

# Notice of Annual General Meeting

## ICG-Longbow Senior Secured UK Property Debt Investments Limited

P.O. Box 225, Heritage Hall, Le Marchant Street, St Peter Port, Guernsey GY1 4HY, Channel Islands  
Registered number: 55917

Tel: +44 (0) 1481 716000 Fax: +44 (0) 1481 730617

## ICG-Longbow Senior Secured UK Property Debt Investments Limited

(the "Company")

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO THE COMPANY ON WHICH YOU ARE BEING ASKED TO VOTE.** If you are in any doubt about the contents of this document, or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000, or if you are in a territory outside the United Kingdom, is an appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your ordinary shares in the Company, you should send this document, together with the accompanying proxy form, at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was affected for delivery to the purchaser or transferee.

NOTICE is hereby given that the fourth annual general meeting ("**Annual General Meeting**" or "**AGM**") of the Company is to be held at Lefebvre Place, Lefebvre Street, St Peter Port, Guernsey, on 31 May 2017 at 2.00 p.m. for the transaction of the following business:

### Ordinary Resolutions

To be proposed as ordinary resolutions:

1. That the audited accounts, the Directors' report, and the Auditors' report for the financial year ended 31 January 2017 be received and considered.
2. That the Directors' remuneration for the financial year ended 31 January 2017 as provided in the Director's report be approved.
3. That the proposals in relation to the Directors' future remuneration, effective from 1 July 2017, as contained in the Corporate Governance section of the Directors' report be approved.
4. That Jack Perry, who retires by rotation pursuant to article 22.3 of the Articles of Incorporation of the Company, be re-elected as a Director of the Company.
5. That Stuart Beevor, who retires by rotation pursuant to article 22.3 of the Articles of Incorporation of the Company, be re-elected as a Director of the Company.
6. That Mark Huntley, who retires as a Director of the Company in accordance with the Company's Prospectus, be re-elected as a Director of the Company.
7. That Deloitte LLP, who have indicated their willingness to continue in office, be re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

8. That the Directors be authorised to determine the remuneration of Deloitte LLP as Auditors of the Company.
9. That the interim dividend of 1.5 pence per share in respect of the period 1 February 2016 to 30 April 2016; the interim dividend of 1.5 pence per share in respect of the period 1 May 2016 to 31 July 2016; the interim dividend of 1.5 pence per share in respect of the period of 1 August 2016 to 31 October 2016; the interim dividend of 1.5 pence per share in respect of the period from 1 November 2016 to 31 January 2017; and the special dividend of 2.25 pence per share in respect of the financial year 1 February 2016 to 31 January 2017, declared by the Company, be ratified and approved.

### **Extraordinary Resolutions**

To be proposed as extraordinary resolutions:

10. That the directors be and are hereby authorised to allot and issue or make offers or agreements to allot and issue equity securities (as defined in the Company's articles of incorporation ("**Articles**")) for cash pursuant to article 4.4 of the Articles or by way of a sale of treasury shares as if article 6.2 of the Articles did not apply to any such allotment and issue provided that this power shall be limited to up to an aggregate 100,000,000 C Shares (as defined in the Articles), such authority to expire on the date which is 15 months from the date of the passing of this resolution or, if earlier, at the end of the Annual General Meeting of the Company to be held in 2018 (unless previously renewed, revoked or varied by the Company by extraordinary resolution) save that the Company may, before such expiry, make an offer or agreement which would or might require C Shares to be allotted and issued after such expiry and the directors may allot and issue C Shares in pursuance of such an offer or agreement as if the authority conferred by this resolution had not expired.
11. That the directors be and are hereby authorised to allot and issue or make offers or agreements to allot and issue equity securities (as defined in the Company's Articles) for cash pursuant to article 4.4 of the Articles or by way of a sale of treasury shares as if article 6.2 of the Articles did not apply to any such allotment and issue provided that this power shall be limited to the allotment and issue of such number of Ordinary Shares (as defined in the Articles) as is equal to 9.99 per cent. of the number of Ordinary Shares in issue as at the latest practicable date prior to the publication of this document (and after giving effect to the exercise of any warrants, options or other convertible securities outstanding as at such date) such authority to expire on the date which is 15 months from the date of the passing of this resolution or, if earlier, at the end of the Annual General Meeting of the Company to be held in 2018 (unless previously renewed, revoked or varied by the Company by extraordinary resolution) save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted and issued after such expiry and the directors may allot and issue equity securities in pursuance of such an offer or agreement as if the authority conferred by this resolution had not expired, and such authority shall be in addition to any other such authority in respect of the allotment and issue of Ordinary Shares granted to the directors from time to time.

### **Special Resolution**

To be proposed as a special resolution:

12. That the Company be and is hereby authorised, in accordance with the Companies (Guernsey) Law, 2008, as amended (the "**Companies Law**"), subject to the Listing Rules made by the UK Listing Authority and all other applicable legislation and regulations, to make market acquisitions (within the meaning of section 316 of the Companies Law) of its own Ordinary Shares (as defined in the Company's Articles) which may be cancelled or held as treasury shares, provided that:

- i) the maximum number of Ordinary Shares authorised to be purchased under this authority shall be a number equal to 14.99 per cent. of the Ordinary Shares (excluding treasury shares) in issue as at the latest practicable date prior to the date of publication of this document;
- ii) the minimum price (exclusive of expenses) which may be paid for an Ordinary Share shall be £0.01 pence per Ordinary Share;
- iii) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall be not more than an amount equal to the higher of (i) 5 per cent. above the average mid-market value of the Company's Ordinary Shares for the five business days prior to the day the purchase is made and (ii) the higher of the price of the last independent trade and the highest current independent bid for Ordinary Shares on the trading venues where the purchase is carried out,

such authority to expire on the date which is 15 months from the date of passing of this resolution or, if earlier, at the end of the Annual General Meeting of the Company to be held in 2018 (unless previously renewed, revoked or varied by the Company by ordinary resolution) save that the Company may make a contract to acquire Ordinary Shares under this authority before its expiry which will or may be executed wholly or partly after its expiration and the Company may make an acquisition of Ordinary Shares pursuant to such a contract.

BY ORDER OF THE BOARD

Heritage International Fund Managers Limited  
Company Secretary

27 April 2017

Heritage Hall  
Le Marchant Street  
St Peter Port  
Guernsey  
GY1 4HY

## EXPLANATORY NOTES:

### *Ordinary Resolutions*

#### **Annual Report and Accounts - resolution 1:**

For each financial year the Directors are required to lay the audited accounts and the reports of the Directors and auditors to shareholders at the Annual General Meeting. Shareholders will be asked to receive and consider the Annual Report and audited accounts for the financial year to 31 January 2017, together with the Reports of the Directors and Auditors thereon.

#### **Directors' remuneration report - resolution 2:**

Guernsey-registered companies are not obliged to prepare and publish a Directors' Remuneration Report. However, the Company has included details of its Directors' remuneration within the Annual Report and Accounts and an ordinary resolution will be put to shareholders seeking approval of the Directors' remuneration. The shareholder vote will be advisory only, but the Directors of the Company will take the outcome of the vote into consideration when reviewing and setting the Company's remuneration policy.

#### **Directors' revised remuneration – resolution 3:**

The Directors' fees were last revised in August 2014 and, following benchmarking against similar asset class investment companies and considering the additional tasks to be undertaken as the Company's market capitalisation increases, and in recognition of the increased level of regulatory obligations on the Company, the Director's fees have been reviewed. As outlined in the Directors' Remuneration section of the Corporate Governance report, the proposed increases, to be effective from 1 July 2017, are as follows:

Position	Current	Future
Chairman	£40,000	£50,000
Audit & Risk Chairman	£32,500	£40,000
Non-executive Director	£27,500	£35,000

As stated above in respect of resolution 2, the shareholder vote in respect of resolution 3 will also be advisory only, but the Directors of the Company will take the outcome of the vote into consideration when reviewing and setting the Company's remuneration policy.

#### **Election of Directors - resolutions 4, 5 & 6:**

In accordance with the Company's Prospectus and Article 22.3 of the Articles, all Directors should be subject to election by shareholders at the second Annual General Meeting after their appointment, and to re-election thereafter at intervals of no more than three years.

The Board has undertaken an evaluation of the performance of the individual Directors. This evaluation took the form of questionnaires and interviews to determine effectiveness and performance in various areas. Following this formal evaluation, the Chairman confirms that the performance of each of the Directors continues to be effective and to demonstrate commitment to their respective roles. The Board, therefore, believes that each of the Directors should be elected as there is a good mix of skills and this is demonstrated by the biographies contained in the Annual Report, published on 27 April 2017.

#### **Appointment and remuneration of the Auditors - resolutions 7 & 8:**

Shareholders will be asked to confirm the re-appointment of Deloitte LLP as the Company's auditors until the conclusion of the next Annual General Meeting to be held in 2018 and to grant authority to the Directors to determine their remuneration.

#### **Approval of Dividends – resolution 9:**

Interim dividends and the special dividend do not require shareholder approval under the Companies Law or the Articles of the Company however, in line with PIRC guidance the Board wishes to afford the shareholders the ability to ratify and approve the interim dividends

and the special dividend paid in this financial year. As the interim dividends and the special dividend have already been declared and paid, this is an advisory rather than a binding vote.

#### *Extraordinary Resolutions*

##### **Disapplication of pre-emption rights - resolutions 10 & 11:**

These resolutions, standard resolutions for investment companies listed under Chapter 15 of the UK Listing Rules, renew the authorities that were given at the AGM of the Company held in 2016 and give the Directors authority to allot and issue C Shares and Ordinary Shares for cash without first offering them to existing holders on a *pro rata* basis.

The aggregate number of C Shares which may be allotted and issued under the powers in Resolution 9 must not be more than 100,000,000.

The aggregate number of Ordinary Shares which may be allotted and issued under the powers in Resolution 10 must be not more than 9.99 per cent. of the number of Ordinary Shares in issue as at the latest practicable date prior to the publication of this document (and after giving effect to the exercise of any warrants, options or other convertible securities outstanding as at such date).

In order to take advantage of attractive investment opportunities as and when they arise, the Company has published a 12 month prospectus (the "**Prospectus**") under which it may issue up to a maximum of 100 million Ordinary Shares pursuant to a placing programme (the "**Placing Programme**"). The Directors currently have a specific authority to allot and issue up to 40 million Ordinary Shares pursuant to the Placing Programme as granted by shareholders at the extraordinary general meeting held on 1 March 2017. Notwithstanding the intention of the Directors to propose a Placing Programme in respect of the issue of up to 40 million Ordinary Shares, as set out in the circular to shareholders dated 11 January 2017, the Directors believe it is in the best interests of the Company to include flexibility in the Placing Programme to issue up to a maximum of 100 million Ordinary Shares, as it will allow them to issue, subject to investor demand, further Ordinary Shares pursuant to the Placing Programme without issuing a further Prospectus, thereby potentially saving the Company costs. At the annual general meeting of the Company held on 3 June 2016, shareholders approved a general authority to allot and issue up to 10,811,103 Ordinary Shares for cash on a non-pre-emptive basis. As a result, the Directors may currently, without further shareholder approval, allot and issue up to an additional 10,811,103 Ordinary Shares for cash on a non-pre-emptive basis under the Placing Programme. Accordingly, at this AGM, the Directors intend to seek shareholder authority for the renewal of the general authority. If granted, this general authority shall be in addition to the authority in respect of the allotment and issue of 40 million Ordinary Shares pursuant to the Placing Programme referred to above. Further information in relation to the Placing Programme is set out in Part V of the Prospectus. If granted, Ordinary Shares may also be allotted and issued pursuant to this general authority other than pursuant to the Placing Programme although the Directors do not currently have any intention to do so. The Directors confirm that in any event Ordinary Shares will only be issued at prices which are not less than the prevailing Net Asset Value per Ordinary Share.

#### *Special Resolution*

##### **Share Purchase Authority - resolution 12:**

This resolution renews the share buy-back authority that was given by the Company's shareholders at the AGM held in 2016. As part of the Company's discount management arrangements, as further detailed in paragraph five of Part I of the Prospectus, Resolution 11 gives the Directors authority to make market purchases of the Company's own shares, up to 14.99 per cent of the Ordinary Shares (excluding treasury shares) in issue as at the latest practicable date prior to the date of publication of this document.

In deciding whether to make any such purchases the Directors will have regard to what they believe to be in the best interests of shareholders and to the applicable Guernsey legal requirements which require the Directors to be satisfied on reasonable grounds that the Company will, immediately after any such repurchase, satisfy a solvency test prescribed by the Companies Law and any other requirements in its memorandum and articles of

incorporation. The Directors do not currently have any intention to repurchase any Ordinary Shares. The making and timing of any buybacks is at the absolute discretion of the Board and not at the option of the shareholders. Any such repurchases would only be made through the market for cash at a discount to Net Asset Value.

**Note from the Board:**

Members are requested to vote in respect of all of the resolutions proposed in this Notice of Annual General Meeting. It is the recommendation of the Board that members vote in favour of each resolution on the basis that the Board considers their passing to be in the best interests of the members as a whole.

Certain of the Directors are also members of the Company, each of whom intends to vote in favour of all resolutions (other than the resolution in respect of their own election) proposed in this Notice of Annual General Meeting. Their holdings as at the date of this Notice are as follows:-

	Ordinary Shares of no par value each held	Percentage of total issued share capital
Jack Perry*	35,000	0.03
Stuart Beevor	20,000	0.02
Patrick Firth	10,000	0.01
Mark Huntley	10,000	0.01
Paul Meader*	25,000	0.02

\* Ordinary Shares held through a nominee.

Information as to how to vote can be found in the Notes below or contained in the notes to the Form of Proxy, which accompanies this Notice.

### **Notes to the Notice of the Annual General Meeting:**

1. A member is entitled to attend and vote at the meeting provided that all calls due from him/her in respect of his/her Ordinary Shares have been paid. A member is also entitled to appoint one or more proxies to attend, speak and vote on his/her behalf at the meeting. The proxy need not be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the Form of Proxy are set out in the notes to the Form of Proxy enclosed with this Notice. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
2. To be effective, the instrument appointing a proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) must be sent to Capita Asset Services: The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, no later than 2.00 p.m. on 26 May 2017, or not less than 48 hours before (excluding weekends and bank holidays) the time for holding any adjourned meeting, as the case may be. A corporation may execute a proxy under its common seal or by the hand of a duly authorised officer or other agent. Completion and return of the Form of Proxy will not preclude members from attending and voting in person at the meeting.
3. Any corporation which is a shareholder may, by a resolution of its directors or other governing body, authorise such persons as it thinks fit to act as its representative at the Annual General Meeting or to approve a resolution submitted in writing and the person so authorised shall be entitled to exercise on behalf of the corporation which he or she represents the same powers (other than to appoint a proxy) as that corporation could exercise if it were an individual shareholder of the Company.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Ordinary Shares. You may not appoint more than one proxy to exercise rights attached to any one Ordinary Share. Where multiple proxies have been appointed to exercise rights attached to different Ordinary Shares, on a show of hands those proxy holders taken together will collectively have the same number of votes as the shareholder who appointed them would have on a show of hands if he were present at the meeting. On a poll, all or any of the rights of the shareholder may be exercised by one or more duly appointed proxies. To appoint more than one proxy you may photocopy the enclosed Form of Proxy. Please indicate the proxy holder's name and the number of Ordinary Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Ordinary Shares held by you). Please also indicate if the proxy instruction is one of multiple instructions given by you. All hard copy proxy appointments must be signed and should be returned together in the same envelope.
5. On a vote on a show of hands, each proxy has one vote. If a proxy is appointed by more than one shareholder, and all such shareholders have instructed the proxy to vote in the same way, the proxy will only be entitled, on a show of hands, to vote "for" or "against" as applicable. If a proxy is appointed by more than one shareholder, but such shareholders have given different voting instructions, the proxy may, on a show of hands, vote both "for", and "against" in order to reflect the different voting instructions.
6. To change your proxy instructions simply submit a new Form of Proxy using the methods set out above and in the notes to the Form of Proxy. Note that the cut-off date and time for receipt of a Form of Proxy (see note 2 above) also apply in relation to amended instructions; any amended Form of Proxy received after the relevant cut-off date and time will be disregarded. If you submit more than one valid Form of Proxy, the form received last before the latest time for the receipt of proxies will take precedence.
7. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment

to Capita Asset Services: The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZF. In the case of a member which is an individual the revocation notice must be under the hand of the appointer or of his attorney duly authorised in writing or in the case of a member which is a company, the revocation notice must be executed under its common seal or under the hand of an officer of the company or an attorney duly authorised. Any power of attorney or any other authority under which the revocation notice is signed (or a notarially certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received before the commencement of the meeting or adjournment or the taking of the poll at which the proxy is used.

8. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
9. To be passed, an ordinary resolution requires a simple majority of the members and duly appointed proxies entitled to attend the meeting and voting on a show of hands to vote in favour (excluding any votes that are withheld) or, if a poll is demanded, a simple majority of the total voting rights cast on the relevant resolution (excluding any votes that are withheld) to be in favour.
10. To be passed, an extraordinary resolution requires not less than 75 per cent of the members and duly appointed proxies entitled to attend the meeting and voting on a show of hands to vote in favour (excluding any votes that are withheld) or, if a poll is demanded, not less than 75 per cent of the total voting rights cast on the relevant resolution (excluding any votes that are withheld) to be in favour.
11. To be passed, a special resolution requires not less than 75 per cent of the members and duly appointed proxies entitled to attend the meeting and voting on a show of hands to vote in favour (excluding any votes that are withheld) or, if a poll is demanded, not less than 75 per cent of the total voting rights cast on the relevant resolution (excluding any votes that are withheld) to be in favour.
12. The quorum for the Annual General Meeting will be two members present and entitled to vote in person or by proxy. In the event that a quorum is not present for the Annual General Meeting within 30 minutes of the time appointed for the Annual General Meeting, the Annual General Meeting shall stand adjourned for five business days at the same time and place or to such other day and at such other time and place as the board of Directors may determine and no notice of adjournment need be given. At any such adjourned meeting, those members who are present in person shall constitute the quorum.
13. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the register of members in respect of the joint holding (the first-named being the most senior).
14. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to every other matter which is put before the Annual General Meeting.
15. In accordance with the Regulation 41(1) of the Uncertificated Securities (Guernsey) Regulations, 2009, the Company specifies that only those members registered on the Register of Members of the Company at 6.00 p.m. on 29 May 2017 (or in the event that the meeting is adjourned, only those members registered on the register of members of the Company as at the time which is 48 hours prior to the adjourned meeting) shall be entitled to attend in person or by proxy and vote at the Annual General Meeting in respect of the number of Ordinary Shares registered in their name at that time.



Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

16. A copy of the Company's Articles will be available for inspection at the registered office of the Company (during business hours and excluding weekends and bank holidays) in Guernsey or otherwise available on request from the Company Secretary, Heritage International Fund Managers Limited (telephone +44 (0) 1481 716000), from the date of this notice until the time of the Annual General Meeting.
17. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held on 31 May 2017 and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
18. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by Capita Asset Services (Crest Participant ID RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
19. CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34(1) of the Uncertificated Securities (Guernsey) Regulations, 2009.
20. The Directors will answer any questions raised at the Annual General Meeting which relate to the business of the meeting, although no answer need be given:
  - (a) if to do so would interfere unduly with the preparation of the meeting or involve disclosure of confidential information;
  - (b) if the answer has already been given on the Company's website; or
  - (c) if it is undesirable in the best interests of the Company or the good order of the meeting that the question be answered.
21. A copy of this Notice of Annual General Meeting is available on the Company's website: [www.icglongbow.co.uk](http://www.icglongbow.co.uk)
22. The total issued share capital of the Company as at the date of this Notice is 108,219,250 Ordinary Shares. Pursuant to the Articles, on a show of hands every member (being an individual) present in person or by proxy or (being a corporation) present by a duly authorised representative shall have one vote on a show of hands,

and one vote per Ordinary Share on a poll (other than the Company itself where it holds its own shares as treasury shares).

23. All capitalised expressions used in this Notice of Annual General Meeting not otherwise defined herein shall have the same meaning given to them in the Articles of the Company.