yet been earned (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 First Admission and ending on 31 December 2014 and provided further that 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 will be a sum equal to 15 per cent. of such amount (if positive) and will only be payable if the Adjusted Net Asset Value at the end of a Calculation Period exceeds the High Water Mark. The performance fee shall be payable to the Investment Manager in arrears within 30 calendar days of the end of the relevant Calculation Period.

"Adjusted Net 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 during the relevant Calculation Period; (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 during the relevant Calculation Period; (iii) before deduction for any accrued performance fees; and (iv) to the extent that the Company invests in any other investment fund or via any SPV or via any separate managed account arrangement which is managed or advised by the Investment Manager, the Sub-Manager or any of their affiliates (including the Eaglewood Funds), if the Investment Manager, the Sub-Manager or such affiliate 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 during the relevant Calculation Period.

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.

(ii) *Administration*

Under the terms of the Administration Agreement, the Administrator is entitled to an administration fee of 0.05 per cent. per annum of Net Asset Value, subject to a minimum monthly fee of £5,000 (exclusive of VAT).

(iii) *Company Secretary*

Under the terms of the Company Secretarial Agreement, Capita Registrars Limited is entitled to an annual fee of £45,000 (exclusive of VAT and disbursements). Capita Registrars Limited will also be entitled to receive a fee of £5,000 for its services in respect of the Issue.

(iv) *Registrar*

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).

(v) *Depositary*

Under the terms of the Depositary Agreement, the Depositary is entitled to be paid a fee of up to 0.025 per cent. per annum of Net Asset Value, subject to a minimum monthly fee of £3,000 (exclusive of VAT).

(vi) *Loan Administration*

Under the terms of the Loan Administration Agreement, the Loan Administrator is entitled to receive a fee of 0.025 per cent. of Net Asset Value, subject to a minimum monthly fee of £2,000 (exclusive of VAT).

(vii) *Directors*

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chairman of the Board, the fees are £25,000 for each Director per annum. The Chairman's fee is £30,000 per annum. The Directors also receive additional fees for acting as chairmen of any board committee. The current fees for serving as the chairman of a board committee are £3,000 per annum.

All of the Directors are also entitled to be paid all reasonable expenses properly incurred by them in attending general meetings, board or committee meetings or otherwise in connection with the performance of their duties. The Board may determine that additional remuneration may be paid, from time to time, to any one or more Directors in the event such Director or Directors are requested by the Board to perform extra or special services on behalf of the Company.

(viii) *Other operational expenses*

Other on-going operational expenses (excluding fees paid to service providers as detailed above) of the Company will be borne by the Company including printing, audit, finance costs, due diligence and legal fees. All reasonable out of pocket expenses of the Investment Manager, the Administrator, the Company Secretary, the Registrar, the Depositary and its sub-custodian(s) (if any), the Loan Administrator and the Directors relating to the Company will be borne by the Company.

Conflicts of interest

The Investment Manager will treat all of the Company's investors fairly and will not allow any investor to obtain preferential treatment, unless such treatment is disclosed in this Prospectus. The Investment Manager and its officers and employees may from time to time act for other clients or manage other funds, 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 Investment Manager has delegated portfolio management to the Sub-Manager in accordance with the AIFM Rules. The Investment Manager does not consider that any conflicts of interest arise from such delegation.

To the extent relevant, where both the Ordinary Shares and the C Shares have cash available for investment, the allocation between the classes will be determined by the Investment Manager having regard to all relevant factors including available capital and portfolio optimisation considerations.

Corporate governance

The Board of the Company has considered the principles and recommendations of the AIC Code by reference to the AIC Guide. The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate 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 UK Corporate Governance Code), will provide better information to Shareholders.

The UK Corporate 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 Guide, and as explained in the UK Corporate Governance Code, the Board considers these provisions are not relevant to the position of the Company, being an externally managed investment company, and the Company does not therefore comply with them.

The Company's Audit and Valuation Committee, which is chaired by Michael Cassidy and is comprised of the entire Board, meets at least twice a year. The Board considers that the members of the Audit and Valuation Committee have the requisite skills and experience to fulfil the responsibilities of the Audit and Valuation Committee. The Audit and Valuation Committee examines the effectiveness of the Company's control systems. It reviews and will review the half-yearly and annual reports and also receives information from the Investment Manager. It also reviews the scope, results, cost effectiveness, independence and objectivity of the external auditor and is responsible for monitoring the Company's valuation policies and methods.

In accordance with the AIC Code the Company has established a Management Engagement Committee which is chaired by Simon King and comprised of the entire Board. The Management Engagement Committee will meet at least once a year or more often if required. Its principal duties will be to consider the terms of appointment of the Investment Manager and it will annually review that appointment and the terms of the Management Agreement.

The Company has also established a Remuneration and Nominations Committee which is chaired by Stuart Cruickshank and comprised of the entire Board. The Remuneration and Nominations Committee will meet at least once a year or more often if required. Its principal duties will be to consider the framework and policy for the remuneration of the Directors and to review the structure, size and composition of the Board on an annual basis.

PART IV

ISSUE ARRANGEMENTS

Introduction

The Company is proposing to raise up to £200 million, before expenses, through the Placing and Intermediaries Offer of up to 20 million C Shares at a price of £10 per C Share. In this document, the Placing and the Intermediaries Offer are together referred to as the Issue. The Directors have reserved the right, in consultation with Liberum, to increase the size of the Issue to up to 30 million C Shares if overall demand exceeds 20 million C Shares. The Issue is not being underwritten.

The aggregate proceeds of the Issue, after deduction of expenses, are expected to be approximately £197.4 million on the assumption that gross proceeds of £200 million are raised through the Issue.

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

The target Issue size should not be taken as an indication of the number of C Shares to be issued.

Applications under the Issue must be for C Shares with a minimum subscription amount of £1,000.

C Shares

The Issue will be of a new class of shares, C Shares, which will be issued at the Issue Price. An issue of C Shares is designed to overcome the potential disadvantages for existing holders of Ordinary Shares which could arise out of a conventional fixed price issue of further Ordinary Shares for cash. In particular:

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

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

Conversion of C Shares

The net proceeds of the Issue and the investments made with the net proceeds will be accounted for and managed as a separate pool of assets until the date (as determined by the Directors) which is not more than 10 Business Days after the date on which at least 90 per cent. of the net proceeds (or such other percentage as the Directors and Investment Manager shall agree) has been invested in accordance with the Company's investment policy (or, if earlier, nine months after the date of issue of the C Shares). The Conversion Ratio will then be calculated (calculated to four decimal places (with 0.00005 being rounded down)) and the C Shares in issue will convert into a number of Ordinary Shares calculated by reference to the net assets then attributable to C Shares compared to the net assets at the same time attributable to

Ordinary Shares then in issue. Entitlements to Ordinary Shares will be rounded down to the nearest whole number.

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

The example illustrates the number of Ordinary Shares which would arise in respect of the Conversion of 100 C Shares held at the Calculation Date, using assumed Net Asset Values attributable to the C Shares and the existing Ordinary Shares, in each case as at the Calculation Date. The assumed Net Asset Values attributable to the existing Ordinary Shares are those at the close of business on 30 November 2014, being 996.80 pence per Ordinary Share (unaudited). The assumed Net Asset Value attributable to the C Shares is calculated on the basis that there are no returns on the net proceeds of the Issue in the expected period from Admission to the Calculation Date.

Number of C Shares subscribed	100
Amount subscribed	£1000
Net Asset Value attributable to a C Share at the Calculation Date	987.00 pence
Net Asset Value attributable to an Ordinary Share at the Calculation Date	996.80 pence
Conversion Ratio	1.00: 0.9902
Number of new Ordinary Shares arising on Conversion	99

The detailed calculation methodology for the Conversion Ratio is set out in Part VII of this document. Pursuant to the Articles, the Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider are fair and reasonable having regard to the interests of all Shareholders. At the date of this document, no such adjustments are expected to be made. However, any adjustments to the terms and timing of Conversion would be announced via a Regulatory Information Service.

The Placing

Liberum has agreed to use its reasonable endeavours to procure subscribers pursuant to the Placing for the Placing 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 7.1 of Part VII of this document.

The terms and conditions which shall apply to any subscription for C Shares procured by Liberum are set out in Part VIII of this document. The Placing will close at 5.00 p.m. on 26 January 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.

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; and

(ii) Admission occurring by 8.00 a.m. on 29 January 2015 (or such later date, not being later than 31 March 2015, as the Company and Liberum may agree).

If the Issue does not proceed, application monies received under the Placing and Intermediaries Offer will be returned to applicants without interest at the applicants' risk.

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

Scaling back

The Directors have reserved the right, in consultation with Liberum, to increase the size of the Issue to up to 30 million C Shares if overall demand exceeds 20 million C Shares. In the event that commitments under the Placing and valid applications under the Intermediaries Offer exceed the maximum number of C Shares

available, applications under the Placing and Intermediaries Offer will be scaled back at the Company's discretion (in consultation with Liberum and the Investment Manager).

The Placing Agreement

The Placing Agreement contains provisions entitling Liberum to terminate the Placing and the 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 at the applicant's risk.

The Placing Agreement provides for Liberum to be paid commission by the Company in respect of the C Shares to be allotted pursuant to the Issue. Any commissions received by Liberum may be retained, and any C Shares subscribed for by Liberum may be retained or dealt in by it for its own benefit.

Under the Placing Agreement, Liberum is entitled at its discretion and out of its own resources at any time to rebate to some or all investors, or to other parties, part or all of its fees relating to the Placing. Liberum is also entitled under the Placing Agreement to retain agents and may pay commission in respect of the Placing to any or all of those agents out of its own resources.

Further details of the terms of the Placing Agreement are set out in paragraph 7.1 of Part VII of this document.

General

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) or the Investment Manager may require evidence in connection with any application for C Shares, including further identification of the applicant(s), before any C Shares are issued.

Admission, clearing and settlement

Application has been made to the UK Listing Authority for all of the C Shares to be issued pursuant to the Issue to be admitted to the premium segment of the Official List and to the London Stock Exchange for such C Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and dealings will commence on 29 January 2015.

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

Where applicable, definitive share certificates in respect of the C Shares are expected to be despatched, by post at the risk of the recipients, to the relevant holders, in the week beginning 2 February 2015. Prior to the despatch of definitive share certificates in respect of any C Shares which are held in certificated form, transfers of those C Shares will be certified against the Register. No temporary documents of title will be issued.

The ISIN number of the C Shares is GB00BV7L9053 and the SEDOL code is BV7L905.

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

CREST

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

Use of proceeds

The Directors intend to use the net proceeds of the Issue to acquire investments in accordance with the Company's investment objective and policy. The Issue is being made in order to provide investors with the opportunity to invest in a diversified portfolio of alternative finance investments and related instruments, including Credit Assets, through the medium of an investment trust.

Profile of 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 Credit Assets. The C Shares may also be suitable for investors who are financially sophisticated, non-advised private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in C Shares in the Issue.

Overseas Persons

No action has been taken to permit the distribution of this document in any jurisdiction outside the United Kingdom where such action is required to be taken. This document may not therefore be used for the purpose of, and does not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Accordingly, no person receiving a copy of this document in any territory other than the United Kingdom, may treat the same as constituting an offer or invitation to him to acquire, subscribe for or purchase C Shares nor should he in any event acquire, subscribe for or purchase C Shares unless such an invitation, acquisition, subscription or purchase complies with any registration or other legal requirements in the relevant territory. Any person outside the United Kingdom wishing to acquire, subscribe for or purchase C Shares should satisfy himself that, in doing so, he complies with the laws of any relevant territory, and that he obtains any requisite governmental or other consents and observes any other applicable formalities.

Persons (including, without limitation, nominees and trustees) receiving this document must not distribute or send it to any US Person or in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. In particular, investors should note that the Company has not, and will not be, registered under the US Investment Company Act and the offer, issue and sale of the C Shares have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States. The C Shares may not be offered, sold, pledged or otherwise transferred to (i) any US Person or a person acting for the account of a US Person or (ii) a Benefit Plan Investor.

The Articles contain provisions designed to restrict the holding of Shares by persons, including US Persons, where in the opinion of the Directors such a holding could cause or be likely to cause the Company some legal, regulatory, pecuniary, tax or material administrative disadvantage.

Investors should additionally consider the provisions set out under the heading "Important Notices" on page 35 of this document.

PART V

FINANCIAL INFORMATION

1. Historic financial information

The following pages set out the audited financial information for the Company for the period from incorporation (6 December 2013) to 30 September 2014, in respect of which the reporting accountants, PricewaterhouseCoopers LLP of 1 Embankment Place, London WC2N 6RH, made an unqualified report. The financial statements in the accounts have been prepared in accordance with IFRS. Save for the information set out in this Part V, no other audited information is included in this document.

A. Accountant's Report on the historic financial information relating to P2P Global Investments PLC

The Directors
P2P Global Investments PLC
1st Floor
40 Dukes Place
London
EC3A 7NH
United Kingdom

Liberum Capital Limited
Ropemaker Place, Level 12
25 Ropemaker Street
London EC2Y 9LY
United Kingdom

12 January 2015

Dear Sirs

P2P Global Investments PLC

We report on the financial information set out in section 1 of Part V below (the "**Financial Information Table**"). The Financial Information Table has been prepared for inclusion in the prospectus dated 12 January 2015 (the "**Prospectus**") of P2P Global Investments PLC (the "**Company**") on the basis of the accounting policies set out in note 2 to the Financial Information Table. This report is required by item 20.1 of Annex I to the PD Regulation and is given for the purpose of complying with that item and for no other purpose.

Responsibilities

The Directors of the Company are responsible for preparing the Financial Information Table in accordance with International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion as to whether the Financial Information Table gives a true and fair view, for the purposes of the Prospectus and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under item 5.5.3R(2)(f) of the Prospectus Rules to any person as and to

the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I to the PD Regulation, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the Financial Information Table gives, for the purposes of the Prospectus dated 12 January 2015, a true and fair view of the state of affairs of the Company as at the dates stated and of its profits, cash flows and changes in equity/recognised income and expense for the periods then ended in accordance International Financial Reporting Standards as adopted by the European Union.

Declaration

For the purposes of Prospectus Rule 5.5.3R(2)(f) we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex I to the PD Regulation.

Yours faithfully

PricewaterhouseCoopers LLP
Chartered Accountants

B. Historic financial information relating to P2P Global Investments PLC

	Notes	*30 September 2014* £
Non current assets		
Investment assets designated as held at fair value through profit or loss	3	161,392,603
Loans at amortised cost	3	29,537,230
		190,929,833
Current assets		
Cash and cash equivalents	7	7,188,643
Cash pledged as collateral	7	2,050,000
Other current assets and prepaid expenses		201,050
		9,439,693
Total assets		200,369,526
Current liabilities		
Derivative financial instruments	3	1,576,225
Investment management fees payable	9	54,670
Accrued expenses and other liabilities		193,086
		1,823,981
Total assets less current liabilities		198,545,545
Equity attributable to Shareholders of the Company		
Called-up share capital	12	200,000
Share premium account		196,971,352
Capital reserves		133,026
Revenue reserve		1,241,167
Total equity		198,545,545
Net Asset Value per Ordinary Share	11	992.73p

	Notes	*Revenue* £	*Capital* £	*Total* £
Net gains on investments	5	–	137,329	137,329
Foreign exchange loss		–	(3,616)	(3,616)
Income	5	1,962,355	–	1,962,355
Total return		1,962,355	133,713	2,096,068
Expenses				
Investment management fee	9	95,904	687	96,591
Administration fee		32,992	–	32,992
Impairment of loans	8	178,617	–	178,617
Other expenses		413,675	–	413,675
Total operating expenses		721,188	687	721,875
Net return on ordinary activities before taxation		1,241,167	133,026	1,374,193
Taxation on ordinary activities		–	–	–
Net return on ordinary activities after taxation		1,241,167	133,026	1,374,193
Return per Ordinary Share		6.21p	0.66p	6.87p

The total column of this statement represents the Company's Statement of Comprehensive Income, prepared in accordance with International Financial Reporting Standards ("IFRS"). The supplementary revenue and capital columns are both prepared under guidance published by the Association of Investment Companies ("AIC"). All items in the above Statement derive from continuing operations.

There is no other comprehensive income.

	Called-Up Share Capital £	*Share Premium* £	*Capital Reserve* £	*Revenue Reserve* £	*Total* £
Net assets attributable to Shareholders at the beginning of the period	–	–	–	–	–
Amounts received on issue of management shares	50,000	–	–	–	50,000
Management shares redeemed	(50,000)	–	–	–	(50,000)
Amounts received on issue of Ordinary Shares	200,000	199,800,000	–	–	200,000,000
Share issue costs	–	(2,828,648)	–	–	(2,828,648)
Return on ordinary activities after taxation	–	–	133,026	1,241,167	1,374,193
Net assets attributable to Shareholders at 30 September 2014	200,000	196,971,352	133,026	1,241,167	198,545,545

	30 September 2014 £
Cash flows from operating activities:	
Net return on ordinary activities after taxation	1,374,193
Adjustments to reconcile net return on ordinary activities after taxation to net cash outflow from operating activities:	
Unrealised appreciation on investment assets	(2,086,343)
Increase in cash pledged as collateral	(2,050,000)
Increase in other assets and prepaid expenses	(201,050)
Increase in trade and other payables	247,756
Net cash outflow from operating activities	(2,715,444)
Investing activities:	
Purchase of investments	(218,730,035)
Sale of investments	61,000,000
Increase in loans at amortised cost	(29,537,230)
Net cash outflow from expenditure and financial activities	(187,267,265)
Net cash outflow before financing	(189,982,709)
Cash flows from financing activities:	
Proceeds from subscription of Ordinary Shares	197,685,546
Proceeds from issue of management shares	50,000
Share issue cost	(514,194)
Redemption of management shares	(50,000)
Net cash provided by financing activities	197,171,352
Net change in cash and cash equivalents	7,188,643
Cash and cash equivalents at the beginning of the period	–
Net cash and cash equivalents at 30 September 2014	7,188,643

1. GENERAL INFORMATION

The investment objective of P2P Global Investments Plc (the "Company") is to provide Shareholders with an attractive level of dividend income and capital growth through exposure to investments in alternative finance and related instruments.

The Company's investment manager is Marshall Wace LLP (the "Investment Manager"). On 30 April 2014, Marshall Wace Holdings Limited, the parent of the Investment Manager, (via a subsidiary) acquired a controlling stake in Eaglewood Capital Management LLC (the "Sub-Manager"), an SEC registered investment adviser. The Investment Manager has, pursuant to the Sub-Management Agreement, delegated certain of its responsibilities and functions, including its discretionary management of the Company's portfolio of Credit Assets, to the Sub-Manager.

The Company will invest, directly and indirectly, in consumer loans, small and medium sized enterprises ("SME") loans, advances against corporate trade receivables and/or purchases of corporate trade receivables ("Credit Assets") which have been originated via Platforms. The Company will typically seek to invest in Credit Assets with targeted net annualised returns of 5 to 15 per cent. The Company will seek to purchase Credit Assets directly (via Platforms) and will also invest in such assets indirectly via funds, partnerships or special purpose vehicles (including those managed by the Investment Manager, the Sub-Manager or their affiliates) that it deems suitable with a view to enhancing Shareholder returns and providing diversification of the Company's assets.

The Company's shares were admitted to the Official List of the UK Listing Authority with a premium listing on 30 May 2014. On the same day, trading of the Shares commenced on the London Stock Exchange.

Citco Fund Services (Ireland) 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 and publication of the Net Asset Value and maintenance of the Company's accounting records.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies followed by the Company are set out below:

(a) Basis of preparation

The Historical Financial Information presents the financial track record of the Company for the period from 6 December 2013 (date of incorporation) to 30 September 2014. This special purpose financial information has been prepared for the inclusion in the prospectus for the purpose of the placing of offer of C shares and their admission to the premium segment of the official list of the UK Listing Authority and to trading on the main market of the London Stock Exchange.

The special purpose financial information has been prepared in accordance with the requirements of item 20.1 of Annex I to the Prospectus Directive regulation, the Listing Rules, International Financial Reporting Standards as adopted by the European Union ("IFRS"), IFRIC interpretations, and with those parts of the Companies Act 2006 as applicable to companies reporting under IFRS. All accounting policies have been applied consistently.

The Financial Information are prepared on a going concern basis under the historical cost convention, as modified by the valuation of investments and derivative financial instruments at fair value. The principal accounting policies are set out below.

The Company's presentational currency is Pounds Sterling (£). Pounds Sterling is also the functional currency because it is the currency in which the majority of the Company's investment income is received and operating expenses are paid.

(b) Presentation of Statement of Comprehensive Income

In order to better reflect the activities of an investment trust company and in accordance with the guidance set out by the AIC, supplementary information which analyses the Statement of Comprehensive Income between items of revenue and capital nature has been presented alongside

the Statement of Comprehensive Income. Net revenue is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in section 1158 of the Corporation Taxes Act 2010.

(c) Income

For financial instruments measured at amortised cost the effective interest rate (EIR) method is used to measure the carrying value of a financial asset or liability and to allocate associated interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

In calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, early redemption penalty charges) but does not consider future credit losses. The calculation includes all fees received and paid and costs borne that are an integral part of the effective interest rate and all other premiums or discounts above or below market rates.

Once a financial asset or a group of similar financial assets becomes impaired, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss and is recognised over the period to which the expected cash flows relate.

Dividend income from investments is taken to the revenue account on an ex-dividend basis.

Bank interest and other income receivable are accounted for on an accruals basis.

The increase in the company's share of the distributable profit in partnership vehicles is treated as revenue return provided that the underlying assets of the partnership comprise solely income generating loans, or investments in lending platforms which themselves generate net interest income.

(d) Expenses, fees and commissions

Fees and commissions not directly attributable to generating a financial instrument are recognised as services are provided, or on the performance of a significant act which means the Company has become contractually entitled to those amounts.

The Company currently charges investment management fees and performance fees to revenue return as it is the current expectation that the majority of the Company's return will be generated through revenue rather than capital gains on investments. Refer to note 9 for further details of the management and performance fees.

Gains and losses arising from derivative instruments are credited or charged to the income statement. Gains and losses of a revenue nature are reflected in the revenue column and gains and losses of a capital nature are reflected in the capital column.

All expenses are accounted for on an accruals basis.

(e) Dividends payable to shareholders

Dividends to shareholders are accounted for in the period which they are paid or approved in general meetings. Dividends payable to shareholders are recognised in the Statement of Changes in Equity when they are paid, or have been approved by shareholders in the case of a final dividend and become a liability to the Company.

(f) Taxation

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or

expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the Statement of Financial Position date.

In line with the recommendations of the Statement of Recommended Practice ("SORP") for investment trusts issued by the AIC, the allocation method used to calculate tax relief on expenses presented against capital returns in the supplementary information in the Statement of Comprehensive Income is the "marginal basis".

Under this basis, if taxable income is capable of being offset entirely by expenses presented in the revenue return column of the Statement of Comprehensive Income, then no tax relief is transferred to the capital return column.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the Financial Information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Investment trusts which have approval as such under section 1158 of the Corporation Taxes Act 2010 are not liable for taxation on capital gains.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax rates that have been enacted or substantively enacted at the Statement of Financial Position date.

Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

(g) Financial assets and financial liabilities

The Company classifies its financial assets and financial liabilities at inception into the following categories:

(i) ***Financial assets and financial liabilities at fair value through profit or loss***

This category consists of forward foreign exchange contracts, Money Market Funds, private equity positions and investments in other funds.

Assets and liabilities in this category are carried at fair value. The fair values of derivative instruments are estimated using discounted cash flow models using yield curves that are based on observable market data or are based on valuations obtained from counterparties.

Investments in Money Market Funds and other funds are carried at fair value. This is determined using the net asset value for the units at the balance sheet date as provided by the relevant fund administrator.

The private placement investment is valued at fair value. The fair value is based on the amortised cost of the investment, which is considered to be representative of the fair value at 30 September 2014.

Gains and losses arising from the changes in the fair values are recognised in the Statement of Comprehensive Income.

(ii) ***Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company's loan assets are classified as loans and receivables.

Loans are recognised when the funds are advanced to borrowers. Loans and receivables are carried at amortised cost using the effective interest rate method less provisions for impairment.

(iii) ***Purchases and sales of financial assets***

Purchases and sales of financial assets are accounted for at trade date. Financial assets are derecognised when the rights to receive cash flows have expired or where the assets have been transferred and substantially all of the risks and rewards of ownership have been transferred.

(iv) ***Impairment of financial assets***

Assets carried at amortised cost

The Company assesses at each balance sheet date whether, as a result of one or more events that occurred after initial recognition, there is objective evidence that a financial asset or group of financial assets is impaired. Evidence of impairment may include:

- indications that the borrower or group of borrowers is experiencing significant financial difficulty;
- default or delinquency in interest or principal payments; or
- debt being restructured to reduce the burden on the borrower.

The Company assesses whether objective evidence of impairment exists either individually for assets that are separately significant or individually or collectively for assets that are not separately significant.

If there is no objective evidence of impairment for an individually assessed asset it is included in a group of assets with similar credit risk characteristics and collectively assessed for impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The resultant provisions are deducted from the appropriate asset values in the Statement of Financial Position.

The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Company to reduce any differences between loss estimates and actual loss experience.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the provision is adjusted and the amount of the reversal is recognised in the Statement of Comprehensive Income.

Where a loan is not recoverable, it is written off against the related provision for loan impairment once all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off are reflected against the impairment losses recorded in the Statement of Comprehensive Income.

Key estimates and assumptions in impairment of financial assets

The assessment of impairment of the investments at amortised cost requires the use of accounting estimates and assumptions that could cause material adjustment to the carrying value of those investments. The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Company.

(v) ***Financial liabilities***

Financial liabilities are derecognised when the obligation is discharged, cancelled or has expired.

(vi) ***Derivatives***

Derivatives are entered into to reduce exposures to fluctuations in interest rates, exchange rates, market indices and credit risk and are not used for speculative purposes.

Derivatives are carried at fair value with movements in fair values recorded in the Statement of Comprehensive Income. Derivative financial instruments are valued using discounted cash flow models using yield curves that are based on observable market data or are based on valuations obtained from counterparties.

All derivatives are classified as assets where their fair value is positive and liabilities where their fair value is negative. Where there is the legal ability and intention to settle net, then the derivative is classified as a net asset or liability, as appropriate.

(vii) ***Offsetting financial instruments***

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position if, and only if, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise an asset and settle the liability simultaneously.

(h) Other receivables

Other receivables do not carry any interest and are short-term in nature and are accordingly stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

(i) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments with a maturity of 3 months or less that are readily convertible to known amounts of cash.

Cash pledged as collateral

Cash pledged as collateral includes collateral balances held at year end with the Deutsche Bank. The use of these amounts is restricted based upon the Company's contractual margin requirements with the counterparty at the period-end date.

(j) Current liabilities

Current liabilities, other than derivatives, are not interest-bearing and are stated at their nominal value.

(k) Ordinary Shares

Ordinary Shares are classified as equity. The costs of issuing or acquiring equity are recognised in equity (net of any related income tax benefit), as a reduction of equity on the condition that these are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

The costs of an equity transaction that is abandoned are recognised as an expense. Those costs might include registration and other regulatory fees, amounts paid to legal, accounting and other professional advisers, printing costs and stamp duties.

The Company's equity net asset value per unit is calculated by dividing the equity – net assets attributable to the holder of ordinary shares by the total number of outstanding shares.

(l) Rates of exchange

Transactions in foreign currencies are translated into Pound Sterling at the rate of exchange ruling on the date of each transaction. Monetary assets, liabilities and equity investments in foreign currencies at the Statement of Financial Position date are translated into Pound Sterling at the rates of exchange ruling on that date. Profits or losses on exchange, together with differences arising on the translation of foreign currency assets or liabilities, are taken to the capital return column of the Statement of

Comprehensive Income. Foreign exchange gains and losses arising on investments held at fair value are included within changes in fair value.

(m) Capital reserves

Capital reserve – arising on investments sold includes:

- gains/losses on disposal of investments
- exchange differences on currency balances and on settlement of loan balances
- cost of own shares bought back
- other capital charges and credits charged to this account in accordance with the accounting policies above

Capital reserve – arising on investments held includes:

- increases and decreases in the valuation of investments and loans held at the year end.

All of the above are accounted for in the Statement of Comprehensive Income except the cost of own shares bought back which is accounted for in the Statement of Changes in Shareholders' Funds.

(n) Segmental reporting

The Chief Operating Decision Maker is the Board of Directors. The Directors are of the opinion that the Company is engaged in a single segment of business, being the investment of the Company's capital in financial assets comprising consumer loans, SME loans, corporate trade receivables and/or advances thereon.

(o) Key estimates and assumptions

Estimates and assumptions used in preparing the Financial Information are reviewed on an ongoing basis and are based on historical experience and various other factors that are believed to be reasonable under the circumstances.

The results of these estimates and assumptions form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

Estimates and assumptions made in the valuation of unquoted investments and investments for which there is an inactive market may cause material adjustment to the carrying value of those assets and liabilities. These are valued in accordance with the techniques set out in Note 2(g).

Information about significant areas of estimation uncertainty and critical judgements in relation to the impairment of investments are described in Note 8.

As disclosed in note 14 'Related Party Transactions', the Company invests in an SPV and at 30 September is the sole Limited Partner in that SPV. The Financial Information of the Company do not consolidate the SPV as the Company does not exercise control over the activities of the SPV, which are vested in the General Partner. Refer to note 14 for further details.

(p) New standards and amendments to existing standards

Amendments to IFRS 10, 11, 12 and IAS 27 – 'Investment Entities' are effective for annual periods beginning on or after 1 January 2014. The amendments introduced a new definition of control, changed aspects of the accounting treatment and disclosures in relation to joint ventures/joint arrangements, introduced an exemption from consolidation for investment entities and made associated changes to IAS 27 relating to parent company Financial Information. The Company adopted the amendments with effect from 6 December 2013.

Accounting standards issued but not yet effective

At the date of this document, the following applicable Standards were in issue but not yet effective:

IFRS 15, 'Revenue from contracts with customers', effective 1 January 2017. This is the converged standard on revenue recognition and replaces IAS 11, 'Construction contracts', IAS 18, 'Revenue' and related interpretations. The new standard is not expected to have a significant impact on the Company's Financial Information or performance.

IFRS 9, 'Financial instruments', specifies how an entity should classify and measure financial assets and liabilities, including some hybrid contracts. The standard improves and simplifies the approach for classification and measurement of financial assets compared with the requirements of IAS 39. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged.

The standard applies a consistent approach to classifying financial assets and replaces the numerous categories of financial assets in IAS 39, each of which had its own classification criteria. IFRS 9 now divides all financial assets that are under the scope of IAS 39 into two classifications – those measured at amortised cost and those measured at fair value. The determination is made at initial recognition. Specifically, under IFRS 9 loans and receivables can be measured at amortised cost only if the objective of the entity is to hold the financial asset to collect contractual cash flows and that the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. All other debt instruments will be measured at fair value through profit or loss.

The Directors are currently evaluating the impact of this Standard upon the Company.

3. FAIR VALUE MEASUREMENT

Financial instruments measured and reported at fair value are classified and disclosed in one of the following fair value hierarchy levels based on the significance of the inputs used in measuring its fair value:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
Level 3 – Pricing inputs for the asset or liability that are not based on observable market data (unobservable inputs).

An investment is always categorised as Level 1, 2 or 3 in its entirety. In certain cases, the fair value measurement for an investment may use a number of different inputs that fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and is specific to the investment.

The following table analyses within the fair value hierarchy the Company's assets and liabilities measured at fair value at 30 September 2014:

Financial assets at fair value through profit or loss

	Total	*Level 1*	*Level 2*	*Level 3*
	£	£	£	£
Investments in Money Market Funds	89,000,000	89,000,000	–	–
Investment in other funds	72,159,009	–	–	72,159,009
Forward foreign exchange contracts	1,794	–	1,794	–
Private placements	231,800	–	–	231,800
Total	161,392,603	89,000,000	1,794	72,390,809

Derivative financial instruments

	Total £	*Level 1* £	*Level 2* £	*Level 3* £
Forward foreign exchange contracts	(1,576,225)	–	(1,576,225)	–
Total	(1,576,225)	–	(1,576,225)	–

There were no movements between Level 1 and Level 2 fair value measurements during the period ended 30 September 2014 and no transfers into and out of Level 3 fair value measurements.

The following table presents the movement in Level 3 positions for the period.

	Assets Private placements £	*Assets Investments in other funds* £
Opening balance	–	–
Purchases	225,000	68,505,034
Sales	–	–
Transfers In/(Out)	–	–
Net change in unrealised gains	6,800	2,354,662
Distributed income	–	1,299,313
Closing balance	231,800	72,159,009

The net change in unrealised gains is recognised within gains on investments in the Statement of Comprehensive Income.

Quantitative information regarding the unobservable inputs for Level 3 positions is given below:

Description	*Fair Value at 30 September 2014* £	*Valuation technique*	*Unobservable input*	*Range* £
Private placements	231,800	Amortised cost	N/A	N/A
Investments in other funds	72,159,009	Net Asset Value	N/A	N/A

The investments in other funds are valued based on the net asset value as calculated by the respective administrators at the balance sheet date. No adjustment have been determined to be necessary to the NAV as supplied by the administrators as this reflects the fair value of the underlying investments. The net asset value of the other funds are sensitive to movements in interest rates due to their investment in loans.

If the price of the investment in other funds and private placements held at period end had increased/decreased by 5 per cent. it would have resulted in an increase/decrease in the total value of the funds of £3,607,950 and the private placements of £11,590.

Assets and liabilities not carried at fair value but for which fair value is disclosed

The following table analyses within the fair value hierarchy the Company's assets and liabilities (by class) not measured at fair value through profit and loss at 30 September 2014 but for which fair value is disclosed:

	Total 2014 £	*Level 1 2014* £	*Level 2 2014* £	*Level 3 2014* £
Assets				
Cash and cash equivalents	7,188,643	7,188,643	–	–
Cash pledged as collateral	2,050,000	2,050,000	–	–
Other current assets and prepaid expenses	201,050	–	201,050	–
Loans at amortised cost	29,537,230	–	29,537,230	–
Total	38,976,923	9,238,643	29,738,280	–
Liabilities				
Investment management fees payable	54,670	–	54,670	–
Accrued expenses and other liabilities	193,086	–	193,086	–
Total	247,756	–	247,756	–

The table below provides details of the investments at amortised cost held by the Company for the period ended 30 September 2014:

	Amortised cost before impairment £	*Impairment* £	*Amortised Cost* £	*Carrying Value* £
Investments at amortised cost	29,715,847	(178,617)	29,537,230	29,537,230
Total	29,715,847	(178,617)	29,537,230	29,537,230

4. DERIVATIVES

Typically, derivative contracts serve as components of the Company's investment strategy and are utilised primarily to structure and hedge investments to enhance performance and reduce risk to the Company (the Company doesn't designate any derivatives as hedges for hedge accounting purposes as described under IAS 39). Derivative instruments are also used for trading purposes where the Investment Manager believes this would be more effective than investing directly in the underlying financial instruments. The only derivative contracts that the Company holds or issues are forward contracts.

The Company records its derivative activities on a fair value basis. See Note 2(g) for valuation of financial instruments.

Forward contracts

Forward contracts entered into by the Company represent a firm commitment to buy or sell an underlying asset, or currency at a specified value and point in time based upon an agreed or contracted quantity. The realised/unrealised gain or loss is equal to the difference between the value of the contract at the onset and the value of the contract at settlement date/year end date and is included in the Statement of Comprehensive Income.

As of 30 September 2014, the following forward foreign exchange contracts were included in the Company's Statement of Financial Position at fair value through profit or loss:

Settlement Date	*Purchase Currency*	*Purchase Amount*	*Sale Currency*	*Sale Amount*	*Fair Value £*
04-Dec-14	GBP	79,794	EUR	(100,000)	1,794
Net unrealised gain on forward foreign exchange contracts					1,794

Settlement Date	*Purchase Currency*	*Purchase Amount*	*Sale Currency*	*Sale Amount*	*Fair Value £*
04-Dec-14	GBP	73,720,257	USD	(122,000,000)	(1,576,225)
Net unrealised loss on forward foreign exchange contracts					(1,576,225)

The Company had no derivative contracts eligible for offsetting in accordance with IAS 32 at 30 September 2014.

5. INCOME AND GAINS ON INVESTMENTS

	30 September 2014 £
Income	
Distributed income from the SPV	1,299,313
Interest income from loans	495,111
Interest income from Money Market Funds	167,811
Interest income from collateral account	120
Total	1,962,355

	30 September 2014 £
Net gains on investments	
Loss on forward foreign exchange contracts	(2,337,048)
Gain on other investments in other funds	2,467,577
Gain on investment in private placement	6,800
Total	137,329

The forward foreign exchange contracts are held to hedge the currency exposure of the investment in the SPV, which is denominated in US dollars.

6. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

Introduction

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The Company is exposed to market risk (which includes currency risk, interest rate risk and other price risk), credit risk and liquidity risk arising from the financial instruments held by the Company.

Risk management structure

The Directors are ultimately responsible for identifying and controlling risks. Day to day management of the risk arising from the financial instruments held by the Company has been delegated to Marshall Wace LLP

as Investment Manager to the Company. The Investment Manager has delegated certain of its responsibilities and functions, including its discretionary management of the Company's portfolio of Credit Assets, to the Sub-Manager.

The Company has no employees and the Directors have all been appointed on a non-executive basis. Whilst the Company has taken all reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations, the Company is reliant upon the performance of third party service providers for its executive function. In particular, the Investment Manager, the Sub-Manager, the Depositary, the Administrator, the loan Administrator and the Registrar are performing services which are integral to the operation of the Company. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company.

The principal risks and uncertainties that could have a material impact on the Company's performance have not changed from those set out in detail on pages 15-34 of the Company's IPO Prospectus dated 19 May 2014, available on the Company's website, www.p2pgi.com.

The risks faced by the Company have not changed significantly since the commencement of operations and are not expected to change materially in the next 3 months.

In seeking to implement the investment objectives of the Company while limiting risk, the Company is subject to the investment limits restrictions set out in the Credit Risk section of Note 6.

Market risk (incorporating price, currency and interest rate risk)

Market risk is the risk of loss arising from movements in observable market variables such as foreign exchange rates, equity prices and interest rates. The Company is exposed to market risk primarily through its Financial Instruments.

The Investment Manager regularly reviews the investment portfolio and industry developments to ensure that any events which impact the Company are identified and considered. This also ensures that any risks affecting the investment portfolio are identified and mitigated to the fullest extent possible.

Market price risk

The Company is exposed to price risk arising from the investments held by the Company for which prices in the future are uncertain. The investment in the SPV, investment in Money Market Funds and the investments in the private placements are exposed to market price risk. Refer to page 16 for further details on the sensitivity of the Company's Level 3 investments to price risk.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The Company is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

Loans at amortised cost, with a fixed interest rate, are not exposed to interest rate risk.

Financial Instruments with a floating interest rate that resets as market rates change are exposed to cash flow interest rate risk. At the year end the Company had 4.61 per cent. of the total assets classified as cash and cash equivalents and cash pledged as collateral with floating interest rates. At 30 September 2014, if interest rates had increased/(decreased) by 1 per cent. with all other variables held constant, the change in the value of future expected interest cash flows of these assets would have been £92,386. 1 per cent. is considered to be a reasonably possible movement in interest rates.

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.

Currency risk

Currency risk is the risk that the value of net assets will fluctuate due to changes in foreign exchange rates. Relevant risk variables are generally movements in the exchange rates of non-functional currencies in which the Company holds financial assets and liabilities.

The assets of the Company are invested in Credit Assets which are denominated in US Dollars, Euros, Pound Sterling and other currencies. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates. The Company hedges currency exposure between Pound Sterling and any other currency in which the Company's assets may be denominated, in particular US Dollars and Euros.

Concentration of foreign currency exposure

The Investment Manager monitors the fluctuations in foreign currency exchange rates and may use forward foreign exchange contracts to hedge the currency exposure of the Company's non GBP denominated investments. The Investment Manager re-examines the currency exposure on a regular basis in each currency and manages the Company's currency exposure in accordance with market expectations.

The below table presents the net exposure to foreign currency at 30 September 2014. The table includes forward foreign exchange contracts at their notional exposure value and excludes all GBP assets and liabilities recorded on the Statement of Financial Position.

	Asset 2014 £	*Liability 2014 £*	*Forward contract 2014 £*	*Net exposure 2014 £*
Euro	78,206	–	(78,000)	206
US Dollar	75,380,543	–	(75,296,483)	84,060

If the GBP exchange rate simultaneously increased/decreased by 5 per cent. against the above currencies, the impact on profit would be an increase/decrease of £4,213. 5 per cent. is considered to be a reasonably possible movement in foreign exchange rates.

Liquidity risk

Liquidity risk is defined as the risk that the Company may not be able to settle or meet its obligations on time or at a reasonable price. Ordinary Shares are not redeemable at the holder's option.

The Investment Manager manages the Company's liquidity risk by investing primarily in a diverse portfolio of assets.

Financial liabilities consisting of forward foreign exchange contracts, amounts due to brokers, dividends and interest payable, broker fees payable, and accrued expenses and other liabilities are all due within 3 months.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company's credit risks arise principally through exposures to loans acquired by the Company, which are subject to risk of borrower default. The ability of the Company to earn revenue is completely dependent upon payments being made by the borrower of the loan acquired by the Company through a Platform. The Company (as a lender member) will receive payments under any loans it acquires through a Platform only if the corresponding borrower through that Platform (borrower member) makes payments on the loan.

Consumer loans are unsecured obligations of borrower members. They 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 Platforms and their designated third party collection agencies may be limited in their ability to collect on

loans. The Company must rely on the collection efforts of the Platforms and their designated collection agencies and will have no direct recourse against borrower members, will not be able to obtain the identity of the borrower members in order to contact a borrower about a loan and will otherwise have no ability to pursue borrower members to collect payment under loans.

The Company will invest across various Platforms, asset classes, geographies (primarily United States and Europe) and credit bands in order to ensure diversification and to seek to mitigate concentration risks.

Credit quality

The credit quality of loans is assessed through evaluation of various factors, including credit scores, payment data and other information. Set out below is the analysis of the Company's loan investments by grade:

Internal grade	*SME & consumer £*
A	17,893,744
B	3,901,421
C	6,783,221
D	782,834
E	354,627
Total	29,715,847

Internal grade	*Definition*
A	Highest quality with minimal indicators of credit risk
B	High quality, subject to low credit risk, minor adverse indicators
C	Medium-grade, moderate credit risk, may have some adverse credit risk indicators
D	Elevated credit risk, significant adverse indicators
E	High credit risk, with serious adverse indicators (e.g. lower affordability, credit history, existing debt etc)

The following investment limits and restrictions shall apply to the Company, to ensure that the diversification of the Company's portfolio is maintained and that concentration risk is limited:

Platform restrictions

Once the proceeds of the Issue are fully invested, and subject to the following, the Company will not invest more than 33 per cent. of Gross Assets via any single Platform. This limit may be increased to 66 per cent. of Gross Assets via any single Platform, provided that where this limit is so increased in respect of any Platform the Company does not invest an amount which is greater than 25 per cent. (by value) of the total loan origination of the preceding calendar year through such Platform.

Asset class and geographic restrictions

(i) No single loan acquired by the Company will be for a term longer than 5 years. No single trade receivable asset acquired by the Company will be for a term longer than 180 days.

(ii) The Company will not invest more than 20 per cent. of Gross Assets, at the time of investment, via any single investment fund investing in Credit Assets. The Company will not invest, in aggregate, more than 60 per cent. of Gross Assets, at the time of investment, in other investment funds that invest in Credit Assets.

(iii) The Company will not invest more than 10 per cent. of its Gross Assets, at the time of investment, in other listed closed-ended investment funds, whether managed by the Investment Manager or not, 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.

(iv) The following restrictions apply, in each case at the time of investment by the Company, to both Credit Assets acquired by the Company directly and on a look-through basis to any Credit Assets held by another investment fund in which the Company invests:

- No single consumer loan acquired by the Company shall exceed 0.25 per cent. of Gross Assets.
- No single SME loan acquired by the Company shall exceed 5.0 per cent. of Gross Assets.
- No single trade receivable asset acquired by the Company shall exceed 5.0 per cent. of Gross Assets.

(v) The following restrictions apply, in each case once the net proceeds of the Issue are fully invested, to both Credit Assets acquired by the Company directly and on a look-through basis to any Credit Assets held by another investment fund in which the Company invests:

- At least 10 per cent. (but not more than 75 per cent.) of Gross Assets will be maintained in consumer Credit Assets, not more than 50 per cent. of Gross Assets will be maintained in SME Credit Assets and not more than 50 per cent. of Gross Assets will be maintained in trade receivable assets.
- The Company will maintain at least 10 per cent. of Gross Assets in Credit Assets in Europe and at least 10 per cent. of Gross Assets in Credit Assets in the United States.

Other restrictions

(i) The Company may invest in cash, cash equivalents and fixed income instruments for cash management purposes and with a view to enhancing returns to Shareholders or mitigating credit exposure. However, the Company will only invest in fixed income instruments of investment grade.

(ii) The Company will not invest in collateralised loan obligations ("CLOs") or collateralised debt obligations ("CDOs").

The Company's maximum exposure to credit risk (not taking into account the value of any collateral or other security held) in the event that counterparties fail to perform their obligations as of 30 September 2014 in relation to each class of recognised financial assets, is the carrying amount of those assets as indicated in the Statement of Financial Position.

7. CASH AND CASH EQUIVALENTS/CASH PLEDGED AS COLLATERAL

	30 September 2014 £
Cash held at bank	7,188,643
Cash collateral	2,050,000
Total	9,238,643

8. IMPAIRMENT OF INVESTMENTS AT AMORTISED COST

A financial asset is past due when the counterparty has failed to make a payment when contractually due. The Company assesses at each balance sheet date whether there is objective evidence that a loan or group of loans, classified as investments at amortised cost, is impaired. In performing such analysis, the Company assesses the probability of default based on the number of days the loans are past due, using recent historical rates of default on loan portfolios with credit risk characteristics similar to those of the Company.

The following impairment charges have been recorded in the Statement of Financial Position and Statement of Comprehensive Income relating to investments at amortised cost:

	30 September 2014 £
Loans with payments 15 – 30 days past due	64,507
Loans with payments 30 – 60 days past due	64,697
Loans with payments more than 60 days past due	49,413
Total impairment	178,617

Loans that have payments of principal or interest less than 15 days past due are not considered to be impaired. As at 30 September 2014, the Company had loans of £98,058 that were past due by less than 15 days.

9. FEES AND EXPENSES

Investment management and performance fees

Under the terms of the 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"). For the period from admission to trading on the London Stock Exchange's main market for listed securities (the "Admission") until the date on which 90 per cent. of the net proceeds of the Issue have been invested or committed for investment, directly or indirectly, in Credit Assets, the value attributable to any assets of the Company other than Credit Assets (including any cash) will be excluded from the calculation of Net Asset Value for the purposes of determining the Management Fee.

The Investment Manager shall not charge a management fee or performance fee twice. Accordingly, if at any time the Company invests in or through any other investment fund or special purpose vehicle and a management fee or advisory fee is charged to such investment fund or special purpose vehicle by the Investment Manager, the Sub-Manager or any of their affiliates, the value of such investment shall be excluded from the calculation of Net Asset Value for the purposes of determining the Management Fee payable.

Notwithstanding the above, the Investment Manager may charge a fee based on a percentage of gross assets (such percentage not to exceed 1.0 per cent) to any entity which is within the same group of companies of which the Company forms part, provided that such an entity employs leverage for the purpose of its investment policy or strategy.

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 2014 and provided further that 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 is calculated by reference to the movements in the Adjusted Net Asset Value (as defined below) since the end of the Calculation Period in respect of which a performance fee was last earned or Admission if no performance fee has yet been earned (the "High Water Mark").

The performance fee will be a sum equal to 15 per cent. of such amount (if positive) and will only be payable if the Adjusted Net Asset Value at the end of a Calculation Period exceeds the High Water Mark. The performance fee shall be payable to the Investment Manager in arrears within 30 calendar days of the end of the relevant Calculation Period. "Adjusted Net 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 during the relevant Calculation Period; (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 during the relevant Calculation Period; (iii) before deduction for any accrued performance fees; and (iv) to the extent that the Company invests in any other investment fund or via any SPV or via any separate managed account arrangement which is managed or advised by the Investment Manager, the Sub-Manager or any of their affiliates, if the Investment Manager, the Sub-Manager or such affiliate 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 during the relevant Calculation Period.

There was no performance fee earned for the period ended 30 September 2014.

Administration

The Company has entered into an administration agreement with Citco Fund Services (Ireland) Limited. The Company pays to the Administrator out of the assets of the Company an annual administration fee based on the Company's net assets subject to a monthly minimum charge. Administration fees for the period totalled £32,992 of which £16,531 was payable at the period-end.

The Administrator shall also be entitled to be repaid out of the assets of the Company all of its reasonable out-of-pocket expenses incurred on behalf of the Company.

Company Secretary

Under the terms of the Company Secretarial Agreement, Capita Registrars Limited is entitled to an annual fee of £45,000 (exclusive of VAT and disbursements).

Registrar

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).

Depositary

Under the terms of the Depositary Agreement, the Depositary is entitled to be paid a fee of up to 0.025 per cent. per annum of Net Asset Value, subject to a minimum monthly fee of £3,000 (exclusive of VAT).

Loan Administration

The Company has appointed Deutsche Bank AG, London Branch (the "Loan Administrator") to provide loan administration services following Admission.

The Loan Administrator will be entitled to receive a fee of 0.025 per cent. of Net Asset Value, subject to a minimum monthly fee of £2,000 (exclusive of VAT), for the provision of loan administration services.

Other operational expenses

Other on-going operational expenses (excluding fees paid to service providers as detailed above) of the Company will be borne by the Company including printing, audit, finance costs, due diligence and legal fees. All reasonable out of pocket expenses of the Investment Manager, the Administrator, the Company

Secretary, the Registrar, the Depositary, the Custodian, the Master Servicer and the Directors relating to the Company will be borne by the Company.

Auditors' remuneration

Remuneration for all work carried out for the Company by the statutory audit firm in each of the following categories of work is disclosed below:

- the audit of the accounts;
- other assurance services;
- tax advisory services;
- other non-audit services.

For the period ended 30 September 2014, the remuneration for all work carried out for the Company by the statutory auditor, PricewaterhouseCoopers LLP amounted to £45,714, £97,056 in relation to services in relation to the UK IPO and tax advisory services amounted to £47,825. Amounts are inclusive of VAT.

10. TAXATION

Investment trust status

It is the intention of the Directors to conduct the affairs of the Company so as to satisfy the conditions for approval as an investment trust. As an investment trust the Company is exempt from corporation tax on capital gains. The Company's revenue income from loans is taxable in the hands of the Company's shareholders and likewise is not subject to corporation tax.

Any change in the Company's tax status or in taxation legislation generally could affect the value of the investments held by the Company, affect the Company's ability to provide returns to Shareholders, lead the Company to lose its exemption from UK corporation tax on chargeable gains or alter the post-tax returns to Shareholders. It is not possible to guarantee that the Company will remain a non-close company, which is a requirement to maintain status as an investment trust, 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.

The following table presents the tax chargeable on the Company for the period ended 30 September 2014.

	2014
	£
Profit for the year	1,374,193
Taxable profits	–
Taxation for the year	–

Overseas taxation

The Company may be subject to taxation under the tax rules of the jurisdictions in which it invests, including by way of withholding of tax from interest and other income receipts. Although the Company will endeavour to minimise any such taxes this may affect the level of returns to Shareholders.

11. NET ASSET VALUE PER ORDINARY SHARE

	As at 30 September 2014 £
Net assets	198,545,545
Shares in issue	20,000,000
Net asset value per Ordinary Share	992.73p

12. SHAREHOLDERS' CAPITAL

Set out below is the issued share capital of the Company.

	Nominal value £	*Number of shares*
Ordinary Shares	200,000	20,000,000

On incorporation, the issued share capital of the Company was £0.01 represented by one Ordinary Share, held by the subscriber to the Company's memorandum of association.

50,000 Management Shares of £1 par value were paid up in full on Admission and redeemed out of the proceeds of the issue.

Rights attaching to the Ordinary Shares

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 holders of the Ordinary Shares are entitled to receive, and to participate in, any dividends declared in relation to the Ordinary Shares.

The Ordinary Shares shall carry the right to receive notice of, attend and vote at general meetings of the Company.

The net return per Ordinary Share is calculated by dividing the net return on ordinary activities after taxation by the number of shares in issue.

Voting rights

Subject to any rights or restrictions attached to any shares, on a show of hands every Shareholder present in person has one vote and every proxy present who has been duly appointed by a Shareholder entitled to vote has one vote, and on a poll every shareholder (whether present in person or by proxy) has one vote for every share of which he is the holder.

A Shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way. In the case of joint holders, the vote of the senior who tenders a vote shall be accepted to the exclusion of the vote of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the Register.

No Shareholder shall have any right to vote at any general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, in respect of any share held by him unless all amounts presently payable by him in respect of that share have been paid.

Variation of Rights & Distribution on Winding Up

If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class may be varied either in writing of the holders of three-quarters in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of that class.

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 2019 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.

If the Company is wound up, the liquidator may divide among the shareholders in specie the whole or any part of the assets of the Company and for that purpose may value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders.

The table below shows the movement in shares during the period ended.

For the period from 6 December 2013 to 30 September 2014	*Shares in issue at the beginning of the period*	*Shares subscribed*	*Shares redeemed*	*Shares in issue at the end of the period*
Management Shares	–	50,000	(50,000)	–
Ordinary Shares	1	19,999,999	–	20,000,000

13. DIVIDENDS PER ORDINARY SHARE

In accordance with International Accounting Standard 10: Events After the Balance Sheet Date, interim dividends are not accounted for until paid.

An interim dividend of 6.0p per share was declared by the Board on 17 November 2014 in respect of the period to 30 September 2014, which was paid on 30 December 2014 to shareholders on the register as of 28 November 2014.

14. RELATED PARTY TRANSACTIONS

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chairman of the Board, the fees are £25,000 for each Director per annum. The Chairman's fee is £30,000 per annum. The Directors may also receive additional fees for acting as Chairmen of any Board Committee. The current fee for serving as the Chairman of a Board Committee is £3,000 per annum.

All of the Directors are also entitled to be paid all reasonable expenses properly incurred by them in attending general meetings, Board or Committee meetings or otherwise in connection with the performance of their duties. The Board may determine that additional remuneration may be paid, from time to time, to any one or more Directors in the event such Director or Directors are requested by the Board to perform extra or special services on behalf of the Company.

Investment management fees and performance fees for the period ended 30 September 2014 are payable by the Company to the Investment Manager and these are presented on the Statement of Comprehensive Income. Details of Investment management fees and performance fees payable during the period are disclosed in Note 9.

As at 30 September 2014, the Directors' interests in the Company's Ordinary Shares were as follows:

	2014
Simon King	10,000

Partners and Principals of the Investment Manager held 854,216 Ordinary Shares in the Company at 30 September 2014.

The Company has invested in Eaglewood SPV I LP. The Manager and Sub-Manager of the Company also acts as manager and sub-manager to Eaglewood SPV I LP. The principal activity of Eaglewood SPV I LP is to invest in alternative finance investments and related instruments, including P2P loans, with a view to achieving the Company's investment objective. As at 30 September 2014, the Company owned 100 per cent. of Eaglewood SPV I LP and its net asset value was £58,743,545.

15. SUBSEQUENT EVENTS

There were no significant events subsequent to the period end.

DIRECTORS:	Stuart Cruickshank (Chairman) (Appointed 12 February 2014) Michael Cassidy (Appointed 12 February 2014) Simon King (Appointed 12 February 2014) William Saunders (Appointed 6 December 2013, Resigned 12 February 2014) Katherine Longman (Appointed 6 December 2013, Resigned 12 February 2014) *all of the registered office below*
REGISTERED OFFICE:	1st Floor 40 Dukes Place London EC3A 7NH England
COMPANY NUMBER:	8805459
WEBSITE ADDRESS:	www.p2pgi.com
SPONSOR, BROKER AND PLACING AGENT:	Liberum Capital Limited Level 12, Ropemaker Place 25 Ropemaker Street London EC2Y 9LY England
INVESTMENT MANAGER AND ALTERNATIVE INVESTMENT FUND MANAGER:	Marshall Wace LLP 13th Floor, The Adelphi Building 1-11 John Adam Street London WC2N 6HT England
SUB-MANAGER:	Eaglewood Capital Management LLC 28 West 44th Street, Suite 808 New York, NY10036 USA
COMPANY SECRETARY:	Katherine Longman (Appointed 6 December 2013, Resigned 28 April 2014) Capita Registrars Limited (Appointed 28 April 2014) The Registry 34 Beckenham Road Beckenham Kent BR3 4TU England
ADMINISTRATOR:	Citco Fund Services (Ireland) Limited Custom House Plaza, Block 6 International Financial Services Centre Dublin 1 Ireland
REGISTRAR:	Capita Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU England
AUDITORS AND REPORTING ACCOUNTANT:	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH England

2. Capitalisation and indebtedness

As at the date of this document, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness.

The following table shows the Company's audited capitalisation as at 30 September 2014 (being the latest date in respect of which the Company has prepared audited financial information):

	30 September 2014 (Audited) £000
Called-up share capital	200,000
Share premium account	196,971

There has been no material change to the Company's capitalisation since 30 September 2014.

The following table shows the Company's unaudited net indebtedness as at 30 November 2014.

		30 November 2014 (Unaudited) £000
A.	Cash	16,875[1]
B.	Cash equivalent	Nil
C.	Securities	Nil
D.	Liquidity (A+B+C)	16,875
E.	Current financial receivables	315
F.	Current bank debt	Nil
G.	Current portion of non-current debt	Nil
H.	Other current financial debt	Nil
I.	Current financial debt (F+G+H)	Nil
J.	Net current financial indebtedness (I-E-D)	Nil
K.	Non-current bank loans	Nil
L.	Bonds issued	Nil
M.	Other non-current loans	Nil
N.	Non-current financial indebtedness (K+L+M)	Nil
O.	Net financial indebtedness (J+N)	Nil
P.	Other current liabilities	6,778

1 The cash balance contains £5.0 million of cash pledged as collateral with Deutsche Bank. The use of this amount is restricted until the crystallisation of the forward foreign exchange contracts in March 2015.

PART VI

UK TAXATION

Introduction

The following statements do not constitute tax advice and are intended only as a general guide to current UK tax law and the current published practice of HMRC, both of which are subject to change at any time, possibly with retrospective effect. These statements may not apply to certain classes of investors who are subject to different tax rules. Such persons may include (but are not limited to) dealers in securities, insurance companies, collective investment schemes and shareholders who are exempt from UK taxation. The statements apply only to Shareholders that are resident (and in the case of individuals, domiciled) in the UK for UK tax purposes (except in so far as express reference is made to the treatment of non-UK residents), who hold Shares as an investment rather than trading stock, who are the absolute and direct beneficial owners of those Shares (and the shares are not held through a SIPP), and have not (and are not deemed to have) acquired their Shares by virtue of an office or employment (whether current, historic or prospective) and are not officers or employees of any member of the Group.

All potential investors, and 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 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 continues to meet the conditions necessary for it to maintain its status as an investment trust. However, neither the Investment Manager nor the Directors can guarantee that this status will be maintained. In respect of each accounting period for which the Company continues to be approved by HMRC as an investment trust the Company will be exempt from UK corporation tax on its chargeable gains. The Company will, however, (subject to what follows) be liable to UK corporation tax on its income in the normal way.

Approved investment trusts are able to elect to take advantage of modified UK tax treatment in respect of their "qualifying interest income" for an accounting period (referred to here as the "streaming" regime). Under such treatment, the Company may (assuming it is approved as an investment trust) designate as an "interest distribution" all or part of the 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.

In principle, the Company will be liable to UK corporation tax on its dividend income. However, there are broad-ranging exemptions from this charge which would be expected to be applicable in respect of most dividends it receives.

Shareholders

Taxation of dividends – individuals

(A) Dividends which are not designated as "interest distributions"

The following statements summarise the expected UK tax treatment for individual Shareholders who receive dividends in respect of their Shares which are not subject to the streaming regime.

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 notional tax credit which may be set off against the Shareholder's total income tax liability on the dividend. An individual UK resident shareholder will be

liable to income tax on the sum of the tax credit and the dividend (the "gross dividend") which will be treated as the top slice of the individual's income for UK income tax purposes. The tax credit equals 10 per cent. of the gross dividend. The tax credit therefore also equals one-ninth of the dividend received (2014/15).

A UK tax resident individual Shareholder who is liable to income tax at the current basic rate will be subject to tax on the dividend at the rate of 10 per cent. (2014/15) of the gross dividend. This means that the tax credit will satisfy in full such a Shareholder's liability to income tax on the dividend.

The rate of income tax applied to dividends received by a UK resident individual liable to income tax at the current higher rate will be 32.5 per cent. (2014/15) to the extent that such dividends, when treated as the top slice of the Shareholder's income, fall above the threshold for current higher rate income tax and below the threshold for current additional rate income tax. To that extent, the tax credit will be set against, but will not fully match, such a Shareholder's tax liability on the gross dividend. After taking account of the 10 per cent. tax credit, such a Shareholder will have to account for additional tax equal to 22.5 per cent. of the gross dividend, which means that the Shareholder would have an effective dividend tax rate of 25 per cent. of the dividend received.

A dividend tax rate of 37.5 per cent. (2014/15) applies to the extent that dividends, when treated as the top slice of a UK resident individual Shareholder's income, fall above the threshold for additional rate income tax. After taking into account the 10 per cent. tax credit, such a Shareholder will have to account for additional tax equal to 27.5 per cent. of the gross dividend, which means that the Shareholder would have an effective dividend tax rate of 30.56 per cent. of the dividend received.

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. (2014/15), depending on the level of the Shareholder's income. 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, Shareholders within the charge to UK corporation tax should generally be exempt from corporation tax on dividends paid by the Company in respect of their Shares provided the dividends fall within an exempt class under the distribution exemption regime and certain conditions are met.

(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.

Regardless of whether the dividends are designated as "interest distributions", 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.

It is particularly important that prospective investors who are not resident in the UK for tax purposes obtain their own tax advice concerning tax liabilities on dividends received from the Company.

SIPPs and SSASs

The Directors have been advised that the Shares should be eligible for inclusion in a SIPP or a SSAS, subject to the discretion of the trustees of the SIPP or the SSAS, as the case may be.

Taxation of chargeable gains

If a Shareholder sells or otherwise disposes or is deemed to dispose of his Shares he may, depending on his circumstances and subject to any available exemption or relief, incur a liability to UK capital gains tax (for individual shareholders) or corporation tax on chargeable gains (for corporate shareholders). For Shareholders within the charge to corporation tax (but not for individuals), indexation allowance may be available to reduce any such gain (but not to create or increase an allowable loss).

A Conversion of C Shares into new Ordinary Shares should, for the purposes of UK taxation of chargeable gains (or capital gains tax, for an individual shareholder), generally be treated as a reorganisation of share capital and, to that extent, should not be treated as giving rise to a disposal.

Stamp duty and stamp duty reserve tax

Transfers on sale of Shares outside of CREST will generally be subject to UK stamp duty at the rate of 0.5 per cent. of the consideration given for the transfer, rounded up to the nearest £5. The purchaser normally pays the stamp duty. However, where the consideration for the transfer is £1,000 or less (and the instrument of transfer contains a statement that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000) no stamp duty will be payable.

An agreement to transfer Shares will normally give rise to a charge to stamp duty reserve tax ("SDRT") at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer. If a duly stamped transfer in respect of the agreement is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional) any SDRT paid is repayable, generally with interest, and otherwise the SDRT charge is cancelled. SDRT is, in general, payable by the purchaser.

Paperless transfers of Shares within the CREST system will generally be liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable. Such SDRT will generally be collected through the CREST system. Deposits of Shares into CREST will not generally be subject to SDRT, unless the transfer into CREST is itself for consideration.

The issue of C Shares pursuant to the Issue should not generally be subject to UK stamp duty or SDRT.

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.

PART VII

ADDITIONAL INFORMATION

1. The Company and the Investment Manager

1.1 The Company was incorporated in England and Wales as a public limited company on 6 December 2013. The Company is registered as an investment company under section 833 of the Act with registered number 8805459. The Company is domiciled in England and Wales and currently has no employees.

1.2 The Company is the holding company of a group consisting of the Company and Eaglewood SPV I LP, a Delaware limited partnership and P2PCL1 PLC, a limited liability company incorporated in England and Wales. The Company holds all of the limited partnership interests in Eaglewood SPV I LP and one Class A Share in P2PCL1 PLC. The principal activity of the Company and the Group is to invest in alternative finance investments and related instruments, including P2P loans, with a view to achieving the Company's investment objective.

1.3 The Company operates under the Act and is not regulated as a collective investment scheme by the FCA. Its registered office and principal place of business is 1st Floor, 40 Dukes Place, London EC3A 7NH, United Kingdom. The Company's telephone number is +44 (0)20 7954 9796.

1.4 As a Company with its shares admitted 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, the Company is subject to the Listing Rules, the Prospectus Rules and the Disclosure and Transparency Rules and to the rules of the London Stock Exchange.

1.5 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 and the Investment Trust (Approved Company) (Tax) Regulations 2011. In summary, the conditions that must be met for approval by HMRC for any given accounting period as an investment trust are that:

- the Company is not a close company at any time during the accounting period for which approval is sought;
- the Company is resident in the UK throughout that accounting period;
- the Company's ordinary share capital is included in the Official List throughout the accounting period; and
- the Company must not retain in respect of the accounting period an amount greater than the higher of: (a) 15 per cent. of its income for the period; and (b) the amount of any income which the Company is required to retain in respect of the period by virtue of a restriction imposed by law. However, where the Company has relevant accumulated losses brought forward from previous accounting periods of an amount equal to or greater than the higher of the amounts mentioned in (a) and (b) above, it may retain an amount equal to the amount of such losses.

1.6 The Investment Manager is a limited liability partnership registered in England and Wales with number OC302228. The Investment Manager is authorised and regulated by the FCA. The address of the registered office of the Investment Manager is 13th Floor, The Adelphi Building, 1-11 John Adam Street, London WC2N 6HT and its telephone number is +44 20 7316 2280. Marshall Wace LLP, as the Company's AIFM, will cover potential professional liability risks resulting from its activities as AIFM by holding professional indemnity insurance against liability arising from professional negligence which is appropriate to the risks covered, in accordance with the AIFM Rules.

2. Share Capital

2.1 On incorporation, the issued share capital of the Company was £0.01 represented by one Ordinary Share, held by the subscriber to the Company's memorandum of association. On 25 April 2014, 50,000 redeemable preference shares were allotted to MW Eaglewood Management Limited against its irrevocable undertaking to pay £1 in cash for each such share on or before the date of First Admission.

The redeemable preference shares were paid up in full on First Admission and redeemed in full out of the proceeds of the First Placing and Offer.

2.2 Set out below is the issued share capital of the Company as at the date of this document:

	Nominal Value (£)	*Number*
Ordinary Shares	200,000	20,000,000

2.3 Set out below is the issued share capital of the Company as it will be following the Placing and Offer (assuming that the Issue is subscribed as to £200 million):

	Nominal Value (£)	*Number*
Ordinary Shares	200,000	20,000,000
C Shares	2,000,000	20,000,000

All of the C Shares will be fully paid. The Ordinary Shares are fully paid up.

2.4 By special resolutions passed on 25 April 2014:

(A) the Directors were generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot Ordinary Shares up to an aggregate nominal amount of £30,000 or, if different, 10 per cent. of the aggregate nominal amount of the issued Ordinary Share capital of the Company immediately following the completion of the First Placing and Offer, 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 shares in pursuance of such an offer or agreement as if such authority had not expired;

(B) the Directors were empowered (pursuant to sections 570 and 573 of the Act) to allot Ordinary Shares and to sell Ordinary Shares from treasury for cash pursuant to the authority referred to in paragraph 2.4(A) above as if section 561 of the 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 an agreement as if such power had not expired;

(C) the Directors were generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot 200 million C Shares, 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 shares in pursuance of such an offer or agreement as if such authority had not expired; and

(D) the Directors were empowered (pursuant to section 570 of the Act) to allot C Shares pursuant to the authority referred to in paragraph 2.4(C) above as if section 561 of the 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 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;

(E) the Company was authorised in accordance with section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of Ordinary Shares, provided that the maximum number of Ordinary Shares authorised to be purchased is 14.99 per cent. of the issued Ordinary Shares following the conclusion of the First Placing and Offer. The minimum price which may be paid for an Ordinary Share is £0.01. The maximum price which may be paid for an Ordinary Share must not be more than the higher of (i) 5 per cent. above the average of the mid-market values of the Ordinary Shares for the five Business Days before the purchase is made or

(ii) the higher of the price of the last independent trade and the highest current independent bid for the Ordinary Shares. Such authority will expire on the earlier of the conclusion of the first annual general meeting of the Company and the date 18 months after the date on which the resolution was passed save that the Company may contract to purchase its Ordinary Shares under the authority hereby conferred prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority and may purchase its Ordinary Shares in pursuance of such contract; and

(F) the Company resolved that, conditional upon First Admission and the approval of the Court, the amount standing to the credit of the share premium account of the Company immediately following completion of the First Placing and Offer be cancelled.

2.5 In accordance with the authority referred to in paragraph 2.4(C) above, it is expected that the C Shares in respect of the Issue will be allotted pursuant to a resolution of the Board to be passed shortly before, and conditional upon, Admission.

2.6 The provisions of section 561 of the Act (which, to the extent not disapplied pursuant to section 570 of the Act, confer on Shareholders rights of pre-emption in respect of the allotment or sale of equity securities for cash) shall apply to any unissued share capital of the Company, except to the extent disapplied by the resolutions referred to in paragraphs 2.4(B) and 2.4(D) above.

2.7 Save as disclosed in this paragraph 2, since the date of its incorporation (i) there has been no alteration in the share capital of the Company, (ii) no share or loan capital of the Company has been issued or agreed to be issued, or is now proposed to be issued for cash or any other consideration and (iii) no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any such capital and no share or loan capital of the Company is under option or agreed, conditionally or unconditionally, to be put under option.

2.8 The C Shares, expected to be issued on 29 January 2015, will be in registered form. Temporary documents of title will not be issued.

3. Articles of Association

A summary of the main provisions of the Articles is set out below.

3.1 *Objects*

The Articles do not provide for any objects of the Company and accordingly the Company's objects are unrestricted.

3.2 *Variation of rights*

Subject to the provisions of the Act as amended and every other statute for the time being in force concerning companies and affecting the Company (the "Statutes"), if at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class may be varied either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of that class (but not otherwise) and may be so varied either whilst the Company is a going concern or during or in contemplation of a winding-up. At every such separate general meeting the necessary quorum shall be at least two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question (but at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum), any holder of shares of the class present in person or by proxy may demand a poll and every such holder shall on a poll have one vote for every share of the class held by him. Where the rights of some only of the shares of any class are to be varied, the foregoing provisions apply as if each group of shares of the class differently treated formed a separate class whose rights are to be varied.

3.3 ***Alteration of share capital***

The Company may by ordinary resolution:

(a) consolidate and divide all or any of its share capital into shares of larger nominal value than its existing shares;

(b) sub-divide its shares, or any of them, into shares of smaller nominal value than its existing shares; and

(c) determine that, as between the shares resulting from such a sub-division, one or more shares may, as compared with the others, have any such preferred, deferred or other rights or be subject to any such restrictions as the Company has power to attach to unissued or new shares.

3.4 ***Issue of shares***

Subject to the provisions of the Act and without prejudice to any rights attaching to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine (or if the Company has not so determined, as the Directors may determine).

3.5 ***Dividends***

Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the shareholders but no dividends shall exceed the amount recommended by the Directors. Subject to the provisions of the Act, the Directors may pay interim dividends, or dividends payable at a fixed rate, if it appears to them that they are justified by the profits of the Company available for distribution. If the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

Subject to the rights of persons (if any) entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. If any share is issued on terms that it ranks for dividend as from a particular date, it shall rank for dividend accordingly. In any other case, dividends shall be apportioned and paid proportionately to the amount paid up on the shares during any portion(s) of the period in respect of which the dividend is paid.

3.6 ***Voting rights***

Subject to any rights or restrictions attached to any shares, on a show of hands every shareholder present in person has one vote and every proxy present who has been duly appointed by a shareholder entitled to vote has one vote, and on a poll every shareholder (whether present in person or by proxy) has one vote for every share of which he is the holder. A shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way. In the case of joint holders, the vote of the senior who tenders a vote shall be accepted to the exclusion of the vote of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the Register.

No shareholder shall have any right to vote at any general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, in respect of any share held by him unless all amounts presently payable by him in respect of that share have been paid.

3.7 ***Transfer of shares***

A share in certificated form may be transferred by an instrument of transfer, which may be in any usual form or in any other form approved by the Directors, executed by or on behalf of the transferor and, where the share is not fully paid, by or on behalf of the transferee. A share in uncertificated form may be transferred by means of the relevant electronic system concerned.

In their absolute discretion, the Directors may refuse to register the transfer of a share in certificated form which is not fully paid provided that if the share is listed on the Official List such refusal does not prevent dealings in the shares from taking place on an open and proper basis. The Directors may also refuse to register a transfer of a share in certificated form unless the instrument of transfer:

- is lodged, duly stamped, at the registered office of the Company or such other place as the Directors may appoint and is accompanied by the certificate for the share to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- is in respect of only one class of share; and
- is not in favour of more than four transferees.

The Directors may refuse to register a transfer of a share in uncertificated form in any case where the Company is entitled to refuse to register the transfer under the CREST Regulations provided that such refusal does not prevent dealings in the shares from taking place on an open and proper basis.

If the Directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the Company or, in the case of an uncertificated share, the date on which the appropriate instruction was received by or on behalf of the Company in accordance with the CREST Regulations send to the transferee notice of refusal.

No fee shall be charged for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any share.

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; (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 US Securities Act of 1933 and/or the US Exchange Act of 1934 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 US Exchange Act of 1934; (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 Directors may declare the Shareholder in question a "Non-Qualified Holder" and the Directors may require that any shares held by such Shareholder ("Prohibited Shares") shall (unless the Shareholder concerned satisfies the Directors 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.

3.8 ***Distribution of assets on a winding-up***

If the Company is wound up, with the sanction of a special resolution and any other sanction required by law and subject to the Act, the liquidator may divide among the shareholders in specie the whole or any part of the assets of the Company and for that purpose may value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders. With the like sanction, the liquidator may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the shareholders as he may with the like sanction determine, but no shareholder shall be compelled to accept any shares or other securities upon which there is a liability.

3.9 ***Restrictions on rights: failure to respond to a section 793 notice***

If a shareholder, or any other person appearing to be interested in shares held by that shareholder, fails to provide the information requested in a notice given to him under section 793 of the Act by the Company in relation his interest in shares (the "default shares") within 28 days of the notice (or, where the default shares represent at least 0.25 per cent. of their class, 14 days of the notice), sanctions shall apply unless the Directors determine otherwise. The sanctions available are the suspension of the right to attend or vote (whether in person or by representative or proxy) at any general meeting or any separate meeting of the holders of any class or on any poll and, where the default shares represent

at least 0.25 per cent. of their class (excluding treasury shares), the withholding of any dividend payable in respect of those shares and the restriction of the transfer of those shares (subject to certain exceptions).

3.10 ***Untraced shareholders***

Subject to various notice requirements, the Company may sell any of a shareholder's shares if, during a period of 12 years, at least three dividends (either interim or final) on such shares have become payable and no cheque for amounts payable in respect of such shares has been presented and no warrant or other method of payment has been effected and no communication has been received by the Company from the shareholder or person concerned.

3.11 ***Appointment of Directors***

Unless the Company determines otherwise by ordinary resolution, the number of Directors (other than alternate Directors) shall not be subject to any maximum but shall not be less than two.

Subject to the Articles, the Company may by ordinary resolution appoint a person who is willing to act as, and is permitted by law to do so, to be a Director either to fill a vacancy or as an additional Director. The Directors may appoint a person who is willing to act, and is permitted by law to do so, to be a Director, either to fill a vacancy or as an additional Director. A person appointed as a Director by the other Directors is required to retire at the Company's next annual general meeting and shall then be eligible for reappointment.

3.12 ***Powers of Directors***

The business of the Company shall be managed by the Directors who, subject to the provisions of the Articles and to any directions given by special resolution to take, or refrain from taking, specified action, may exercise all the powers of the Company.

Any Director may appoint any other Director, or any other person approved by resolution of the Directors and willing to act and permitted by law to do so, to be an alternate Director.

3.13 ***Voting at board meetings***

No business shall be transacted at any meeting of the Directors unless a quorum is present and the quorum may be fixed by the Directors; unless so fixed at any other number the quorum shall be two. A Director shall not be counted in the quorum present in relation to a matter or resolution on which he is not entitled to vote but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the meeting. An alternate Director who is not himself a Director shall, if his appointor is not present, be counted in the quorum.

Questions arising at a meeting of the Directors shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

3.14 ***Restrictions on voting***

Subject to any other provision of the Articles, a Director shall not vote at a meeting of the Directors on any resolution concerning a matter in which he has, directly or indirectly, a material interest (other than an interest in shares, debentures or other securities of, or otherwise in or through, the Company) unless his interest arises only because the case falls within certain limited categories specified in the Articles.

3.15 ***Directors' interests***

Subject to the provisions of the Act and provided that the Director has disclosed to the other Directors the nature and extent of any material interest of his, a Director, notwithstanding his office, may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested and may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is interested.

3.16 ***Indemnity***

Subject to the provisions of the Act, the Company may indemnify any person who is a Director, secretary or other officer of the Company, against (a) any liability whether in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any associated company or (b) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office; and purchase and maintain insurance for any person who is a Director, secretary, or other officer or auditor of the Company in relation to anything done or omitted to be done or alleged to have been done or omitted to be done as Director, secretary, officer or auditor.

3.17 ***General meetings***

In the case of the annual general meeting, twenty-one clear days' notice at the least shall be given to all the members and to the auditors. All other general meetings shall also be convened by not less than twenty-one clear days' notice to all those members and to the auditors unless the Company offers members an electronic voting facility and a special resolution reducing the period of notice to not less than fourteen clear days has been passed in which case a general meeting may be convened by not less than fourteen clear days' notice in writing.

No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a shareholder or a proxy for a shareholder or a duly authorised representative of a corporation which is a shareholder (including for this purpose two persons who are proxies or corporate representatives of the same shareholder), shall be a quorum.

A shareholder is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. A shareholder may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. Subject to the provisions of the Act, any corporation (other than the Company itself) which is a shareholder may, by resolution of its directors or other governing body, authorise such person(s) to act as its representative(s) at any meeting of the Company, or at any separate meeting of the holders of any class of shares.

Delivery of an appointment of proxy shall not preclude a shareholder from attending and voting at the meeting or at any adjournment of it.

Directors may attend and speak at general meetings and at any separate meeting of the holders of any class of shares, whether or not they are shareholders.

A poll on a resolution may be demanded at a general meeting either before a vote on a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared. A poll may be demanded by the Chairman or by: (a) not less than two members having the right to vote at the meeting; or (b) a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or (c) a member or members holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

3.18 ***C Shares and Deferred Shares***

The rights and restrictions attaching to the C Shares and the Deferred Shares arising on their conversion are summarised below.

(l) The following definitions apply for the purposes of this paragraph 3.18 only:

Calculation Date means the earliest of the:

(i) close of business on the date to be determined by the Directors occurring not more than 10 Business Days 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 the C Shares into Ordinary Shares and Deferred Shares in accordance with paragraph (VIII) below;

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 is the ratio of the net asset value per C Share to the net asset value per Ordinary Share, which is calculated as:

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

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

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

Where:

C is the aggregate of:

(a) the value of the investments of the Company attributable to the C Shares calculated by reference to the Directors' belief as to an appropriate current value for those investments on the Calculation Date after taking into account any price publication services reasonably available to the Directors; 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) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company attributable to the C Shares on the Calculation Date;

E is the number of C Shares in issue on the Calculation Date;

F is the aggregate of:

(a) the value of all the investments of the Company calculated by reference to the Directors' belief as to an appropriate current value for those investments on the Calculation Date after taking into account any price publication services reasonably available to the Directors; 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 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 and/or to the reasons for the issue of the C Shares;

Deferred Shares means deferred shares of 1 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 (i) 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; (ii) the issue of any proceedings challenging, or seeking to challenge, the power of the Company and/or its Directors to issue the C Shares 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 (iii) 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; and

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 the Auditors confirming any matter should be construed to mean confirmation of their opinion as to such matter whether qualified or not.

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.

(II) The holders of the Ordinary Shares, the C Shares and the Deferred 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 and extant) 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 (VIII) (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 C Shareholders 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 and from income received and accrued which is attributable to the C Shares;

(c) the Existing Ordinary Shares shall confer the right to dividends declared in accordance with the Articles;

(d) the Ordinary Shares into which 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 (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).

(III) The holders of the Ordinary Shares, the C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights as to capital:

(a) 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 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 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. For the purposes of this paragraph (III)(a) the Calculation Date shall be such date as the liquidator may determine; and

(b) 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 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; and

(ii) secondly, the surplus shall be divided amongst the ordinary shareholders pro rata according to the nominal capital paid up on their holdings of Ordinary Shares.

(IV) As regards voting:

(a) the C Shares shall carry 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; and

(b) the Deferred Shares shall not carry any right to receive notice of nor to attend or vote at any general meeting of the Company.

(V) The following shall apply to the Deferred Shares:

(a) the C Shares 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 herein;

(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 (VIII)(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.

(VI) Without prejudice to the generality of the Articles, for so long as any 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 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 C Shares, as described above, shall not be required in respect of:

(i) 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

(ii) 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).

(VII) For so long as any C Shares are for the time being in issue, until Conversion of such 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 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 C Shares;

(b) allocate to the assets attributable to the 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 C Shares (both dates inclusive) as the Directors fairly consider to be attributable to the 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.

(VIII) The C Shares 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 (VIII):

(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 in paragraph (I) above.

(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 ordinary 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 1p each and such conversion shares of 1p 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 1p 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); and

(ii) each conversion share of 1p 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 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.

3.19 ***Life***

The Articles contain a provision requiring the Directors to propose an ordinary resolution for the continuation of the Company as an investment company at the annual general meeting of the Company to be held in 2019 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.

4. City Code on Takeovers and Mergers

4.1 ***Mandatory bid***

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code, if:

(a) a person acquires an interest in Shares 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

(b) 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 acquirer 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 at a price not less than the highest price paid for any interests in the Shares by the acquirer or its concert parties during the previous 12 months.

4.2 ***Compulsory Acquisition***

Under sections 974 to 991 of the 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 holders of outstanding 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 holders of outstanding shares. The consideration offered to the holders whose shares are compulsorily acquired under the 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 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 outstanding shares notice of his right to be bought out within one month of that right arising. Such 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 outstanding shares notifying them of their

sell-out rights. If a holder of shares exercises their 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. Interests of Directors, major shareholders and related party transactions

5.1 As at the Latest Practicable Date, the Directors held the following interests in the share capital of the Company:

Name	*Number of Ordinary Shares*	*% of issued Ordinary Share capital*
Simon King	10,000	0.05

5.2 The Directors intend to subscribe for C Shares pursuant to the Issue in the amounts set out below:

Name	*Number of C Shares*	*% of issued C Share capital**
Simon King	5,000	0.025

*Assuming that the Issue is subscribed as to 20 million C Shares

Save as disclosed in this paragraph, immediately following Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

5.3 No Director has a service contract with the Company, nor are any such contracts proposed, each Director having been appointed pursuant to a letter of appointment entered into with the Company. The Directors' appointments can be terminated in accordance with the Articles and without compensation. The Directors are subject to retirement by rotation in accordance with the Articles.

There is no notice period specified in the letters of appointment or Articles for the removal of Directors. The Articles provide that the office of Director shall be terminated by, among other things: (i) written resignation; (ii) unauthorised absences from board meetings for six consecutive months or more; or (iii) written request of all of the other Directors.

5.4 The Directors' current level of remuneration is £25,000 per annum for each Director other than the Chairman, who receives £30,000 per annum. The Directors are entitled to additional fees for serving on any committees of the Board.

There are no amounts set aside or accrued by the Company to provide pension, retirement or similar benefits.

5.5 The Company has not made any loans to the Directors which are outstanding, nor has it ever provided any guarantees for the benefit of any Director or the Directors collectively.

5.6 Over the five years preceding the date of this document, the Directors hold or have held the following directorships (apart from their directorships of the Company) or memberships of the following administrative, management or supervisory bodies and/or partnerships:

Name	*Current*	*Previous*
Stuart Cruickshank	None	Psion Holdings Limited Perfect Answer N.I. Limited Internet Q PLC Stuart Cruickshank Consulting Limited Hounslow Arts Trust Limited (The)
Michael Cassidy	UBS Limited Askonas Holt Limited Crossrail Limited	The Museum of the Port of London and Docklands The London Chamber of Commerce and Industry London & Partners International Ingenious Film Partners LLP International Financial Services London Salvus Property Advisers Ltd Haymarket Risk Management Ltd Centre for London
Simon King	None	None

5.7 Save as disclosed in paragraph 5.7 below, the Directors in the five years before the date of this document:

- do not have any convictions in relation to fraudulent offences;
- have not been associated with any bankruptcies, receiverships or liquidations of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
- do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

5.8 Michael Cassidy was a director of International Financial Services London which went into creditors' voluntary liquidation on 12 October 2011.

5.9 So far as is known to the Company by virtue of the notifications made to it pursuant to the Disclosure and Transparency Rules, as at the Latest Practicable Date the following persons held directly or indirectly three per cent. or more of the Company's voting rights:

Name	*Number of voting right held*	*% of voting rights*
Invesco Limited	1,700,000	8.5
Ruffer LLP	1,550,000	7.75
Thesis Asset Management plc	1,500,000	7.50
AXA Investment Managers S.A.	1,475,000	7.38
J O Hambro Capital Management Limited	950,000	4.75

Save as set put in this paragraph 5.9, the Company is not aware of any person who holds as shareholder (within the meaning of the Disclosure and Transparency Rules), directly or indirectly, three per cent. or more of the voting rights of the Company.

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

5.11 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.

5.12 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

5.13 The Company has not entered into any related party transaction at any time since incorporation.

5.14 None of the Directors has any conflict of interest or potential conflicts of interest between any duties to the Company and his private interests and any other duties. The Investment Manager, any of its directors, officers, employees, agents and affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an "Interested Party") may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services. For example, an Interested Party may acquire on behalf of a client an investment in which the Company may invest.

6. Investment restrictions

The Company will at all times invest and manage its assets with the objective of spreading risk and in accordance with its published investment policy as set out in Part II of this document.

In order to comply with the current Listing Rules, the Company will not invest more than 10 per cent. of its Gross Assets in other listed closed-ended investment funds, 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.

In the event of a breach of the investment policy set out in Part II of this document and the investment restrictions set out therein, the Investment Manager shall inform the Board upon becoming aware of the same and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

The Company must not conduct any trading activity which is significant in the context of its group as a whole.

7. Material contracts

Save as described below, neither the Company nor any member of its Group has (i) entered into any material contracts (other than contracts in the ordinary course of business) within the two years immediately preceding the publication of this document; or (ii) entered into any contracts that contain provisions under which the Company or any member of its Group has any obligation or entitlement that is material to the Group as at the date of this document.

7.1 ***Placing Agreement***

A Placing Agreement dated 12 January 2015 between the Company, the Investment Manager and Liberum whereby Liberum has undertaken, as agent for the Company, to use its reasonable endeavours to procure subscribers under the Placing for C Shares at the Issue Price. In the event of oversubscription of the Issue, applications under the Placing and/or the Intermediaries Offer will be scaled back at the Company's discretion (in consultation with Liberum and the Investment Manager).

The Placing Agreement is subject to, *inter alia*, the C Shares to be issued pursuant to the Issue being admitted to the Official List and to trading on the London Stock Exchange by 29 January 2015 (or such later date and time as Liberum and the Company agree but not later than 8.00 a.m. on 31 March 2015). Liberum is entitled to receive commission of up to 1.1 per cent. of the value of the C Shares issued to Placees procured by Liberum under the Placing, excluding any C Shares subscribed for by any member of the Marshall Wace group, any fund managed or advised by any member of the

Marshall Wace group and any partner, member, officer or employee of any member of the Marshall Wace group or any of their respective friends, family or specific clients.

Under the Placing Agreement, which may be terminated by Liberum in certain circumstances prior to the C Shares being issued pursuant to the Issue and admitted to the Official List and to trading on the London Stock Exchange, the Company and the Investment Manager have given certain warranties and indemnities to Liberum. These warranties and indemnities are customary for an agreement of this nature.

Under the Placing Agreement, Liberum may at its discretion and out of its own resources at any time rebate to some or all investors, or to other parties, part or all of its fees relating to the Issue. Liberum is also entitled under the Placing Agreement to retain agents and may pay commission in respect of the Issue to any or all of those agents out of its own resources.

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

7.2 ***Intermediaries Agreement***

The Company, the Sole Bookrunner, the Intermediaries Offer Adviser and the Intermediaries who have been appointed by the Company prior to the date of this Prospectus have entered into an intermediaries agreement dated 12 January 2015 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, the Sole Bookrunner 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 agrees to coordinate applications from the Intermediaries under the Intermediaries Offer. Determination of the number of C 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 C 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 C 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, the Sole Bookrunner 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 C Shares by the Intermediaries or any Underlying Applicant.

7.3 ***Loan Administration Agreement***

The Loan Administration Agreement dated 29 May 2014, between the Company, the Investment Manager and the Loan Administrator, pursuant to which the Loan Administrator is appointed to provide

certain administrative services in connection with the loans and other financing arrangements forming part of the portfolio of the Company and its subsidiaries, including reconciliations.

Under the terms of the Loan Administration Agreement, the Loan Administrator is entitled to be paid a fee of 0.025 per cent. of Net Asset Value, subject to a minimum monthly fee of £2,000 (exclusive of VAT). In addition to these fees, the Loan Administrator is entitled to be reimbursed for any expenses incurred in the performance of its duties under the agreement.

The Loan Administration Agreement provides that the Company and each of its subsidiaries shall jointly and severally indemnify the Loan Administrator, its affiliates and each of their officers, directors, employees or agents, against any liabilities arising out of or in connection with the Loan Administration Agreement, save where such liabilities are incurred by an indemnified party as a result of its or their own fraud, wilful default, material breach of the agreement or negligence.

The Loan Administration Agreement is terminable by the Company or the Loan Administrator giving to the other not less than 90 days' notice. The Loan Administration Agreement may be terminated earlier by the Company in the event of the insolvency of the Loan Administrator.

The Loan Administration Agreement is governed by English law.

7.4 ***Placing agreement***

Under a placing agreement dated 19 May 2014 between the Company, the Investment Manager, the Directors and Liberum, Liberum agreed, as agent for the Company, to use reasonable endeavours to procure subscribers for Ordinary Shares under the First Placing and Offer. The Company gave certain warranties and indemnities to Liberum under this placing agreement.

7.5 ***Intermediaries agreement***

Under an intermediaries agreement dated 14 May 2014 between the Company, the Sole Bookrunner, the Intermediaries Offer Adviser and the intermediaries appointed by the Company prior to the date of publication of the prospectus published in connection with the First Placing and Offer and First Admission, the Intermediaries Offer Adviser agreed to coordinate applications from intermediaries under the intermediaries offer. The intermediaries gave certain undertakings regarding their use of information in connection with the intermediaries offer. The intermediaries also gave undertakings regarding the form and content of written and oral communications with clients and other third parties and representations and warranties and an indemnity in favour of the Company, the Intermediaries Offer Adviser, the Sole Bookrunner 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.

7.6 ***Management Agreement***

A Management Agreement dated 14 May 2014 between the Company and the Investment Manager, pursuant to which the Investment Manager is appointed to act as investment manager and AIFM of the Company with responsibility for portfolio management and risk management of the Company's investments.

Under the terms of the 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 document under the sub-heading "*On-going annual expenses*".

The Management Agreement is terminable by either the Investment Manager or the Company giving to the other not less than 12 months' written notice, such notice not to expire earlier than the third anniversary of First Admission. The Management Agreement may be terminated with immediate effect on the occurrence of certain events, including insolvency or material and continuing breach.

The Company has given an indemnity in favour of the Investment Manager in respect of the Investment Manager's potential losses in carrying on its responsibilities under the Management Agreement.

The Management Agreement is governed by the laws of England.

7.7 ***Depositary Agreement***

The Depositary Agreement dated 14 May 2014, between the Company, the AIFM and the Depositary, pursuant to which the Depositary is appointed as the Company's depositary for the purposes of the AIFM Directive.

Under the terms of the Depositary Agreement, the Depositary is entitled to be paid a fee of up to 0.025 per cent. per annum of Net Asset Value, subject to a minimum monthly fee of £3,000 (exclusive of VAT). In addition to these fees, the Depositary is entitled to debit the Company's accounts in order to be reimbursed for all expenses (including any fees of a sub-custodian) incurred in the performance of its duties under the agreement.

The Depositary Agreement provides for the Depositary and its employees, officers, directors, servants and agents to be indemnified by the Company from any and all expenses, claims, damages, losses, commitments, costs, disbursements, taxes and other liabilities reasonably incurred or suffered by the Depositary resulting directly or indirectly from the Depositary carrying out its obligations under the Depositary Agreement, except in the case the Depositary is liable pursuant to the terms of the Depositary Agreement, and breach by the Company of its representations and warranties made in the Depositary Agreement or from the Company's negligence (whether through an act or an omission) or wilful misconduct or fraud in the performance of its obligations pursuant to the Depositary Agreement or applicable law.

In accordance with the terms of the Depositary Agreement, and subject to the provisions of the AIFM Directive, the Depositary may delegate its safe-keeping functions in relation to financial instruments and other assets of the Company. The liability of the Depositary shall in principle not be affected by any delegation of its custody function and the Depositary shall be liable to the Company or its investors for the loss of financial instruments by the Depositary or a third party to whom the custody of financial instruments has been delegated. The Depositary may discharge its responsibility in case of a loss of a financial instrument: (i) in the event it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary; (ii) where it has contractually discharged its responsibility in compliance with article 21(13) of the AIFM Directive; or (iii) in compliance with the conditions set out under article 21(14) of the AIFM Directive where the laws of a third country require that certain financial instruments be held by a local entity and there are no local entities that satisfy the delegation requirements of article 21(11) of the AIFM Directive. Save as aforesaid, the Depositary shall be liable to the Company for any loss or liability incurred by the Company as a consequence of the Depositary's negligence, wilful default or fraud in failing to properly fulfil its obligations pursuant to the AIFM Directive. In the absence of the Depositary's negligence, wilful default or fraud in failing to properly fulfil its obligations pursuant to the AIFM Directive, the Depositary shall not be liable to the Company or any other person with respect to any act or omission in connection with the services provided under the Depositary Agreement. Under no circumstances shall the Depositary be liable to the Company or any other person for special, indirect or consequential loss or damage.

The Depositary Agreement is terminable by the Company, the AIFM or the Depositary giving to the other parties not less than 90 days' notice. The Depositary Agreement may be terminated earlier by the Company, the AIFM or the Depositary on the occurrence of certain events, including: (i) if another party has committed a material and continuing breach of the terms of the Depositary Agreement; or (ii) in the case of insolvency of a party.

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

7.8 ***Administration Agreement***

The Administration Agreement dated 1 May 2014 between the Company and the Administrator, pursuant to which the Administrator has agreed to provide certain administrative services to the

Company. Under the agreement, the Administrator will provide general fund administration services (including calculation of the monthly NAV), book-keeping and accounts preparation services.

Under the terms of the Administration Agreement, the Administrator is entitled to a fee of 0.05 per cent. per annum of Net Asset Value, subject to a minimum monthly fee of £5,000. The Administrator is also entitled to reimbursement of all reasonable out of pocket expenses incurred by it in connection with its duties.

The agreement may be terminated by either party on 90 days' notice in writing. The agreement may be terminated forthwith on notice in writing in the event of certain circumstances, including material and continuing breach of the agreement or insolvency.

The Company has agreed to indemnify the Administrator from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, claims, demands, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against it in connection with the provision of its services under the Administration Agreement, other than by reason of negligence, bad faith, fraud or wilful misconduct on the part of the Administrator or the material breach of the Administration Agreement by the Administrator.

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

7.9 ***External Valuer Agreement***

The External Valuer Agreement dated 1 May 2014 between the Company and the External Valuer, pursuant to which the External Valuer has agreed to provide certain valuation services in respect of the Company's Designated Investments.

The agreement may be terminated by either party on 90 days' notice in writing. The agreement may be terminated forthwith on notice in writing in the event of certain circumstances, including material and continuing breach of the agreement or insolvency.

The Company has agreed to indemnify the External Valuer from and against any and all losses, damages, liabilities, claims, demands, judgments, penalties, costs or expenses of any kind or nature whatsoever which may be imposed on, incurred by or asserted against it in connection with the provision of its services under the External Valuer Agreement, other than by reason of negligence or intentional failure on the part of the External Valuer.

The External Valuer Agreement is governed by the laws of Ireland.

7.10 ***Registrar Agreement***

The Registrar Agreement between the Company and Capita Asset Services dated 1 May 2014, pursuant to which the Registrar has been appointed as registrar to the Company. The Registrar shall be entitled to receive an annual maintenance fee from the Company of £1.25 per shareholder account, subject to an annual minimum charge of £2,500 (exclusive of any VAT). The Registrar shall also be entitled to reimbursement of all reasonable out of pocket expenses incurred on behalf of the Company.

Either party may terminate the Registrar Agreement on not less than 90 days' notice in writing to the other party, provided that such termination shall not be effective prior to the first anniversary of First Admission. Either party may terminate the Registrar Agreement immediately on notice in writing in the event of material and continuing breach or insolvency.

The Registrar Agreement limits the Registrar's liability thereunder to the lesser of £500,000 or an amount equal to five times the annual fee payable to the Registrar pursuant to the Registrar Agreement. The Company indemnifies the Registrar and its affiliates against all claims arising out of or connected to the Registrar Agreement, save in the case of fraud, wilful default or negligence on the part of the Registrar or its affiliates.

The Registrar Agreement is governed by the laws of England.

7.11 ***Company Secretarial Agreement***

The Company Secretarial Agreement between the Company and Capita Registrars Limited dated 1 May 2014, pursuant to which Capita Registrars Limited has been appointed as company secretary to the Company. Capita Registrars Limited shall be entitled to receive an annual fee from the Company of £45,000 (exclusive of any VAT). Capita Registrars Limited shall also be entitled to reimbursement of all reasonable out of pocket expenses incurred on behalf of the Company.

Either party may terminate the Company Secretarial Agreement on not less than 90 days' notice in writing to the other party, provided that such termination shall not be effective prior to the first anniversary of First Admission. Either party may terminate the agreement immediately on notice in writing in the event of material and continuing breach or insolvency.

The Company Secretarial Agreement limits Capita Registrars Limited's liability thereunder to the lesser of £500,000 or an amount equal to five times the annual fee payable to Capita Registrars Limited pursuant to the agreement. The Company indemnifies Capita Registrars Limited and its affiliates against all claims arising out of or connected to the Registrar Agreement, save in the case of fraud, wilful default or negligence on the part of Capita Registrars Limited or its affiliates.

The Company Secretarial Agreement is governed by the laws of England.

7.12 ***Agreement with Funding Circle (UK)***

Pursuant to an agreement dated 1 May 2014 between the Investment Manager, the Company and Funding Circle (UK), Funding Circle (UK) agreed to make available for investment by the Company (and any other entities to which the Investment Manager or any of its affiliates provides investment management services), through its Platform, whole loans. The whole loans to be made available are across the entire range of credit grades available through Funding Circle (UK)'s Platform. The Company is required to pay an annual service fee in respect of each loan it acquires through the Platform. The agreement is for an initial term of 9 months following First Admission. Thereafter, the agreement will continue in force for successive 3 month periods. The agreement is subject to termination on the occurrence of certain events, including by Funding Circle (UK) if the Company (together, in aggregate, with any other entities to which the Investment Manager or any of its affiliates acts as investment manager) has not invested in a specified minimum amount of whole loans through its Platform. The agreement is governed by the laws of England and Wales.

7.13 ***Agreement with RateSetter***

Pursuant to an agreement dated 1 May 2014 between the Investment Manager, the Company and RateSetter, RateSetter agreed to make available for investment by the Company (and any other entities to which the Investment Manager or any of its affiliates is appointed as investment manager), through its Platform, whole loans. The whole loans to be made available for investment by the Company are within investment and credit parameters specified by the Investment Manager. The agreement is subject to immediate termination in the event of, *inter alia*, material and continuing breach of agreement or if the aggregate principal value of all whole loans invested in by the Company (together, in aggregate, with any other entities to which the Investment Manager or any of its affiliates provides investment management services) through RateSetter's Platform falls below a specified amount. The agreement is governed by English law.

7.14 ***Agreement with Zopa***

Pursuant to an agreement dated 1 May 2014 between the Investment Manager, the Company and Zopa, Zopa agreed to make available for investment by the Company (and any other entities to which the Investment Manager or any of its affiliates provides investment management services), through its Platform, loans. The Company is required to pay an annual lender fee in respect of each loan it acquires through the Platform. The agreement has a five year life but is subject to termination in the event of, *inter alia*, material and continuing breach or if the Company (together, in aggregate, with any other entities to which the Investment Manager or any of its affiliates provides investment management services) fails to meet certain volume targets through Zopa's Platform. The agreement is governed by English law.

7.15 ***Agreement with Crossflow***

Pursuant to a platform finance provision agreement dated 1 May 2014 between the Investment Manager, the Company and Crossflow, Crossflow agreed to make available for acquisition by the Company (and any other entities to which the Investment Manager or any of its affiliates is appointed as investment manager) through its Platform invoices between a corporate buyer and a supplier. The invoices to be made available for investment by the Company are within investment and credit parameters to be specified by the Investment Manager. The agreement provides that the yield on each invoice invested in by the Company is to be shared between Crossflow and the Company. The agreement is subject to immediate termination in the event of, *inter alia*, material and continuing breach. In the event that no investment in any Platform invoice has been made by the Company (or any other entity to which the Investment Manager or any of its affiliates provides investment management services) during any continuous 12-month period, the agreement will cease and determine at the end of such continuous 12-month period. The agreement is governed by English law.

7.16 ***Agreement with Upstart***

Pursuant to an agreement dated 11 September 2014 between Eaglewood SPV I LP (the "Subsidiary Undertaking") and Upstart, subject to the Subsidiary Undertaking meeting certain purchase volume requirements in respect of consumer loans originated via the Upstart Platform, Upstart has agreed to offer to the Subsidiary Undertaking for purchase a specified minimum volume of such consumer loans. Subject to the Subsidiary Undertaking meeting certain loan purchase volume requirements, the Subsidiary Undertaking is also permitted to acquire shares in Upstart Holdings, Inc., the parent company of Upstart. The agreement will terminate on 31 December 2017, unless terminated earlier in the event of, *inter alia*, the Subsidiary Undertaking failing to meet certain minimum purchase requirements or the mutual consent of the parties to terminate. The agreement is governed by the laws of the State of New York.

7.17 ***Novation Agreement with MW Eaglewood Management Limited relating to Funding Circle (UK)***

The novation agreement provided that, shortly following First Admission, the Company would acquire SME loans that had been originated through the Funding Circle (UK) Platform, with an aggregate principal value of up to £2,000,000, from MW Eaglewood Management Limited. MW Eaglewood Management Limited gave certain representations and warranties to the Company in relation to, *inter alia*, the loans it agreed to novate to the Company and the contractual agreements relating to those loans. The agreement is governed by the laws of England and Wales.

7.18 ***Broker Agreement***

The Broker Agreement dated 10 April 2014 between the Company and Liberum pursuant to which Liberum is appointed to act as corporate broker to the Company. As part of the engagement, Liberum agreed, amongst other things, to advise on and co-ordinate an investor liaison programme for the Company, to monitor and report to the Board where appropriate on the trading of the Shares and significant movements in its share price and to use its reasonable endeavours to match buyers and sellers of the Shares.

Liberum is entitled to a fee of £50,000 per annum, payable semi-annually in advance. All fees and other expenses are exclusive of VAT, if any.

The Broker Agreement may be terminated by either party on three months' notice, although no notice to terminate the agreement will be effective until the first anniversary of First Admission.

The Company has agreed to indemnify 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, save where the same arise from the judicially determined fraud, regulatory breach, negligence or wilful default of Liberum or from a material breach by Liberum of the Broker Agreement.

The Broker Agreement is governed by and construed in accordance with the laws of England.

8. Litigation

There have been no governmental, legal or arbitration proceedings, and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened, during the 12 months preceding the date of this document which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Company or the Group.

9. Significant change

Save as disclosed below, as at the date of this document, there has been no significant change in the financial or trading position of the Group since 30 September 2014, being the end of the last period for which audited financial information has been published.

A dividend of 6 pence per Ordinary Share was paid by the Company on 30 December 2014 resulting in a reduction in cash and cash equivalents of £1,200,000.

10. Working capital

In the opinion of the Company the working capital available to the Group is sufficient for its present requirements, that is for at least 12 months from the date of this document.

11. General

11.1 Where information has been sourced from third parties, the Company confirms that this information has been accurately reproduced and that, so far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The sources of information have been disclosed.

11.2 Liberum is acting as sponsor and sole bookrunner to the Issue and has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.

11.3 Marshall Wace LLP has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.

Marshall Wace LLP accepts responsibility for the information contained in Part I of this document under the heading "Platforms in the US and UK" and has authorised the inclusion of that information. Marshall Wace LLP has taken all reasonable care to ensure that the information contained in Part I of this document under the heading "Platforms in the US and UK" is, to the best of its knowledge, in accordance with the facts and contains no omissions likely to affect its import.

11.4 Eaglewood Capital Management LLC has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.

11.5 PricewaterhouseCoopers LLP has given and not withdrawn its written consent to the inclusion in this document of its report on the historical financial information set out in Part V in the form and context in which it is included and has authorised the contents of that report solely for the purposes of Rule 5.5.3R (2) (f) of the Prospectus Rules.

11.6 The effect of the Issue will be to increase the net assets of the Company. On the assumption that the Issue is fully subscribed, the fundraising is expected to increase the net assets of the Company by approximately £197.4 million. The Issue is expected to be earnings enhancing. Upon Conversion, the Company's net assets will not be materially affected.

11.7 In accordance with the AIFM Rules, the AIFM will ensure that the following information in relation to the Company's portfolio is published in the Company's annual report and audited accounts:

(i) the current risk profile of the Company and the risk management systems employed by the AIFM to manage those risks;

(ii) any changes to the maximum level of leverage which the AIFM may employ on behalf of the Company as well as any right of the re-use of collateral or any guarantee granted under the leveraging arrangement. The Company will, in addition, notify Shareholders of any such changes, rights or guarantees without undue delay by issuing an announcement via a Regulatory Information Service and is required to seek prior Shareholder approval for any material change to the Company's investment policy; and

(iii) the total amount of leverage employed by the Company.

12. Auditors

The auditors to the Company are PricewaterhouseCoopers LLP of 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW).

13. Depositary

Deutsche Bank Luxembourg S.A., whose registered office is located at 2, boulevard Konrad Adenauer, L-1115 Luxembourg, acts as the Company's depositary. The Depositary is a Luxembourg public limited company (société anonyme), registered with the Luxembourg Trade and Companies Register under number B9164 and its telephone number is +352(421)22-1. The Depositary was incorporated on 12 August 1970 under the laws of the Grand Duchy of Luxembourg. The Depositary maintains its registered office and place of central administration in the Grand Duchy of Luxembourg. The Depositary has a banking licence granted in accordance with the law of 5 April 1993 on the Financial Sector, as amended, and provides a range of banking, custodial, depositary, administrative agency and other related services. It is registered on the official list of Luxembourg credit institutions and is subject as such to the supervision of the CSSF.

The Depositary is not involved, directly or indirectly, with the business affairs, organisation, sponsorship or management of the Company and is not responsible for the preparation of this document and accepts no responsibility for any information contained in this document.

The Depositary's asset ownership and verification duties with respect to non-custodiable assets of the Company apply on a look-through basis to underlying assets held by financial or legal structures established by the Company or by the AIFM acting on behalf of the Company for the purpose of investing in the underlying assets and which are controlled directly or indirectly by the Company or the AIFM acting on behalf of the Company. Although the Eaglewood Funds are managed by an affiliate of the AIFM, the Eaglewood Funds are pre-existing fund vehicles and have not been established by the Company for the purposes of investing in their underlying assets or established by the AIFM acting on behalf of the Company for the purposes of investing in their underlying assets. Further, the Company does not control the Eaglewood Funds (either by holding non-voting rights or otherwise), nor does the AIFM, which controls the Sub-Manager and the general partner entities of the Eaglewood Funds, directly or indirectly control the Eaglewood Funds on behalf of the Company. To the extent such circumstances continue to prevail, the Depositary shall not perform any depositary duties on a look-through basis with respect to the assets of the Eaglewood Funds.

The Depositary's duty regarding monitoring of cash flows shall not apply to cash held by financial or legal structures directly or indirectly controlled by the Company or the AIFM acting on behalf of the Company.

Where laws of a third country require that certain financial instruments be held in custody by a local entity and there are no local entities that satisfy the delegation requirements under the AIFM Directive, the Depositary can discharge itself of liability in certain circumstances under certain conditions.

14. Intermediaries

The Intermediaries authorised 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 Limited of 2nd Floor, Arthur House, Chorlton Street, Manchester M1 3FH
Redmayne Bentley LLP of 9 Bond Court, Leeds, West Yorks LS1 2JZ
Reyker Securities plc of 17 Moorgate, London EC2R 6AR
Alliance Trust Savings Limited of PO Box 164, 8 West Marketgait, Dundee DD1 9YP
Cornhill Capital Limited of 4th Floor, 18 St Swithin's Lane, London EC4N 8AD
idealing.com Limited of Quadrant House, Floor 6, 4 Thomas More Square, London E1W 1YW
Interactive Investor Trading Limited of Standon House, 21 Mansell Street, London E1 8AA

15. Documents on display

The following documents will be available for inspection during usual business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH until the date of Admission:

15.1 this document;

15.2 the Articles; and

15.3 the audited accounts for the period to 30 September 2014.

Dated: 12 January 2015

PART VIII

TERMS AND CONDITIONS OF APPLICATION UNDER THE PLACING

1. Introduction

Each Placee which confirms its agreement to the Company and/or Liberum to subscribe for C Shares under the Placing will be bound by these terms and conditions and will be deemed to have accepted them.

The Company and/or Liberum may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it/they (in its/their absolute discretion) sees fit and/or may require any such Placee to execute a separate placing letter.

2. Agreement to subscribe for C Shares

Conditional on: (i) Admission occurring and becoming effective by 8.00 a.m. on 29 January 2015 (or such later time and/or date, not being later than 8.00 a.m. on 31 March 2015, as the Company and Liberum may agree) and; (ii) the Placing Agreement becoming otherwise unconditional in all respects and not having been terminated on or before the date of Admission, a Placee agrees to become a member of the Company and agrees to subscribe for those C 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.

3. Payment for C Shares

3.1 Each Placee must pay the relevant Issue Price for the C Shares issued to the Placee in the manner and by the time directed by Liberum. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee's application for C Shares may, at the discretion of Liberum, either be rejected or accepted and in the latter case paragraph 3.2 of these terms and conditions shall apply.

3.2 Each Placee is deemed to agree that if it does not comply with its obligation to pay the relevant Issue Price for the C Shares allocated to it in accordance with paragraph 3.1 of these terms and conditions and Liberum elects to accept that Placee's application, Liberum may sell all or any of the C Shares allocated to the Placee on such Placee's behalf and retain from the proceeds, for Liberum's own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such C Shares on such Placee's behalf.

4. Representations and warranties

By agreeing to subscribe for C Shares, each Placee which enters into a commitment to subscribe for C Shares will (for itself and any person(s) procured by it to subscribe for C Shares and any nominee(s) for any such person(s)) be deemed to represent and warrant to each of the Company, the Investment Manager and Liberum that:

(a) in agreeing to subscribe for C Shares under the Placing, it is relying solely on this document and any supplementary prospectus issued by the Company and not on any other information given, or representation or statement made at any time, by any person concerning the Company or the Placing. It agrees that none of the Company, the Investment Manager, Liberum or the Registrar, nor any of their respective officers, agents or employees, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;

(b) if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for C Shares under the Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the Company, the Investment Manager, Liberum or the Registrar or any of their respective officers, agents or employees acting in

breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing;

(c) it has carefully read and understands this document in its entirety and acknowledges that it is acquiring C Shares on the terms and subject to the conditions set out in this Part VIII and the Articles;

(d) 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 document;

(e) the content of this document is exclusively the responsibility of the Company and its Directors and neither Liberum nor any person acting on their respective behalf nor any of their respective affiliates are responsible for or shall have any liability for any information, representation or statement contained in this document or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Placing based on any information, representation or statement contained in this document or otherwise;

(f) it acknowledges that no person is authorised in connection with the Placing to give any information or make any representation other than as contained in this document and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the Investment Manager or Liberum;

(g) it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services);

(h) it accepts that none of the C Shares has been or will be registered under the laws of the United States, Canada, Australia or Japan. Accordingly, the C Shares may not be offered, sold, issued or delivered, directly or indirectly, within any of United States, Canada, Australia or Japan unless an exemption from any registration requirement is available;

(i) if it is within the United Kingdom, it is a person who falls within Articles 49(2)(a) to (d) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or it is a person to whom the C Shares may otherwise lawfully be offered under such Order or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, it is a person to whom the C Shares may be lawfully offered under that other jurisdiction's laws and regulations;

(j) if it is a resident in the EEA (other than the United Kingdom), (a) it is a qualified investor within the meaning of the law in the relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of Directive 2003/71/EC and (b) if that relevant Member State has implemented the AIFM Directive, that it is a person to whom the C Shares may lawfully be marketed under the AIFM Directive or under the applicable implementing legation (if any) of that relevant Member State;

(k) in the case of any C Shares acquired by a Placee as a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive (i) the C 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 2010/73/EU, or in circumstances in which the prior consent of Liberum has been given to the offer or resale; or (ii) where C Shares have been acquired by it on behalf of persons in any relevant Member State other than qualified investors, the offer of those C Shares to it is not treated under the Prospectus Directive as having been made to such persons;

(l) if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for C Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and C Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;

(m) it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the C Shares and it is not acting on a non-discretionary basis for any such person;

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

(o) it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other offering materials concerning the Placing or the C Shares to any persons within the United States or to any U.S. Persons, nor will it do any of the foregoing;

(p) it represents, acknowledges and agrees to the representations, warranties and agreements as set out under the heading "United States Purchase and Transfer Restrictions" in paragraph 5, below;

(q) it acknowledges that neither Liberum nor any of its respective affiliates, nor any person acting on Liberum's behalf is making any recommendations to it or advising it regarding the suitability of any transactions it may enter into in connection with the Placing or providing any advice in relation to the Placing and its participation in the Placing is on the basis that it is not and will not be a client of Liberum and that neither Liberum has any duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertaking or indemnities otherwise required to be given by it in connection with its application under the Placing;

(r) that, save in the event of fraud on the part of Liberum, none of Liberum or any direct or indirect subsidiaries of Liberum or any other member of Liberum's group, nor any of their respective directors, members, partners, officers and employees shall be responsible or liable to a Placee or any of its clients for any matter arising out of Liberum's role as sponsor, placing agent and financial adviser or otherwise in connection with the Placing and that where such responsibility or liability nevertheless arises as a matter of law, the Placee and, if relevant, its clients, will immediately waive any claim against such persons which the Placee or any of its clients may have in respect thereof;

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

(t) it irrevocably appoints any director of the Company 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 C Shares for which it has given a commitment under the Placing, in the event of its own failure to do so;

(u) it accepts that if the Placing does not proceed or the conditions to the Placing Agreement are not satisfied or the C Shares for which valid applications are received and accepted are not admitted to the Official List of the FCA and to trading on the London Stock Exchange for any reason whatsoever then none of Liberum or the Company, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;

(v) in connection with its participation in the Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering ("Money Laundering Legislation") and that its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations 2007 in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing) (the "Money Laundering Directive"); 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 Directive;

(w) it acknowledges that due to anti-money laundering requirements, Liberum and the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Liberum and the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Liberum and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it;

(x) Liberum and the Company are entitled to exercise any of their rights under the Placing Agreement or any other right in their absolute discretion without any liability whatsoever to it;

(y) the representations, undertakings and warranties contained in this document are irrevocable. It acknowledges that Liberum and the Company and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of the C Shares are no longer accurate, it shall promptly notify Liberum and the Company;

(z) 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;

(aa) 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;

(bb) it accepts that the allocation of C Shares shall be determined by Liberum in its absolute discretion but in consultation with the Company and the Investment Manager and that Liberum may scale down any commitments for this purpose on such basis as it may determine;

(cc) time shall be of the essence as regards its obligations to settle payment for the C Shares and to comply with its other obligations under the Placing; and

(dd) authorises Liberum to deduct from the total amount subscribed under the Placing the commission (if any) payable to Liberum in accordance with the terms of the Placing Agreement.

5. United States purchase and transfer restrictions

By participating in the Placing, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for C Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, the Investment Manager, the Registrar, and Liberum that:

(a) it is not a US Person and it is not acquiring the C Shares for the account or benefit of a US Person;

(b) it acknowledges that the C Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons; and

(c) it acknowledges that the Company has not registered under the Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the Investment Company Act.

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

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

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 C Shares under the Placing, such Placee must promptly disclose it to them.

7. Miscellaneous

The rights and remedies of the Company, the Investment Manager, Liberum and the Registrar 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 a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

Each Placee agrees to be bound by the Articles once the C Shares, which the Placee has agreed to subscribe for pursuant to the Placing, have been acquired by the Placee. The contract to subscribe for C Shares under the Placing and the appointments and authorities mentioned in this document and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the Company, the Investment Manager, Liberum 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 the Placee in any other jurisdiction.

In the case of a joint agreement to subscribe for C 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, the timetable and settlement) at any time before allocations are determined. The Placing is subject to the satisfaction of the conditions contained in the Placing Agreement and the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained in Part VII of this document.

PART IX

DEFINITIONS

Act	the Companies Act 2006, as amended from time to time
Adjusted Net Asset Value	means the Net Asset Value adjusted as described in Part III of this document for the purpose of calculating the performance fee payable to the Investment Manager under the Management Agreement
Administration Agreement	the administration agreement dated 1 May 2014, between the Company and the Administrator, summarised in paragraph 7.8 of Part VII of this document
Administrator or **External Valuer**	Citco Fund Services (Ireland) Limited
Admission	the admission of the C Shares: (i) to the premium segment of the Official List; and (ii) to trading on the London Stock Exchange's main market for listed securities, becoming effective in accordance with the Listing Rules and the admission and disclosure standards of the London Stock Exchange
AIC Code	the Association of Investment Companies' Code of Corporate Governance, as amended from time to time
AIC Guide	the Association of Investment Companies' Corporate Governance Guide for Investment Companies, as amended from time to time
AIF	alternative investment fund
AIFM	alternative investment fund manager, being, at the date of this document, the Investment Manager
AIFM Directive	Directive 2011/61/EU on Alternative Investment Fund Managers
AIFM Rules	the AIFM Directive and all applicable rules and regulations implementing the AIFM Directive in the UK
API	application programming interface
Articles	the articles of association of the Company as at the date of this document
Auditors	PricewaterhouseCoopers LLP or such other auditor as the Company may appoint from time to time
Benefit Plan Investor	a "benefit plan investor" as defined in Section 3(42) of ERISA and any regulations promulgated by the US Department of Labor thereunder, being "employee benefit plans" as defined in Section 3(3) of ERISA that are subject to Title I of ERISA, "plans" that are subject to the prohibited transaction provisions of Section 4975 of the US Internal Revenue Code, and entities the assets of which are treated as "plan assets" under Section 3(42) of ERISA and any regulations promulgated thereunder
Broker Agreement	the engagement letter dated 10 April 2014, between the Company and Liberum, summarised in paragraph 7.18 of Part VII of this document

Business Day	a day (excluding Saturdays and Sundays or public holidays in England and Wales) on which banks generally are open for business in London for the transaction of normal business
C Shares	C shares of 10 pence each in the capital of the Company having the rights and restrictions set out in paragraph 3.18 of Part VII of this document
Calculation Date	the time and date referred to in paragraph 3.18(l) of Part VII of this document
Capita Asset Services or **Capita**	a trading name of Capita Registrars Limited
CDO	collateralised debt obligation
certificated form	not in uncertificated form
Certificates	certificates issued by LC Trust I, a trust affiliated with Lending Club, representing interests in consumer loans acquired by Lending Club
CLO	collateralised loan obligation
Company	P2P Global Investments PLC
Company Secretary	Capita Registrars Limited
Company Secretarial Agreement	the agreement dated 1 May 2014, between the Company and the Company Secretary, summarised in paragraph 7.11 of Part VII of this document
Conversion	the conversion of C Shares into new Ordinary Shares, as described in paragraph 3.18(l) of Part VII of this document
Conversion Date	the time and date referred to in paragraph 3.18(l) of Part VII of this document
Conversion Ratio	the ratio at which the C Shares convert into Ordinary Shares
Credit Assets	consumer loans, SME loans, advances against corporate trade receivables and/or purchases of corporate trade receivables
CREST	the relevant system as defined in the CREST Regulations in respect of which Euroclear is the operator (as defined in the CREST Regulations) in accordance with which securities may be held in uncertificated form
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended
Crossflow	Crossflow Payment Solutions Trading Limited
Deferred Shares	deferred shares of 0.1 pence each in the capital of the Company arising on Conversion
Depositary	Deutsche Bank Luxembourg S.A.
Depositary Agreement	the depositary agreement dated 14 May 2014, between the Company, the AIFM and the Depositary, summarised in paragraph 7.7 of Part VII of this document
Designated Investments	level 1 and level 2 assets of the Company pursuant to IFRS 7

Directors or **Board**	the board of directors of the Company
Disclosure and Transparency Rules	the disclosure and transparency rules made by the FCA under Part VI of FSMA
Eaglewood	Eaglewood Capital Management LLC
Eaglewood Europe	Eaglewood Europe LLP
Eaglewood Funds	the Eaglewood Income Fund and the Eaglewood Small Business Fund
Eaglewood Income Fund	Eaglewood Income Fund I, LP
Eaglewood Small Business Fund	Eaglewood Small Business Fund, LP
EEA	European Economic Area
ERISA	the United States Employee Retirement Income Security Act of 1974, as amended
Euroclear	Euroclear UK & Ireland Limited
External Valuer Agreement	the external valuer services agreement dated 1 May 2014, between the Company and the External Valuer, summarised in paragraph 7.9 of Part VII of this document
FATCA	the Foreign Account Tax Compliance Act
FCA	the Financial Conduct Authority, being the single regulatory authority for the UK financial services industry
FDIC	the Federal Deposit Insurance Corporation
FICO	the Fair Isaac Corporation, being the entity which calculates credit scores in the United States
First Admission	the admission on 30 May 2014 of the existing Ordinary Shares issued in connection with the First Placing and Offer (i) to the premium segment of the Official List; and (ii) to trading on the London Stock Exchange's main market for listed securities, becoming effective in accordance with the Listing Rules and the admission and disclosure standards of the London Stock Exchange
First Placing and Offer	the placing and offer of 20 million Ordinary Shares in May 2014
FSMA	the UK Financial Services and Markets Act 2000, as amended
Funding Circle (UK)	Funding Circle Limited
Funding Circle (US)	Funding Circle USA, Inc.
Gross Assets	the gross assets of the Company as determined in accordance with the accounting principles adopted by the Company from time to time
Group	the Company and its subsidiary undertakings from time to time
HMRC	HM Revenue & Customs
IFRS	International Financial Reporting Standards

Intermediaries	the entities listed in paragraph 14 of Part VII of this document, together with any other intermediary (if any) that is appointed by the Company in connection with the Intermediaries Offer after the date of this document
Intermediaries Agreement	the agreement dated 12 January 2015 upon which the Intermediaries have agreed to be appointed by the Company to act as an Intermediary in the Intermediaries Offer and pursuant to which the Intermediaries may apply for C Shares in the Intermediaries Offer, details of which are set out in paragraph 7.2 of Part VII of this document
Intermediaries Offer or **Offer**	the offer of C Shares by the Intermediaries
Intermediaries Offer Adviser	Scott Harris UK Ltd
Investment Manager	Marshall Wace LLP or MW LLP
Issue	the Placing and the Intermediaries Offer
Issue Price	£10 per C Share
Latest Practicable Date	close of business on 7 January 2015, being the latest practicable date prior to the date of this document for ascertaining certain information contained herein
Lending Club	Lending Club Corporation
Liberum or **Sole Bookrunner**	Liberum Capital Limited, the Company's sponsor, broker and sole bookrunner
Listing Rules	the listing rules made by the UK Listing Authority under section 73A of FSMA
Loan Administration Agreement	the loan administration agreement and account bank agreement dated 29 May 2014, between the Company, the Investment Manager and the Loan Administrator, summarised in paragraph 7.3 of Part VII of this document
Loan Administrator	Deutsche Bank AG, London Branch
London Stock Exchange	London Stock Exchange plc
Management Agreement	the investment management agreement dated 14 May 2014, between the Investment Manager and the Company, summarised in paragraph 7.6 of Part VII of this document
Management Fee	the management fee payable to the Investment Manager under the Management Agreement and described in Part III of this document
Member State	any member state of the European Economic Area
Money Laundering Regulations	the Money Laundering Regulations 2007
NAV or Net Asset Value	the value of the assets of the Company less its liabilities, determined in accordance with the accounting principles adopted by the Company from time to time
NAV per C Share or **Net Asset Value per C Share**	the Net Asset Value attributable to the C Shares divided by the number of C Shares in issue

NAV per Ordinary Share or **Net Asset Value per Ordinary Share**	the Net Asset Value attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue
Note	a borrower payment dependent note issued by certain US Platforms to their lender members and representing a fractional interest in an underlying loan
OFAC	Office of Foreign Assets Control
Official List	the official list maintained by the UK Listing Authority
Ordinary Shares	ordinary shares of £0.01 each in the capital of the Company
P2P	peer-to-peer
Placee	the persons with whom C Shares are placed pursuant to the Placing
Placing	the conditional placing of Placing Shares by Liberum at the Issue Price pursuant to the Placing Agreement
Placing Agreement	the conditional agreement dated 12 January 2015, between the Company, the Investment Manager and Liberum, summarised in paragraph 7.1 of Part VII of this document
Placing Shares	the C Shares to be issued under the Placing
Plan	the dividend reinvestment plan offered by the Company
Platforms	origination platforms that allow non-bank capital to engage with and directly: (a) lend to consumers or SME borrowers; (b) advance capital against corporate trade receivables; and/or (c) purchase trade receivables from sellers
Prospectus Directive	Directive 2003/71/EC of the European Parliament and of the Council of the European Union and any relevant implementing measure in each Relevant Member States
Prospectus Rules	the rules and regulations made by the FCA under Part VI of FSMA
Prosper	Prosper Funding LLC
RateSetter	a trade mark of Retail Money Market Limited
Register	the register of members of the Company
Registrar	Capita Asset Services
Registrar Agreement	the agreement dated 1 May 2014, between the Company and the Registrar, summarised in paragraph 7.10 of Part VII of this document
Regulatory Information Service	a service authorised by the UK Listing Authority to release regulatory announcements to the London Stock Exchange
Relevant Member State	each Member State which has implemented the Prospectus Directive or where the Prospectus Directive is applied by the regulator
SEC	the United States Securities and Exchange Commission
Securities Act	the United States Securities Act of 1933, as amended

Shareholder	a holder of Ordinary Shares and/or C Shares, as the context requires
Shares	Ordinary Shares and/or C Shares, as the context requires
SIPP	a self-invested personal pension as defined in Regulation 3 of the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Permitted Investments) Regulations 2001 of the UK
SMEs	small and medium-sized enterprises
SPV	special purpose vehicle
SSAS	a small self-administered scheme as defined in Regulation 2 of the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Small Self-Administered Schemes) Regulations 1991 of the UK
Sub-Management Agreement	the agreement dated 29 April 2014, between the Investment Manager and the Sub-Manager
Sub-Manager	Eaglewood Capital Management LLC
Takeover Code	The City Code on Takeovers and Mergers
UK	the United Kingdom of Great Britain and Northern Ireland
UK Listing Authority or **UKLA**	the FCA acting in its capacity as the competent authority for the purposes of admissions to the Official List
uncertificated or **in uncertificated form**	a Share recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
Underlying Applicants	investors who wish to acquire C Shares under the Intermediaries Offer
United States or **US**	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
Upstart	Upstart Network Inc.
US Code	the US Internal Revenue Code of 1986, as amended
US Investment Company Act	the United States Investment Company Act of 1940, as amended
US Person	a US Person as defined for the purposes of Regulation S
Zopa	Zopa Limited

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