This document is issued by PATAC Limited as alternative investment fund manager of Troy Income & Growth Trust plc (the "Company") solely in order to make certain particular information available to investors in the Company before they invest, in accordance with the requirements of the FCA Rules implementing the EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (the "AIFMD") in the United Kingdom. It is made available to investors in the Company by being made available at www.tigt.co.uk.

Potential investors in the Company's shares should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.

TROY INCOME & GROWTH TRUST PLC

INVESTOR DISCLOSURE DOCUMENT

IMPORTANT INFORMATION

Regulatory status of the Company FUND 3.2.2R(3)

Troy Income & Growth Trust plc is an 'alternative investment fund' ("AIF") for the purposes of the AIFMD. The Company has appointed PATAC Limited ("PATAC" or the "AIFM"), to act as its alternative investment fund manager. PATAC is authorised and regulated by the FCA as a 'full-scope UK AIFM'

The Company's shares are listed on the premium segment of the Official List of the UK Listing Authority and are admitted to trading on the main market of the London Stock Exchange. The Company is subject to its articles of association, the Listing Rules, the Disclosure and Transparency Rules, the UK corporate governance code and the Companies Act 2006.

The provisions of the Company's articles of association are binding on the Company and its shareholders. The articles of association set out the respective rights and restrictions attaching to the Company's shares. These rights and restrictions apply equally to all shareholders. All shareholders are entitled to the benefit of, and are bound by and are deemed to have notice of, the Company's articles of association. The Company's articles of association are governed by Scots law.

Limited purpose of this document

This document is not being issued for any purpose other than to make certain, required regulatory disclosures to investors and, to the fullest extent permitted under applicable law and regulations, the Company, PATAC and their directors will not be responsible to persons other than the Company's shareholders for their use of this document, nor will they be responsible to any person (including the Company's shareholders) for any use which they may make of this document other than to inform a decision to invest in shares in the Company.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to buy or sell, or otherwise undertake investment activity in relation to, the Company's shares.

This document is not a prospectus and it is not intended to be an invitation or inducement to any person to engage in any investment activity. This document may not include (and it is not intended to include) all the information which investors and their professional advisers may require for the purpose of making an informed decision in relation to an investment in the Company and its shares.

No advice

The Company, PATAC and their directors are not advising any person in relation to any investment or other transaction involving shares in the Company. Recipients must not treat the contents of this document or any subsequent communications from the Company, or any of its affiliates, officers, directors, employees or agents, as advice relating to financial, investment, taxation, accounting, legal, regulatory or any other matters. Prospective investors must rely on their own professional advisers, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment in shares.

Potential investors in the Company's shares should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.

Overseas investors

The distribution of this document in certain jurisdictions may be restricted and accordingly persons into whose possession this document comes are required to inform themselves about and to observe such restrictions. The shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under any of the relevant securities laws of Canada, Australia or Japan. Accordingly, the shares may not (unless an exemption from such Act or such laws is available) be offered, sold or delivered, directly or indirectly, in or into the USA, Canada, Australia or Japan. The Company is not registered under the United States Investment Company Act of 1940 (as amended) and investors are not entitled to the benefits of such Act.

Prospective investors must inform themselves as to (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of shares.

THE COMPANY

Investment Policy & Strategy

FUND 3.2.2R(1)(a)(d)(e)(f)

The Company is an investment trust and its investment objective is to provide shareholders with an attractive income yield and the prospect of income and capital growth through investing in a portfolio of predominantly UK equities.

Equities are selected for their inclusion within the portfolio solely on the basis of the strength of the investment case with the focus being on long term income growth along with capital preservation.

Asset classes other than equities will be purchased from time to time and will vary as opportunities are identified and will include convertibles, preference shares, fixed income securities and corporate bonds. Investments will be made when prospective returns appear to be superior to those from equity markets or are considered likely to exceed the Company's cost of capital including any borrowing costs. However, non-equity securities will not constitute the majority of the portfolio. The Company may also use derivatives for the purpose of efficient portfolio management, including reducing, transferring or eliminating investment risk in its investments and protection against currency risk, to exploit an investment opportunity and to achieve an overall return.

There are no pre-defined maximum or minimum exposure levels for asset classes but these exposures are reported to, and monitored by, the Board in order to ensure that adequate diversification is achieved. The Company is permitted to hold up to 20 per cent of gross assets in non-UK investments.

The Company does from time to time invest in other UK listed investment companies but the Company will not invest more than 15 per cent of gross assets in other listed investment companies.

The portfolio will be relatively concentrated and the number of individual holdings in equities and funds will vary over time but, in order to diversify risk, will typically be between 30 and 50. The Board monitors the aggregate exposure to any one equity across the whole investment portfolio.

While there is a comparative index for the purpose of measuring performance over material periods, no attention is paid to the composition of this index when constructing the portfolio and the composition of the portfolio is likely to vary substantially from that of the index.

The Company is managed in compliance with the statutory investment restrictions included in sections 1158-59 of the Corporation Tax Act 2010 ensuring that the Company continues to qualify as an investment trust.

To facilitate the achievement of the Company's objective the day to day management of the Company's assets have been delegated by the AIFM to the Troy Asset Management Limited (the "Investment Manager").

Although not part of the investment policy the following guidelines have been adopted in seeking to achieve the Company's objective:

- It is intended that the Company will generally remain fully invested but the Company will retain the ability to hold cash or cash equivalents from time to time. Commitment to capital preservation means that the level of cash held in portfolios which it manages has always been an active investment decision.
- Various guidelines to limit the portfolio exposure have been set by the Board in conjunction with the AIFM and the Investment Manager. These (which may be varied only with the permission of the Board) include:

- Overseas investments not to exceed 20% of gross assets;
- UK equity portfolio to comprise between 30 and 50 individual holdings;
- No more than 6% of gross assets in any one FTSE 100 stock;
- No more than 4% of gross assets in any one FTSE Mid 250 stock;
- No more than 2% of gross assets in any one FTSE small cap or AIM stock;
- No more than 30% of gross assets in any one FTSE Industry Sector.
- A discount policy was introduced with effect from the conclusion of the AGM held on 14 January 2010. This policy is to ensure that the Ordinary shares trade at close to net asset value through a combination of share buy-backs and the issue of new Ordinary shares at a premium to net asset value where demand exceeds supply. Further details of the operation of this policy are contained in the Company's Annual Report.

Leverage

Circumstances in which leverage may be used FUND 3.2.2R(1)(g)

Leverage may be used in a tactical and flexible manner to enhance returns to shareholders and may be used when the Board and the Investment Manager have sufficient conviction that the assets funded by borrowed monies will generate a return in excess of the cost of borrowing. FUND 3.2.2R(1)(i)

Types and sources of leverage permitted and risks FUND 3.2.2R(1)(h)

Leverage may be in the form of bank borrowings or through derivative instruments which provide a geared exposure to equity markets.

The Board currently intends that the aggregate borrowings of the Company will be up to 15 per cent of net assets immediately following drawdown, with a maximum level of aggregate borrowings of 25 per cent of net assets immediately following drawdown. The Board will, however, retain flexibility to increase or decrease the level of the Company's gearing to take account of changing market circumstances and in pursuit of the Company's investment policy. FUND 3.2.2R(1)(e)

In pursuing this policy, the Company has in place a two year unsecured floating rate revolving credit facility for £20 million with an expiry date of April 2019. Interest is payable by the Company at a rate equal to the aggregate of LIBOR as quoted in the market for the relevant loan period and a margin of 0.9 per cent. per annum.

The maximum amount of leverage which the AIFM is entitled to employ on behalf of the Company FUND 3.2.2R(1)(j)

As mentioned above, the Company is permitted to engage in leverage through the use of bank borrowings or through derivative instruments. The maximum potential exposure created by such techniques and/or created through borrowing, shall not exceed 200 per cent under the gross method and 200 per cent under the commitment method of calculation set out in the AIFMD.

This maximum level has been set by the AIFM in consultation with the Board, in accordance with the AIFMD. In accordance with the management agreement, any changes to these limits will be agreed in advance between the AIFM and the Company.

The commitment leverage methodology allows for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as hedging and duration management. On the contrary, the gross leverage methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as hedging and duration management.

<u>Disclosure of information in relation to leverage</u>

The Company will disclose on its website at the same time as it makes its annual report and accounts available to investors or more frequently at its discretion, the following:

- any changes to the maximum level of leverage that the AIFM may employ on behalf of the Company; 3.2.2R(17) 3.2.6R(1)(a)
- any changes to the right of reuse of collateral or any guarantee granted under the leveraging arrangements; and 3.2.2R(17) 3.2.6R(1)(b)
- the total amount of leverage employed by the Company. 3.2.2R(17) 3.2.6R(2)

Investment approach and investment techniques FUND 3.2.2R(2)

The Company's annual report, which is available from its website, www.tigt.co.uk, sets out the investment approach and techniques currently applied in managing the Company's portfolio.

As a closed-ended investment fund whose shares are admitted to the Official List under Chapter 15 of the Listing Rules, the Company is required to obtain the prior approval of the shareholders to any material change to its published investment policy. Accordingly, the Company will not make any material change to its published investment policy without the approval of its shareholders by ordinary resolution. The Company will announce any such change through a Regulatory Information Service. The Company's published investment policy is set out in the section entitled 'Investment policy' above.

Any change in investment strategy or investment policy which does not amount to a material change to the published investment policy may be made by the Company without shareholder approval.

ADMINISTRATION AND MANAGEMENT OF THE COMPANY

The AIFM

The AIFM is PATAC Limited (the "AIFM"), a private limited company incorporated in Scotland with registered number SC366565, whose registered office is at 21 Walker Street, Edinburgh EH3 7HX. PATAC is authorised and regulated by the FCA. 3.2.2.R (4)

The AIFM has been authorised by the FCA to act as an alternative investment fund manager pursuant to the AIFMD and has been designated by the Company, under the terms of the management agreement, to perform the:

- Investment management function in respect of the Company which includes portfolio management and risk management;
- Valuation function in respect of the company's assets

The AIFM is also responsible for ensuring compliance with the AIFMD. The AIFM has delegated certain functions with respect to its duties to third parties in accordance with the delegation requirements of AIFMD. In particular, the AIFM has delegated certain portfolio management functions to the Investment Manager. Notwithstanding any delegation the AIFM shall remain liable to the Company for the proper performance of the portfolio management, risk management and valuation. The Investment Manager will be responsible to the AIFM in regard to the management of the investment of the assets of the Company in accordance with its investment objectives and policies, subject always to the supervision and direction of the AIFM.

The AIFM will also provide company secretarial and administration services to the Company.

Delegated management functions FUND 3.2.2R(6)(a)

The AIFM has delegated the day to day management of the Company's portfolio of assets to Troy Asset Management Limited (the "Investment Manager"). The Investment Manager will be responsible to the AIFM in regard to the management of the investment of the assets of the Company in accordance with its investment objectives and policies, subject always to the supervision and direction of the AIFM. FUND 3.2.2R(6)(c)

Fees

The AIFM receives a fee for the provision of its services and in turn the Investment Manager is entitled to a fee which is based on the AIF's net assets. The fee payable to the Investment Manager is 0.65 per cent. of net assets. The fee is calculated monthly and paid quarterly in arrears. FUND 3.2.2R(9)

The Depositary

FUND 3.2.2R(4)

J.P. Morgan Europe Limited (the "Depositary") has been appointed as the Company's depositary, as required by AIFMD. The Depositary holds or arranges for sub-custodians to hold, all of the cash, securities and other assets of the Company and arranges and settles (directly or through sub-custodians) all transactions relating to those assets on behalf of the Company. FUND 3.2.2R(6) (c)

Under the terms of the depositary agreement between the Company, the Depositary and the AIFM, the Depositary is permitted to procure that JPMorgan Chase Bank National Association, London branch ("JPMCB"), or another custodial delegate, hold the Company's financial instruments in custody on the Depositary's behalf.

In this regard, the Company, the Depositary and JPMCB have entered into a global custody agreement under which the Depositary has delegated custody of the Company's financial instruments to JPMCB. JPMCB has the authority to sub-delegate the custody of the Company's financial instruments provided that JPMCB must comply with the same requirements that would apply in the context of a delegation by the Depositary. FUND 3.2.2R(6)(b)

The Depositary has not entered into any contractual arrangement to discharge itself of liability in accordance with Article 21(13) and 21(14) of the AIFMD and, therefore, the Depositary's liability is not be affected by the delegation of its safe-keeping function as outlined above. Shareholders will be notified of any changes with respect to the discharge by the Depositary of its liability in accordance with Articles 21(13) and 21(14) through a Regulator News Service.

Fees of the Depositary FUND 3.2.2(9)

The annual fee payable to the Depositary is on a sliding scale based on the value of assets under management with the maximum fee being 0.015% of the net asset value of the Company.

FUND 3.2.2R(9)

Custody Charges

In addition to the fees stated above the Depositary shall also be entitled to receive transaction and custody charges in relation to the transaction handling and safekeeping of the Company's assets ("Transaction Charges" and "Custody Charges" respectively). Transaction Charges are for the underlying securities traded in local market exchanges. Custody Charges are for the asset value under administration in each securities market.

The Auditor FUND 3.2.2R(4)

The auditor of the Company is PricewaterhouseCoopers LLP. The auditor's responsibility is to audit and report on the Company's financial statements in accordance with applicable law and auditing standards for all accounting periods during its appointment.

The Auditor carries out its duties in accordance with applicable laws, rules and regulations, including the audit of the accounting information contained in the annual report of the Company. The Auditor's work has been undertaken so that they might state to the Company's members those matters they are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, the Auditor does not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for their audit work, for their audit report, or for the opinions they formed.

Fees

The fees payable to the Auditor shall be determined by the Directors. The Company's annual report and accounts detail the latest fees paid to the Auditor.

The Registrar

The registrar to the Company is Equiniti Group, a public limited company incorporated in England and Wales with registered number 07090427, whose registered office is at Sutherland House, Russell Way, Crawley, West Sussex, RH10 1UH.

The duties of the registrar include:

- maintenance of the register of shareholders;
- certifying and registering transfers;
- dealing with routine correspondence from shareholders, the United Kingdom Listing Authority, CRESTCo and the Registrar of Companies; and
- maintaining dividend mandates and shareholder legal documentation.

The fees charged by the registrar are based on the number of shareholders on the register of members and the number of transfers that take place among other factors.

Conflicts of interest that may arise from the delegation of functions by the AIFM FUND 3.2.2R(6)(d)

The Depositary, the AIFM and the Investment Manager may from time to time act as manager, administrator, custodian, alternative investment fund manager, investment manager or adviser or distributor in relation to, or be otherwise involved in, other funds or collective investment schemes which have similar investment objectives to those of the Company. It is, therefore, possible that any of them may, in the due course of their business, have potential conflicts of interests with the Company. Each will at all times have regard in such event to its obligations under the Company's articles of association and/or any agreements to which it is party or by which it is bound in relation to the Company and, in particular, but without limitation, to its obligations to act in the best interests of the shareholders when undertaking any investments where conflicts of interest may arise and they will each respectively endeavour to ensure that such conflicts are resolved fairly and, in particular, the Investment Manager has agreed to act in a manner which the Investment Manager in good faith considers fair and equitable in allocating investment opportunities to the Company.

There is no prohibition on dealing in assets of the Company by entities related to the Depositary, the AIFM or the Investment Manager provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length and in the best interests of the shareholders. Permitted transactions are subject to (a) a certified valuation of a transaction by a person approved by the Depositary (or in the case of transactions involving the Depositary the Directors) as independent and competent; (b) the execution of transactions on best terms on organised investment exchanges under their rules and, (c) where (a) and (b) are not practical, execution on terms the Depositary (or in the case of transactions involving the Depositary the Directors) is satisfied conform to the principles of normal commercial terms negotiated at arm's length and in the best interests of the shareholders.

Employees or officers of the AIFM, the Investment Manager or its affiliates may directly or indirectly acquire Shares. Any acquisition or divestment of Shares by such individuals shall be on terms which are no more favourable than those applying to all shareholders. The AIFM and Investment Manager will maintain internal procedures to ensure that the size and timing of any purchases or sales of Shares by such individuals shall not conflict with any duties owed to shareholders and the Company by the AIFM and Investment Manager or its affiliates or any employees or officers thereof.

Investor rights against third party service providers

The Company is reliant on the performance of third party providers including those set out above. No shareholder has any direct contractual claim against any service provider with respect to such service provider's default in providing its services to the Company. Any shareholder who believes they may have a claim against any service provider in connection with their investment in the Company should consult their own independent legal adviser. FUND 3.2.2R(4)

SHAREHOLDER INFORMATION

Annual Reports and Accounts

Copies of the Company's latest annual and interim reports may be accessed at www.tigt.co.uk. FUND 3.2.2R(14)

Publication of net asset values

The latest net asset value of the Company may be accessed at www.tigt.co.uk. The Company also publishes its net asset values on a daily basis via a Regulatory Information Service. FUND 3.2.2R(13)

Valuation Policy FUND 3.2.2R(7)

The Company's asset valuation policy, as stated in its accounting policies, is to value listed investments at bid price.

The Company's AIFM acts as its "own valuer" and valuation is undertaken by the risk committee such that valuation is confirmed independently of the portfolio managers and is conducted with due skill, care and diligence. In so doing, PATAC uses information provided by JP Morgan Europe Limited and other independent sources in order to verify the valuations. At least once each year PATAC will undertake a full in-depth review of the value of the underlying assets of the Company. This review is undertaken, where possible, at the

same time as the Company's Auditor's annual check of the existence of the holdings and validation of their prices.	
Historical performance of the Company Details of the Company's historical financial performance are provided in the Company's annual reports and accounts and monthly factsheets, which are available at www.tigt.co.uk. ***Investors should note that past performance of the Company is not necessarily indicative of future performance. Investors may not get back the amount invested.***	FUND 3.2.2R(15)
Purchases and sales of shares by investors The Company's shares are admitted to the Official List of the UKLA and to trading on the main market of the London Stock Exchange. Accordingly, the Company's shares may be purchased and sold on the main market of the London Stock Exchange. The Company's shares are not redeemable. While the Company will typically have shareholder authority to buy back shares, shareholders do not have the right to have their shares purchased by the Company. The Company operates a discount policy to ensure that the ordinary shares trade at close to net asset value through a combination of share buy-backs and the issue of new shares at a premium to net asset value where demand exceeds supply. Nothing in this discount policy will require the Directors to take any steps that would require the Company to make a tender offer for its shares or to publish a prospectus. Shareholders should note that notwithstanding this discount policy, that there is no guarantee that the ordinary shares will trade at close to net asset value per ordinary share. Further details of this discount policy can be found in the Annual Report available at www.tigt.co.uk.	FUND 3.2.2R(12)
Fair treatment of investors The legal and regulatory regime to which the Company and the Directors are subject ensures the fair treatment of investors. The Listing Rules require that the Company treats all shareholders of the same class of shares equally. In particular, as directors of a company incorporated in the United Kingdom, the Directors have certain statutory duties under the Companies Act 2006 with which they must comply. These include a duty upon each Director to act in the way she or he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. No investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not give preferential treatment to any investors. The Shares all rank *Pari Passu* with each other.	FUND 3.2.2R(10) FUND 3.2.2R(11)
Key information document The key information document may be accessed at www.tigt.co.uk	
RISK FACTORS	
The following risks are those considered by the Company and the AIFM to be the material risks arising from the Company's investing activities but they are not the only risks relating to the Company or its shares. There may also be additional risks that the Company and the AIFM do not currently consider to be material or which are not presently known	FUND 3.2.2R(1)(e)

to them. Before investing in shares, potential investors should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser.

Performance risk
The Board is responsible for deciding the investment strategy to fulfil the Company's objective and monitoring the performance of the Investment Manager. An inappropriate strategy may lead to underperformance against the appropriate benchmark and its peer group. To manage this risk the Investment Manager provides an explanation of significant stock selection decisions and the rationale for the composition of the investment portfolio. The Board also receives and reviews regular reports showing an analysis of the Company's performance against the FTSE All-Share Index (total return) and its peer group.

Resource risk
Like most other investment trusts, the Company has no employees. The Company therefore relies on services provided by third parties, including, in particular, the Investment Manager, to whom responsibility for the management of the Company has been delegated under an investment management agreement (the "Agreement"). The terms of the Agreement cover the necessary duties and conditions expected of the Investment Manager. The Board reviews the performance of the Investment Manager on a regular basis and their compliance with the Agreement on an annual basis.

Operational risk
As the Company relies upon the services provided by third parties it is dependent upon the control systems of the Investment Manager and the Company's other service providers. The security, for example, of the Company's assets, dealing procedures, accounting records and maintenance of regulatory and legal requirements, depend on the effective operation of these systems. These are regularly tested and monitored.

Market risk
Market risk arises from uncertainty about future prices of the Company's investments. The Board monitors and maintains an adequate spread of investments in order to minimise the risks or factors specific to particular investment or sectors, based on the diversification requirements inherent in the Company's investment policy.

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – interest rate risk, foreign currency risk and other price risk.

Interest rate risk
The Company is subject to interest rate risk because the value of fixed interest rate securities is linked to underlying bank rates or equivalents, and its short-term borrowings and cash resources carry interest at floating rates. The interest rate profile is managed as part of the overall investment strategy of the Company.

Foreign currency risks
A proportion of the Company's investment portfolio is invested in overseas securities and the income and capital value can be affected by movements in exchange rates. Exchange gains or losses may arise as a result of the movement in the exchange rate between the date of the transaction denominated in a currency other than Sterling and its settlement.

Other price risk
Other price risks (i.e. changes in market prices other than those arising from interest rate risk) may affect the value of the quoted investments. It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular sector. The allocation of assets to specific sectors and the stock selection process both act to reduce market risk. The Investment Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review

investment strategy. The investments held by the Company are all listed on recognised investment exchanges.

Liquidity risk
This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk is not considered to be significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding commitments if necessary. Short-term flexibility is achieved through the use of overdraft facilities.

Credit risk
This is failure of the counterparty to a transaction to discharge its obligations under that transaction that could result in the Company suffering a loss. The risk is not significant, and is managed as follows:

- investment transactions are carried out with a large number of brokers, whose credit-standing is reviewed periodically by the Investment Manager, and limits are set on the amount that may be due from any one broker. Transactions are ordinarily undertaken on a deliver versus payment basis whereby the Company's custodian bank ensures that the counterparty to any transaction entered into by the Company has delivered on its obligations before any transfer of cash or securities away from the Company is completed;
- the risk of counterparty exposure due to failed trades causing a loss to the Company is mitigated by the review of failed trade reports on a monthly basis. In addition, the Administrator carries out a stock reconciliation to the custodian's records on a monthly basis to ensure discrepancies are picked up on a timely basis;
- cash is held only with reputable banks and financial institutions with high quality external credit ratings. None of the Company's financial assets is secured by collateral or other credit enhancements.

Details of the Company's key risks are also set out in the Company's annual report and accounts, which may be accessed on the Company's website.

RISK MANAGEMENT

Risk profile

FUND 3.2.2R(17), 3.2.5R(3)

The Company's investing activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the Company is exposed are those highlighted in the section entitled "Risk Factors" above: namely, performance and market risk, resource risk, operational risk, interest rate risk, foreign currency risk, other price risk, liquidity risk, and credit risk.

The AIFM assesses the sensitivity of the Company's portfolio to the most relevant risks to which the Company is or could be exposed on an ongoing basis.

The current risk profile of the Company will be disclosed periodically to investors by disclosure in the Company's annual report and accounts or more frequently at the AIFM's discretion.

Risk management systems

The Company's key risks are monitored by the AIFM on an ongoing basis and by the Board and the Investment Manager on a regular basis. The AIFM's investment review and monitoring process is used to identify and, where possible, reduce risk.

FUND 3.2.2R(17), 3.2.5R(3)

The risk management systems which the AFIM employs to manage the risks which are most relevant to the Company will be disclosed periodically to investors by disclosure in the Company's annual report and accounts or more frequently at the AIFM's discretion.

Liquidity risk management

FUND 3.2.2R(8)

The AIFM has a liquidity management policy in relation to the Company which is intended to ensure that the Company's investment portfolio maintains a level of liquidity which is appropriate to meet the Company's ongoing obligations.

This policy involves an assessment by the AIFM of the prices or values at which it expects to be able to liquidate its assets over varying hypothetical periods in varying market conditions, taking into account the sensitivity of particular assets to particular market risks and other relevant factors.

Shares in the Company are not redeemable and shareholders do not have the right to require their shares to be purchased by the Company. Accordingly, the liquidity management policy ensures that the Company's investment portfolio is sufficiently liquid to meet the following principal obligations:

- the Company's operating and financing expenses; in practice, these expenses are typically covered by dividends received from the Company's investments; and
- the possible need to repay borrowings at short notice, which would require to be met by the sale of assets.

The liquidity management policy requires the AIFM to identify and monitor its investment in asset classes which are considered to be relatively illiquid. Illiquid assets of the Company are likely to include investments in new issues and less liquid quoted securities. The risk of the Company not having sufficient liquidity at any time is not considered by the Board to be significant, given the liquid nature of the portfolio of investments and the level of cash ordinarily held. FUND 3.2.5R(1)

The liquidity management policy is reviewed and updated, as required, on at least an annual basis.

Investors will be notified, by way of a disclosure on its website, in the event of any material changes being made to the liquidity management systems and procedures or where any new arrangements for managing the Company's liquidity are introduced. FUND 3.2.2R(17), 3.2.5R(2)

The Company will periodically disclose to investors the percentage of the Company's assets which are subject to special arrangements arising from their illiquid nature. The Company will make this disclosure on its website at the same time as it makes its annual report and accounts available to investors or more frequently at its discretion. FUND 3.2.2R(1)(17) FUND 3.2.5R(1)

Professional negligence liability risks

FUND 3.2.2R(5)

The AIFM covers potential professional liability risks resulting from those activities the AIFM carries out pursuant to the AIFMD, as transposed by the AIFMD Regulations, by holding additional capital on its balance sheet as required by article 14 of the AIFMD level 2 regulations (additional own funds).

The AIFM also complies with the qualitative requirements addressing professional liability risks in article 13 of the AIFMD level 2 regulation (qualitative requirements addressing professional liability risks).

Brokerage practices and use of dealing commission

The Company does not employ a prime broker. FUND 3.2.2R(16)(a)(b)(d)

The depositary agreement provides that neither the Depositary nor its delegates shall reuse the Company's investments without the prior consent of the Company or of the AIFM acting on behalf of the Company. FUND 3.2.2R(16)(c)

The AIFM has appointed the Investment Manager to conduct portfolio management services on behalf of the Company. An important part of their role is to select brokers with whom orders can be placed to execute investment decisions on behalf of the Company. The Investment Manager trades with brokers using execution-only commission rates. The Investment manager pays for research services directly under separate agreements in accordance with its inducements and research payment policy.

Amendment of this Document

The information in this document will be reviewed and updated (as necessary) at least annually. Any changes made to this document will be notified to investors by way of disclosure on the Company's website.