THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take or the contents of this document, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank, solicitor, accountant, or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

This document comprises a prospectus (the "Prospectus") relating to The Schiehallion Fund Limited (the "Company") in connection with the issue of Ordinary Shares in the Company and their admission to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange ("Specialist Fund Segment"), prepared in accordance with the prospectus rules of the Financial Conduct Authority (the "FCA") made pursuant to section 73A of FSMA (the "Prospectus Rules"). This Prospectus has been approved by the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

Applications will be made for the Ordinary Shares to be issued in connection with the Placing to be admitted to trading on the Specialist Fund Segment. It is not intended that any class of shares in the Company be admitted to listing or trading in any other jurisdiction. It is expected that Admission will become effective and that dealings for normal settlement in the Ordinary Shares will commence at 8.00 a.m. on 27 March 2019.

THE SCHIEHALLION FUND LIMITED

(an investment company limited by shares incorporated under the laws of Guernsey with registration number 65915)

Placing of up to 600 million Ordinary Shares at US$1.00 per Ordinary Share

Admission to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange

Investment Manager

Baillie Gifford & Co Limited

The Company and each of the Directors whose names appear on page 46 of this Prospectus accepts responsibility for the information and opinions contained in this Prospectus. To the best of the knowledge of the Company and the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Baillie Gifford & Co Limited (the "**Investment Manager**") and Baillie Gifford Overseas Limited (the "**Portfolio Manager**") accept responsibility for the information and opinions contained in this Prospectus relating to them and all statements made by them. To the best of the knowledge of the Investment Manager and the Portfolio Manager, which have taken all reasonable care to ensure that such is the case, the information or opinions contained in this Prospectus related to or attributed to them are in accordance with the facts and do not omit anything likely to affect the import of such information or opinions.

The Placing will remain open until 3.00 p.m. on 21 March 2019 (or such other time and date as the Company may determine). Persons wishing to participate in the Placing must complete a Placing Letter and return it with the appropriate remittance so as to reach the Receiving Agent by email to OFS@computershare.co.uk or by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH as soon as possible, and in any event so as to be received by no later than 3.00 p.m. on 21 March 2019.

The actual number of Ordinary Shares to be issued pursuant to the Placing will be determined by the Company and the Investment Manager after taking into account the demand for the Ordinary Shares and prevailing economic market conditions. The Company does not envisage making an announcement regarding the amount to be raised in the Placing or the number of Ordinary Shares to be issued until determination of the number of Ordinary Shares to be issued and allotted, unless required to do so by law. Further details of the Placing and how the number of such Ordinary Shares is to be determined are contained in Part IV (Placing Arrangements) of this Prospectus.

The Ordinary Shares will not be admitted to the Official List of the Financial Conduct Authority. Therefore the Company has not been required to satisfy the eligibility criteria for admission to listing on the Official List and is not required to comply with the Financial Conduct Authority's Listing Rules. The London Stock Exchange has not examined or approved the contents of this document. The Specialist Fund Segment is intended for institutional, professional, professionally advised and knowledgeable investors who understand or have been advised of the potential risk from investing in companies admitted to trading on the Specialist Fund Segment.

The Company has not been and will not be registered under the US Investment Company Act of 1940, as amended (the "**Investment Company Act**"), and as such investors are not and will not be entitled to the benefits of the Investment Company Act. The Ordinary Shares have not been and will not be registered under the US 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, sold, resold, pledged, delivered, assigned or otherwise transferred, directly or indirectly, into or within the United States or to, or for the account or benefit of, "U.S. persons" as defined in Regulation S under the Securities Act ("**US Persons**"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States and in a manner which would not result in the Company being required to register under the Investment Company Act. In connection with the Placing, the Ordinary Shares are being offered or sold only (i) outside the United States in "offshore transactions" to non-US Persons in reliance on the exemption from the registration requirements of the Securities Act provided by Regulation S thereunder, and (ii) to persons who are both "accredited investors" as defined in Regulation D under the Securities Act ("**Accredited Investors**") and "qualified purchasers" as defined in the Investment Company Act ("**Qualified Purchasers**") pursuant to an exemption of the offering from the registration requirements of the Securities Act and an exemption of the Company from the registration requirements under the Investment Company Act. There has been and will be no public offer of the Ordinary Shares in the United States.

Neither the US Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the Ordinary Shares or passed upon or endorsed the merits of the offering of the Ordinary Shares or the adequacy or accuracy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

The Investment Manager is exempt from registration with the US Commodity Futures Trading Commission (the "**CFTC**") as a commodity pool operator with respect to the Company under CFTC Rule 4.13(a)(3) because of the Company's limited trading in commodity interests so that, unlike a registered commodity pool operator, with respect to the Company, the Investment Manager is not required to deliver a Disclosure Document or an Annual Report (as those terms are used in the CFTC's rules) to Shareholders.

Unless its purchase, holding, and disposition of Ordinary Shares will not constitute or result in a non-exempt prohibited transaction or violation of a substantially similar law as described below, Ordinary Shares may not be acquired by: (i) investors using assets of: (A) an "employee benefit plan" as defined in Section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") that is subject to Title I of ERISA; (B) a "plan" as defined in Section 4975 of the United States Internal Revenue Code of 1986, as amended (the "**US Tax Code**"), including an individual retirement account or other arrangement that is subject to Section 4975 of the US Tax Code; or (C) an entity whose underlying assets are considered to include "plan assets" by reason of investment by an "employee benefit plan" or "plan" described in preceding clause (A) or (B) in such entity pursuant to the US Plan Assets Regulations; or (ii) a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Tax Code (collectively, "**Benefit Plan Investors**").

In addition, the Ordinary Shares are subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations and under the Articles. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions and may subject the holder to the forced transfer and other provisions set out in the Articles. For further information on restrictions on offers, sales and transfers of the Ordinary Shares, please refer to the section entitled "*United States Transfer Restrictions*" at paragraph 9 of Part IV (Placing Arrangements) of this Prospectus.

The Ordinary Shares are only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the Ordinary Shares of the Company (and in the Company's underlying investments); (ii) for whom an investment in the Ordinary Shares is part of a diversified investment programme; (iii) who fully understand and are willing to assume the risks involved in such an investment portfolio; and (iv) who do not have an investment horizon of less than five years or a need for an ability to realise their investments for value on short notice. Ordinary Shares are only meant for non-retail investors. As such, investors in the Company are expected to be 'professional investors' (as such term is understood in the context of the PRIIPs Regulations) including institutional investors, professionally advised investors and highly knowledgeable non-retail investors who understand, or who have been advised of, the potential risks from investing in the Company and that meet the relevant definition of a 'professional investor'. As Ordinary Shares are not intended for investment by any retail investor, there will be no 'key information document' (as understood under the PRIIPs Regulations) produced or available to investors. Investors should also be aware that the price of the Ordinary Shares and any income from them can go down as well as up.

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase, subscribe for or otherwise acquire, any securities by any person in any circumstances or jurisdiction in which such offer or solicitation would be unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the Investment Manager or the Portfolio Manager.

The distribution of this Prospectus and the offer of the Ordinary Shares in certain jurisdictions may be restricted by law. Other than in the United Kingdom, no action has been or will be taken to permit the possession, issue or distribution of this Prospectus (or any other offering or publicity material relating to the Ordinary Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this Prospectus, nor any advertisement, nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus (or any other offering materials or publicity relating to the Ordinary Shares) comes should inform themselves about and observe any such restrictions. None of the Company, the Investment Manager or the Portfolio Manager, or any of their respective Affiliates or advisers, accepts any legal responsibility to any person, whether or not a prospective investor, for any such restrictions.

The Company is a registered closed-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended, and the Registered Collective Investment Scheme Rules 2018, issued by the Guernsey Financial Services Commission ("**GFSC**"). The GFSC, in granting registration, has not reviewed this document but has relied upon specific declarations provided by Alter Domus (Guernsey) Limited, the Company's designated manager.

Neither the GFSC nor the States of Guernsey take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

Capitalised terms contained in this Prospectus shall have the meanings ascribed to them in Part VIII (Definitions) of this Prospectus, save where the context indicates otherwise.

Prospective investors should read this entire Prospectus and, in particular, the section entitled "*Risk Factors*" beginning on page 20 when considering an investment in the Company.

This Prospectus is dated 18 March 2019.

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SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A1 – E7). This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of security 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**
A1	Warning	This summary should be read as an introduction to this Prospectus. Any decision to invest in ordinary shares of the Company ("**Ordinary Shares**") should be based on consideration of this 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 of the European Union, 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 of the summary, 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 the Ordinary Shares.
A2	Use of prospectus by financial intermediaries	Not applicable. The Company has not given its consent to the use of this Prospectus for subsequent resale or final placement of securities by financial intermediaries.
Section B – Issuer		
Element	**Disclosure requirement**	**Disclosure**
B1	Legal and commercial name	The Schiehallion Fund Limited
B2	Domicile and legal form	The Company is a non-cellular investment company limited by shares, registered and incorporated in Guernsey under the Companies Law on 4 January 2019, with registration number 65915.
B5	Group description	Not applicable. The Company is not part of a group and does not have any subsidiaries.
B6	Notifiable interests / voting rights	The Investment Manager and the Portfolio Manager hold all voting rights in the Company as at the date of this Prospectus. Pending the allotment of Ordinary Shares pursuant to the Placing, the Company is owned by the Investment Manager and the Portfolio Manager.

		As at the date of this Prospectus and insofar as is known to the Company, assuming Gross Placing Proceeds of US$450 million, it is expected that the following persons will, immediately following the Placing, be directly or indirectly interested in five per cent. or more of the Company's share capital: **Shareholder** — **Notifiable interests / voting rights** State Board of Administration of Florida (acting on behalf of the Florida Retirement System Trust Fund) — 40.0% Baillie Gifford & Co (acting as discretionary investment manager for an underlying client) — 10.0% RBC Canadian Master Trust — 10.0% The Board of Trustees of the Winnipeg Civic Employees' Benefits Program (Pension Fund) (acting on behalf of Winnipeg Civic Employees' Pension Fund) — 9.4% Textron Inc. Master Trust — 7.8% NAV CANADA Pension Plan — 5.6% The precise percentage of voting rights which will be held by the above persons immediately following the Placing is not yet known, but will depend on the outcome of the Placing.
B7	Key financial information	Not applicable. The Company is newly incorporated and has no historical financial information.
B8	Key pro forma financial information	Not applicable. No pro forma information is included in this Prospectus.
B9	Profit forecast	Not applicable. No profit estimate or forecast has been made for the Company.
B10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. The Company is newly incorporated and has no historical financial information.
B11	Explanation if working capital not sufficient for present	Not applicable. The Company is of the opinion that, taking into account the minimum Net Placing Proceeds, the working capital available to it is sufficient for the present requirements of the Company, that is for at least 12 months from the date of this Prospectus.

	requirements	
B34	Investment objective and policy	***Investment objective*** The Company's investment objective is to generate capital growth for investors through making long-term minority investments in later stage private businesses that the Company considers to have transformational growth potential and to have the potential to become publicly traded. ***Investment policy*** In making its initial investment in a business, the Company will seek to invest in private businesses which it considers have the potential to become admitted to trading on a public stock exchange. Those investments will typically take the form of equity or equity-related instruments (which may include, without limitation, preference shares, convertible debt instruments, equity-related and equity-linked notes and warrants) issued by Investee Companies. The Company will only invest in private businesses that are considered to have some or all of the following features: • the potential to grow revenue and earnings multiple fold over the long term; • scalable business models that should enable those businesses to grow into their opportunity; • robust competitive advantages; • exceptional management teams; • an entry price which significantly undervalues the long term opportunity for the business; and • an ambition and ability to become standalone public companies. Investee companies may be from any sector and any geography (save as set out below). While there are no specific limits placed on exposure to any one sector, the Company will at all times seek to invest and manage the portfolio in a manner consistent with spreading investment risk. With prior approval of the board, the Company may permit the use of derivatives for the purpose of currency hedging, though it currently does not expect to do so. Save for this and for investments made using equity-related instruments as described above, the Company may not engage in derivative transactions for any purpose. The Company will be subject to the following investment restrictions: • an Investee Company must be a Private Investee Company at the time of the Company's initial investment in that Investee Company. The Company may, however, make subsequent investments in the Investee Company, even if the Investee Company has been admitted to trading on a public stock exchange in the period since the Company's initial investment; • a Private Investee Company must have a value of at least US$500 million at the time of the Company's initial investment in the Private Investee Company. This restriction will not apply to the Company's subsequent investments in the Investee Company, if any; • the Company may not make an initial investment in a Private Investee Company which exceeds in value 10 per cent. (calculated

		at the time of investment) of the most recently published NAV (save to the extent that breach of this 10 per cent. limit is due to a change in the value of the Company's invested assets or currency fluctuations from the time of the Company's firm commitment to make the investment to the time of investment); • the Company may not make any investment in a Private Investee Company that would cause the value of the Company's holding in that Private Investee Company to exceed 19.9 per cent. (calculated at the time of investment) of the most recently published NAV; and • the Company may not make any investment in an Investee Company that would cause the Company's holding in that Investee Company to exceed 20 per cent. (calculated at the time of investment) of the total issued share capital of the Investee Company. A reference to the value of assets of the Company (including investee companies) referred to in the restrictions above shall be to value as determined in accordance with the Company's valuation policy from time to time. The Company does not currently expect the portfolio to be majority invested in public investee companies at any point in time, but it has not set a limit on the percentage of the portfolio which can be invested in public investee companies at a given time. It is intended that the Company will, subsequent to the initial investment period of two years from the date of Admission, be substantially invested in normal market conditions. However, the Company may at any time hold overnight or term deposits or, pending investment in Investee Companies, invest in a range of cash equivalent instruments such as US Treasury Bills or money market funds. There is no restriction on the amount of cash or cash equivalent instruments that the Company may hold.
B35	Borrowing limits	The board does not intend to use structural gearing with a view to enhancing equity returns on investments. The Company may employ gearing on a short-term basis for the purpose of bridging investments and general working capital purposes. The Company may in aggregate borrow amounts equalling up to 10 per cent. of NAV, calculated at the time of drawdown.
B36	Regulatory status	The Company is a registered closed-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended, and the Registered Collective Investment Scheme Rules 2018 issued by the Guernsey Financial Services Commission. The Company is not authorised or regulated by the Financial Conduct Authority. The Company has not been and will not be registered under the US Investment Company Act of 1940, as amended (the "**Investment Company Act**").
B37	Typical investors	The Ordinary Shares are only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the Ordinary Shares of the Company (and in the Company's underlying investments); (ii) for whom an investment in the Ordinary Shares is part of a diversified investment programme; (iii) who fully understand and are willing to assume the risks involved in such an investment portfolio; and (iv) who do not have an investment horizon of less than five years

		or a need for an ability to realise their investments for value on short notice. Ordinary Shares are only meant for non-retail investors. As such, investors in the Company are expected to be 'professional investors' (as such term is understood in the context of the PRIIPs Regulations) including institutional investors, professionally advised investors and highly knowledgeable non-retail investors who understand, or who have been advised of, the potential risks from investing in the Company and that meet the relevant definition of a 'professional investor'. In connection with the Placing, the Ordinary Shares are being offered or sold only: (i) outside the United States in "offshore transactions" to persons who are not "U.S. persons" as defined in Regulation S under the US Securities Act of 1933, as amended (the "**Securities Act**") in reliance on the exemption from the registration requirements of the Securities Act provided by Regulation S thereunder; and (ii) to persons who are both "accredited investors" as defined in Regulation D under the Securities Act and "qualified purchasers" as defined in the Investment Company Act pursuant to an exemption of the offering from the registration requirements of the Securities Act and an exemption of the Company pursuant to the Investment Company Act.
B38	Investment of 20 per cent. or more in single underlying asset or investment company	Not applicable – no single asset will represent more than 20 per cent. of the gross assets of the Company on Admission.
B39	Investment of 40 per cent. or more in single underlying asset or investment company	Not applicable – no single asset will represent more than 40 per cent. of the gross assets of the Company on Admission.
B40	Applicant's service providers	***Investment Manager*** The Company and the Investment Manager have entered into the investment management agreement, pursuant to which the Company has appointed Baillie Gifford & Co Limited, a private limited company incorporated in Scotland on 8 October 1979 with registered number SC069524, as its investment manager (the "**Investment Manager**"). The registered office of the Investment Manager is Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, United Kingdom. Pursuant to the investment management agreement, the Investment Manager has been given responsibility, subject to the overall supervision of the board, for active discretionary investment management of the Portfolio in accordance with the Company's investment objective and policy. The Investment Manager will also be responsible for certain aspects of the day-to-day administration of the Company (including but not limited to liaising with the Depositary and calculating the NAV on a monthly

		basis (or at such other intervals as may be agreed with the Company from time to time) in conjunction with the Administrator. As the entity appointed to be responsible for risk management and portfolio management, the Investment Manager will be the Company's alternative investment fund manager for the purposes of the EU Directive 2011/61/EU on Alternative Investment Fund Managers and its amending, implementing and delegated acts (the "**AIFM Directive**"). Under the terms of the investment management agreement and with effect from Admission, the Investment Manager will be entitled to a fee (exclusive of VAT, which shall be added where applicable) payable quarterly in arrears, calculated as at the close of business on the relevant Valuation Date at the rate of: (a) on the Net Asset Value excluding cash or cash equivalent assets up to and including US$650 million, at a rate of 0.225 per cent.; (b) on the Net Asset Value excluding cash or cash equivalent assets exceeding US$650 million up to and including US$1.3 billion, at a rate of 0.2 per cent.; and (c) on the Net Asset Value excluding cash or cash equivalent assets exceeding US$1.3 billion, at a rate of 0.175 per cent. "**Valuation Date**" means 31 January, 30 April, 31 July and 31 October (as the case may be). ***Portfolio Manager*** The Company has consented to the Investment Manager delegating its portfolio management responsibilities to Baillie Gifford Overseas Limited (the "**Portfolio Manager**"), a limited liability company incorporated in Scotland on 29 September 1983 with registered number SC084807, whose registered office is at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, United Kingdom. The Investment Manager and the Portfolio Manager are wholly-owned subsidiaries of Baillie Gifford & Co, a Scottish partnership with its principal place of business at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, United Kingdom. Baillie Gifford & Co, the Investment Manager, the Portfolio Manager and other direct or indirect subsidiary undertakings of Baillie Gifford & Co from time to time, or any one or more of them, as the context requires, are referred to in this Prospectus as "**Baillie Gifford**". ***Depositary*** The Bank of New York Mellon (International) Limited has been appointed as the depositary of the Company (the "**Depositary**"). As Depositary of the Company, it will perform those duties prescribed under the AIFM Directive. These include safekeeping of the Company's assets, cash monitoring and oversight. Under the terms of the Depositary Agreement, the Depositary is entitled to receive a fee in respect of UK depositary services of 0.01275 per cent. of the total assets of the Company, subject to a minimum annual fee of £10,000 (exclusive of VAT). A custody fee in respect of global custodian services is also payable, the level of which will depend upon the assets held and the country or countries in which those assets are held, subject to a minimum annual fee of £33,600 (exclusive of VAT). ***Administrator*** Alter Domus (Guernsey) Limited has been appointed as administrator, secretary and designated manager of the Company (the "**Administrator**"). The Administrator will be responsible for certain aspects of the day-to-day administration and general secretarial functions of the Company in conjunction with the Investment Manager

		(including but not limited to the maintenance of the Company's statutory records). The Administrator is entitled to receive a fixed annual fee of £64,000 (exclusive of goods and services tax), payable quarterly in arrears. The Administrator is also entitled to reimbursement of reasonable costs, expenses and disbursements properly incurred. ***Registrar*** Computershare Investor Services (Guernsey) Limited has been appointed as the Company's registrar (the "**Registrar**"). The Registrar will be responsible for the maintenance of the Company's register of members, dealing with routine correspondence and enquiries, and the performance of all the usual duties of a registrar in relation to the Company. The Registrar is entitled to receive a one-off set up fee of £2,000 and a fixed global fee of £18,000 per year (exclusive of VAT). The Registrar is also entitled to levy certain charges on a per item basis, and to reimbursement of reasonable out of pocket expenses. ***Receiving Agent*** Computershare Investor Services PLC has been appointed as the Company's receiving agent in connection with the Placing (the "**Receiving Agent**"). The Receiving Agent is entitled to a management fee of £4,000 (exclusive of VAT). Disbursements and out-of-pocket expenses are included in the management fee. ***Auditor*** KPMG Channel Islands Limited will be appointed as the Company's auditor and will be entitled to an annual base fee of £30,000 and an additional fee per investment in the Portfolio of £1,500 to £5,000 (exclusive of VAT).
B41	Regulatory status of investment manager, investment adviser and custodian	***Investment Manager*** The Investment Manager is authorised and regulated by the FCA as a full-scope alternative investment fund manager for the purposes of the AIFM Directive. ***Depositary*** The Depositary is authorised by the PRA and is dual-regulated by the FCA and the PRA, including for the purpose of providing depositary services.
B42	Calculation of Net Asset Value	An unaudited net asset value and net asset value per Ordinary Share will be calculated in US Dollars by the Investment Manager on a monthly basis. These will be notified monthly through a Regulatory Information Service and will also be published monthly on the Company's website at www.schiehallionfund.com.
B43	Cross liability	Not applicable. The Company is not an umbrella collective investment undertaking.
B44	No financial statements have been made up	The Company is newly incorporated and has no historical financial information. Save for its entry into certain material contracts and non-material contracts, since its incorporation, the Company has not commenced operations, has not declared any dividend and no financial statements have been made up.

B45	Portfolio	Not applicable. The Company is newly incorporated and does not hold any assets as at the date of this Prospectus.
B46	Net Asset Value	Not applicable. The Company has not commenced operations and so has no net asset value as at the date of this Prospectus.
Section C – Securities		
Element	**Disclosure requirement**	**Disclosure**
C1	Type and class of securities	The Ordinary Shares being offered under the Placing are ordinary shares of no par value in the capital of the Company. Applications will be made for the Ordinary Shares to be admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange (the "**Specialist Fund Segment**"). The ISIN of the Ordinary Shares is GG00BJ0CDD21 and the SEDOL is BJ0CDD2. The ticker symbol of the Company is MNTN.
C2	Currency of the securities issue	US Dollars.
C3	Number of securities in issue	As at the date of this Prospectus, the issued share capital of the Company is two Ordinary Shares.
C4	Description of the rights attaching to the securities	*Life* The Company has been established with an unlimited life. *Dividends* Subject to the provisions of the Companies Law and the Company's articles of incorporation (the "**Articles**"), all dividends and distributions shall be declared and paid according to the amounts paid up on the shares on which the dividend or other distribution is paid. If any share is issued on terms that it ranks for dividend or other distribution as from a particular date, it shall rank for dividend or other distribution accordingly. In any other case, dividends or other distributions shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion(s) of the period in respect of which the dividend is paid. *Voting rights* Subject to the below and any rights or restrictions attached to any class of shares, on a show of hands: • every Shareholder present in person at a meeting has one vote; • every proxy present who has been duly appointed by a Shareholder entitled to vote has one vote; and • every corporate representative who has been duly authorised by a corporation has the same voting rights as the corporation would be entitled to, and on a poll every Shareholder (whether present in person or by proxy or corporate representative) has one vote for every share of which they are the holder or in respect of which they have been

		appointed the proxy or corporate representative. A Shareholder entitled to more than one vote need not, if they vote, use all their votes or cast all the votes they use the same way. In the case of joint holders, the vote of the joint holder whose name appears first on the register of members of the Company in respect of the joint holding shall be accepted to the exclusion of the vote of the other joint holders. 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 them unless all amounts presently payable by them in respect of that share have been paid. In respect of any resolution of Shareholders proposed at a general meeting, each Shareholder shall be requested, as set out in the Articles, to disclose whether it is subject to restrictions under the BHCA in respect of certain of its equity investments due to its relationship with a bank holding company (as defined by the BHCA) (each Shareholder that confirms that it is subject to such restrictions, being a "**BHCA Restricted Holder**"). If a BHCA Restricted Holder would be entitled to cast more than 5 per cent. of the total votes on a resolution, then the aggregate votes cast "for" or "against" the resolution by the BHCA Restricted Holder in excess of 5 per cent. will be deemed to have been withheld in respect of the relevant resolution. In respect of any resolution of Shareholders concerning the appointment or removal of one or more directors of the Company (a "**Director Resolution**"), each Shareholder shall be requested, as set out in the Articles, to make certain certifications with regard to their status (and, to the extent they hold shares for the account or benefit of any other person, the status of such other person) as a non-US resident and non-US person (each Shareholder that does not so certify, being a "**Non-Certifying Shareholder**", and each Shareholder that does so certify, being a "**Certifying Shareholder**"). BHCA Restricted Holders are not entitled to vote on any Director Resolution and, accordingly, BHCA Restricted Holders shall be disregarded and considered neither Certifying Shareholders nor Non-Certifying Shareholders. If the aggregate total of votes which Non-Certifying Shareholders would otherwise be entitled to cast on a Director Resolution is greater than 49 per cent. of the aggregate total of votes which all Certifying Shareholders and Non-Certifying Shareholders are entitled to cast on such Director Resolution, then, pursuant to the Articles, the aggregate number of votes which Non-Certifying Shareholders are entitled to cast on such Director Resolution shall be scaled down so as to not exceed 49 per cent. of the aggregate total of votes which all Certifying Shareholders and Non-Certifying Shareholders are entitled to cast on such Director Resolution. Where all Shareholders who cast their vote on any Director Resolution are Non-Certifying Shareholders, the relevant Director Resolution will be deemed not to have passed. In respect of any Director Resolution, each Shareholder shall also be requested to certify, if applicable, as set out in the Articles, that it is a pension plan governed by the laws of Canada (or a jurisdiction thereof) that is subject to section 11 of Schedule III to the Pension Benefits Standards Regulations, 1985 (Canada) or a substantially similar restriction contained in the legislation governing such pension plan (each Shareholder so certifying, being a "**CPP Certifying**

		Shareholder"). If the aggregate total of votes which a CPP Certifying Shareholder would otherwise be entitled to cast on a Director Resolution, after the operation of the provisions described above in respect of Certifying Shareholders and Non-Certifying Shareholders, is greater than 29 per cent. of the aggregate total votes which Certifying Shareholders and Non-Certifying Shareholders are entitled to cast on such Director Resolution, then, pursuant to the Articles: (i) the aggregate total of votes which that CPP Certifying Shareholder is entitled to cast shall be scaled down so as not to exceed 29 per cent. of the aggregate total votes which Certifying Shareholders and Non-Certifying Shareholders are entitled to cast; and (ii) the aggregate total of votes which the Certifying Shareholders other than CPP Certifying Shareholders are entitled to cast will be increased *pro rata* by the amount by which that CPP Certifying Shareholder is scaled down. *Distribution of assets on a winding up* If the Company is wound up, the liquidator may, with the sanction of a special resolution and any other sanction required by law, divide among the Shareholders, *in specie*, the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Shareholders as the liquidator may with the like sanction determine, but no Shareholder shall be compelled to accept any assets upon which there is a liability.
C5	Restrictions on the free transferability of the securities	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 traded on a regulated market, 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 and/or the transferee to receive the transfer (including such written certifications in form and substance satisfactory to the Company as the Directors may determine in accordance with applicable law); • is in respect of only one class of share; • is not in favour of more than four transferees; and • the transfer is not in favour of any Non-Qualified Holder (defined below). The Directors may refuse to register a transfer of a share in uncertificated form to a person who is to hold it thereafter in certificated form in any case where the Company is entitled to refuse (or is excepted from the requirement) under the Uncertificated Securities (Guernsey) Regulations, 2009 (as amended from time to time) to register the transfer. Further, the Directors may, in their absolute discretion, decline to transfer, convert or register any transfer of shares to any person: (i)

		whose ownership of shares may cause the Company's assets to be deemed "plan assets" for the purposes of US Employment Retirement Income Security Act of 1974, as amended from time to time, and the applicable regulations thereunder ("**ERISA**") or the United States Internal Revenue Code of 1986 (the "**US Tax Code**"); (ii) whose ownership of shares may cause the Company to be required to register as an "investment company" under the Investment Company Act or to lose an exemption or a status thereunder to which it might otherwise be entitled (including because the holder of shares is not a "qualified purchaser" as defined in the Investment Company Act); (iii) whose ownership of shares may cause the shares to be required to be registered or cause the Company to be required to file reports under the US Securities Exchange Act of 1934, as amended (the "**Exchange Act**") or any similar legislation; (iv) whose ownership of shares may cause the Company to be a "controlled foreign corporation" for the purposes of the US Tax Code, or may cause the Company to suffer any pecuniary disadvantage (including any excise tax, penalties or liabilities under ERISA or the US Tax Code); (v) whose ownership of shares may cause the Company to cease to be considered a "foreign private issuer" for the purposes of the Securities Act or the Exchange Act; (vi) whose ownership of shares may cause the Company to be deemed (a) a "restricted person" or an account in which a "restricted person" has a "beneficial interest" pursuant to FINRA rule 5130, or (b) a "covered person" or an account in which a "covered person" has a "beneficial interest" pursuant to FINRA rule 5131 (a "**covered person**" as used in this sub-clause means an executive officer or director of a "public company" or a "covered non-public company", or a person receiving "material support" from such an executive officer or director, where the "public company" or "covered non-public company" (1) is currently an investment banking services client of a FINRA member or has paid compensation to a FINRA member for investment banking services in the past 12 months, (2) expects to retain a FINRA member for investment banking services within the next three months, or (3) has entered into an express or implied obligation, directly or indirectly through such executive officer or director, to retain a FINRA member for the performance of future investment banking services as described under FINRA rule 5131(b), or a person otherwise voluntarily restricted under FINRA rule 5131(b)); or (vii) whose ownership of shares would or might result in the Company not being able to satisfy its obligations on the Common Reporting Standard developed by the Organisation for Economic Co-Operation and Development or such similar reporting obligations on account of, inter alia, non-compliance by such person with any information request made by the Company (each person described in (i) to (vii) above, being a "**Non-Qualified Holder**").
C6	Admission to trading on a regulated market	Application will be made to the London Stock Exchange for the Ordinary Shares to be issued pursuant to the Placing to be admitted to trading on the Specialist Fund Segment.
C7	Dividend policy	Given the nature of the Company's investments, the Company does not expect to pay dividends in the foreseeable future.

Section D – Risks		
Element	**Disclosure requirement**	**Disclosure**
D1	Key information on the key risks specific to the issuer or its industry	• The Company is newly established and has no operating history. Accordingly, there are no historical financial statements or other meaningful operating or financial data with which to evaluate the Company and its performance. An investment in the Company is subject to all of the risks and uncertainties associated with a new business. • The Company does not have any employees and its Directors are appointed on a non-executive basis. All of its investment and asset management decisions will in the ordinary course be made by the Investment Manager and Portfolio Manager (and any of their delegates) and not by the Company. The Investment Manager is not required to and generally will not submit individual investment decisions for approval to the board. The Company will therefore be reliant upon, and its success will depend on, Baillie Gifford and its personnel, services and resources. • There can be no guarantee that the Company will be able to deliver the target returns set out in this Prospectus. • The Company's investments may take time to realise returns. It can take a number of years for the underlying value or quality of the businesses of investee companies to be fully reflected in their market values and their market values are often also materially affected by general market sentiment, which can be negative for prolonged periods. • The Company's investments in private investee companies will not be liquid and there may be restrictions on transfer of those investments. This may limit the Company's ability to realise investments at short notice, at a fair value or at all. • A large proportion of the overall value of the Portfolio may at any time be accounted for by a relatively limited number of Investee Companies. If the value of one or more such investee companies were to be adversely affected, it could have a material adverse impact on the overall value of the Portfolio and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares. • The Company will be subject to risks arising from investing in private businesses, including because those businesses may have untested products or technology, or limited product lines, markets or financial reserves, or be more susceptible to major economic setbacks or downturns. • The Company will have investments denominated in currencies other than US Dollars and will therefore be exposed to foreign exchange risk. • Net asset value figures published by the Company will be estimates only and may be materially different from actual results and figures appearing in the Company's financial statements, especially as valuation of interests in private investee companies

		is inherently subjective and uncertain. • The Company does not expect to control Investee Companies or have influence over management or other stakeholders and therefore cannot ensure that they do not make decisions that disadvantage the Company. • The Company may suffer a delay in deploying the proceeds of the Placing, as there can be no assurance that suitable investment opportunities will materialise, prove attractive or be sufficient in quantity or size. • Private investee companies may not provide sufficient information for ongoing monitoring by Baillie Gifford and the Company, which may impair the Company's ability to adequately assess, or if necessary mitigate, the risks associated with an investment in that company. • The Company's investments may rank junior to investments made by others. • The Company may be exposed to market risks, principally in the form of equity securities price risk, including as a result of investments in private investee companies that the Company continues to hold after the relevant investee companies become admitted to trading on a public stock exchange. • There can be no assurance that the board would be able to find a replacement investment manager if the Investment Manager were to resign or the investment management agreement were to be terminated. • The past performance of funds managed by Baillie Gifford is not a guarantee or an indication of the future performance of the Company. • The Investment Manager, the Portfolio Manager and other Baillie Gifford entities may be involved in other financial, investment or professional activities that may give rise to conflicts of interest with the Company. • The Investment Manager or the Portfolio Manager could be the subject of an acquisition by a third party or a change of control, which could result in a change in the way that they carry on their business and activities.
D3	Key information on the key risks specific to the securities	• Investors may not recover the full amount of their investment in the Ordinary Shares. • It is unlikely that the price at which the Ordinary Shares trade will be the same as their net asset value (although they are related). As a result of this, investors that dispose of their interests in the Ordinary Shares in the secondary market may realise returns that are lower than they would have been if an amount equivalent to the net asset value was distributed. • It may be difficult for shareholders to realise their investment as there may not be a liquid market in the Ordinary Shares, and shareholders have no right to have their Ordinary Shares redeemed or repurchased by the Company. • The Company may decide to issue further Ordinary Shares in the

		future. Any such issue may dilute the percentage of the Company held by the Company's existing shareholders. Additionally, such issues could have an adverse effect on the market price of the Ordinary Shares. • The Ordinary Shares are subject to transfer restrictions and forced transfer provisions for investors in the United States and certain other jurisdictions. • The voting rights of certain categories of investor are subject to restrictions and voting adjustments in certain circumstances, which could result in the voting rights of investors falling within those categories being scaled down with respect to the appointment or removal of Directors or on other matters.
Section E – Offer		
Element	**Disclosure requirement**	**Disclosure**
E1	The total net proceeds and an estimate of the total expenses of the issue/offer, including estimated expenses charged to the investor by the issuer or the offeror	The formation and initial expenses of the Company are those that are necessary for the establishment of the Company, the Placing and Admission ("**Initial Expenses**"). The Initial Expenses will include, without limitation: registration and admission fees; the cost of settlement arrangements; printing, advertising and distribution costs; and professional services fees, including legal fees; and any other applicable expenses. No such costs and expenses will be directly charged to the Placees in connection with the Placing and Admission and such costs and expenses will instead be borne by the Company as a whole. The Initial Expenses are not expected to exceed 0.5 per cent. of the Gross Placing Proceeds. Therefore, on Admission, the opening net asset value per Ordinary Share is expected to be 99.5 cents and, on the basis that the Gross Placing Proceeds are US$250 million, the Net Placing Proceeds will be US$248.75 million.
E2a	Reasons for the offer and use of proceeds	The Directors intend to use the Net Placing Proceeds (if any), less amounts required for working capital purposes, to acquire investments in accordance with the Company's investment objective and investment policy, as set out above and in Part I (Information on the Company) of this Prospectus. Subject to suitable investment opportunities arising, the Net Placing Proceeds are intended to be at least two-thirds invested by the end of the initial investment period of two years from the date of Admission. Initial investments are expected to be made in private businesses with which Baillie Gifford is familiar, and also in new opportunities.
E3	Terms and Conditions of the Offer	The conditional placing of Ordinary Shares described in this Prospectus is referred to as the "**Placing**". The Company may issue up to 600 million Ordinary Shares through the Placing at the Placing Price. This maximum Placing size should not be taken as an indication of the number of Ordinary Shares to be issued. The Placing is not being underwritten. The aggregate Net Placing Proceeds are not known, but are expected to be approximately US$248.75 million on the assumption that Gross Placing Proceeds are US$250 million.

		If the timetable for the Placing is changed, the revised timetable will be notified through a Regulatory Information Service. It is expected that the results of the Placing will be notified through a Regulatory Information Service on or around 22 March 2019 (or such other date, not being later than 30 April 2019, as the Company may determine). The Placing is conditional, *inter alia*, on: (i) Admission occurring by 8.00 a.m. (London time) on 27 March 2019 (or such other date, not being later than 30 April 2019, as the Company may determine); and (ii) the Net Placing Proceeds being at least US$248.75 million. The latest time and date for placing commitments under the Placing is 3.00 p.m. on 21 March 2019 (or such other time and date as the Company may determine).
E4	Material interests	Not applicable. No interest is material to the Placing.
E5	Name of person or entity offering to sell securities and lock-up agreements	Not applicable. There are no selling entities or lock-up agreements.
E6	Dilution	Not applicable. This is an initial offering.
E7	Estimated expenses charged to the investor by the issuer or the offeror	Not applicable. No expenses will be charged directly to investors by the Company in connection with the establishment of the Company, the Placing or Admission.

RISK FACTORS

An investment in the Ordinary Shares carries a number of risks including the risk that the entire investment may be lost. In addition to all other information set out in this Prospectus, the following specific factors should be considered when deciding whether to make an investment in the Ordinary Shares. The risks set out below are those which are considered to be the material risks relating to an investment in the Ordinary Shares but are not the only risks relating to the Ordinary Shares or the Company. No assurance can be given that the Shareholders will realise profit on, or recover the value of, their investment in the Ordinary Shares, or that the Company will achieve any of its target returns. It should be remembered that the price of securities and the income from them can go down as well as up.

The success of the Company will depend on the ability of the Investment Manager and the Portfolio Manager to pursue the investment policy of the Company successfully and on broader market conditions and the risk factors set out below in this section.

Additional risks and uncertainties of which the Company is presently unaware or that the Company currently believes are immaterial may also adversely affect its business, financial condition, results of operations and the value of the Ordinary Shares.

Prospective investors should note that the risks relating to the Company, its investment strategy and the Ordinary Shares summarised in the section of this Prospectus headed "*Summary*" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Prospectus headed "*Summary*" but also, among other things, the risks and uncertainties described in this "*Risk Factors*" section of this Prospectus. Additional risks and uncertainties not currently known to the Company or the Directors or that the Company or the Directors consider to be immaterial as at the date of this Prospectus may also have a material adverse effect on the Company's financial condition, business, prospects and results of operations and, consequently, the Company's NAV and/or the market price of the Ordinary Shares.

Potential investors in the Ordinary Shares should review this Prospectus carefully and in its entirety and consult with their professional advisers before purchasing Ordinary Shares.

RISKS RELATING TO THE COMPANY

The Company has no operating history

The Company is newly established and has no operating history. Accordingly, there are no historical financial statements or other meaningful operating or financial data with which to evaluate the Company and its performance. An investment in the Company is subject to all of the risks and uncertainties associated with a new business, which could have an adverse effect on the Portfolio and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

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 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 functions. In particular, the Investment Manager, the Portfolio Manager, the Registrar, the Administrator and the Depositary will be 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 or the termination of these agreements could have an adverse effect on the Portfolio and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

RISKS RELATING TO THE INVESTMENT POLICY

There can be no guarantee that the Company will achieve its investment objective

The success of the Company will depend on the ability of Baillie Gifford to pursue the Company's investment policy successfully and on broader market conditions as discussed in this "*Risk Factors*" section of this Prospectus. There can be no assurance that Baillie Gifford will be successful in pursuing the Company's investment policy or that Baillie Gifford will be able to invest the Company's assets on attractive terms, generate any investment returns for the Company's investors or avoid investment losses.

The investment objective of the Company is a target only and should not be treated as an assurance or guarantee of performance. There is no assurance that any appreciation in the value of the Ordinary Shares will occur or that the investment objective of the Company will be achieved. This could have an adverse effect on the Portfolio and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The Company may fail to achieve its target returns

The target return figure is a target only, reflecting the aspirations of the Investment Manager and Portfolio Manager. It is a target based on their understanding of what investors in venture capital funds would ordinarily consider to be a successful investment. The target return for the Company is based on assumptions about market conditions, economic environment and the investments which may not prove to be accurate in the future. There can be no guarantee that the Company will be able to achieve the target returns set out in this Prospectus, as such ability could be adversely affected by any of a number of factors, including: change in the industries in respect of which the Company has investment exposure; interest and exchange rate fluctuations; changes to law and government regulations; change to financial market conditions or the global economic environment; the non-performance or under-performance of any of the Company's investments; and the manifestation of risks described elsewhere in this Prospectus. Furthermore, Baillie Gifford is a recent investor in venture capital and private equity and, as such, does not yet have a track record to demonstrate that returns of the order cited in the target return would have been achievable on the basis of investments it has made to date.

The Company may suffer a delay in realising some of its returns

The Company's investments may take time to realise returns. It can take a number of years for the underlying value or quality of the businesses of Investee Companies to be fully reflected in their valuations and their valuations are often also materially affected by general market sentiment, which can be negative for prolonged periods. This could have an adverse effect on the Portfolio and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The Company's investments in Private Investee Companies will not be liquid, which may limit its ability to realise investments at short notice, at a fair value or at all

Investments in Private Investee Companies, which are expected to comprise a material proportion of the Portfolio from time to time, are highly illiquid and have no public market. There may not be a secondary market for interests in Private Investee Companies. Such illiquidity may affect the Company's ability to vary its Portfolio or dispose of or liquidate part of its Portfolio, in a timely fashion (or at all) and at satisfactory prices in response to changes in economic or other conditions. If the Company were required to dispose of or liquidate an investment on unsatisfactory terms, it may realise less than the value at which the investment was previously recorded, which could result in a decrease in Net Asset Value. This could have an adverse effect on the Portfolio and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

Furthermore, there may be restrictions on the transfer of interests in Private Investee Companies that mean that the Company will not be able to freely transfer its interests. For instance, the sale or transfer of interests in Private Investee Companies is normally subject to the consent or approval of the issuer or (other) holders of the relevant interests, and obtaining such consent or approval cannot be guaranteed. Contractual restrictions on transfer may exist in shareholder agreements or

the issuer's constitutional documents. Accordingly, if the Company were to seek to exit from any of its investments in Investee Companies while they remain private, the sale or transfer of the interests in those Investee Companies may be subject to delays or additional costs, or may not be possible at all. This could have an adverse effect on the Portfolio and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The value of the Portfolio may be dominated by a relatively limited number of Investee Companies

A large proportion of the overall value of the Portfolio may at any time be accounted for by a relatively limited number of Investee Companies. Accordingly, there is a risk that if one or more such Investee Companies experiences financial, regulatory or operational difficulties, fails to achieve anticipated results or suffers from poor stock market conditions (if admitted to trading on a public stock exchange) and, as a result, its value were to be adversely affected, this could have a material adverse impact on the overall value of the Portfolio and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

Investment in private businesses is subject to risks

A material proportion of the Company's investments are expected to be made in Private Investee Companies, which may include those whose products or technology is unproven. There can be no assurance that these Investee Companies will successfully penetrate their markets or establish and maintain competitive advantage.

Further, the performance of investments in Private Investee Companies can be volatile because those Investee Companies may have limited product lines, markets or financial reserves, or be more susceptible to major economic setbacks or downturns. In addition, Private Investee Companies may be establishing themselves in sectors that are in relatively early stages of development, which makes it more difficult to foresee the challenges the Investee Company might face. Private Investee Companies may be exposed to a variety of business risks including, but not limited to: competition from larger, more established firms; advancement of incumbent services and technologies; and the resistance of the market towards new companies, services or technologies.

The crystallisation of any of these risks or a combination of these risks may have a material adverse effect on the development and value of an Investee Company and, consequently, on the Portfolio and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

Furthermore, repeated failures by Investee Companies to achieve success may adversely affect the reputation of the Company or Baillie Gifford, which may make it more challenging for the Company, the Investment Manager and the Portfolio Manager to identify and exploit new opportunities and for other Investee Companies to raise additional capital, which may therefore have a material adverse effect on the Portfolio and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

Currency and foreign exchange risk

The Company will have investments denominated in currencies other than US Dollars. The Company will therefore be exposed to foreign exchange risk. Changes in the rates of exchange between US Dollars and the other currency will cause the value of any investment denominated in that currency, and any income arising out of the relevant investment, to go down or up in US Dollar terms. The Company may enter into hedging transactions to mitigate its exposure to fluctuations in foreign exchange rates. However, such currency exposure could have an adverse effect on the Portfolio and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The Company is subject to risks associated with any hedging or derivative transactions in which it participates

The Company may engage in derivative transactions in limited circumstances for currency hedging purposes. Derivative instruments in which the Company may invest may include foreign exchange forwards, exchange-listed and over-the-counter options, futures, options on futures, swaps and similar instruments. Derivative transactions may be volatile and involve various risks different from, and in certain cases, greater than the risks presented by other instruments. The primary risks related to derivative transactions include counterparty, correlation, illiquidity, leverage, volatility and OTC trading risks. A small investment in derivatives could have a large potential impact on the Company's performance, effecting a form of investment leverage on the Portfolio. In certain types of derivative transactions, the entire amount of the investment could be lost. In other types of derivative transactions, the potential loss is theoretically unlimited.

The following is a more detailed discussion of primary risk considerations related to the use of derivative transactions.

Counterparty risk. Counterparty risk is the risk that a counterparty in a derivative transaction will not fulfil its contractual or financial obligations to the Company or the risk that the reference entity in a swap or similar derivative will not fulfil its contractual or financial obligations. Certain participants in the derivatives market, including larger financial institutions, have experienced significant financial hardship and deteriorating credit conditions. If the Company's counterparty in a derivative transaction experiences a loss of capital, or is perceived to lack adequate capital or access to capital, it may experience margin calls or other regulatory requirements to increase equity. Under such circumstances, the risk that a counterparty will not fulfil its contractual or financial obligations may increase substantially. If a counterparty becomes bankrupt, the Company may experience significant delays in obtaining recovery (if at all) under the derivative contract in bankruptcy or other re-organisation proceeding; if the Company's claim is unsecured, the Company will be treated as a general creditor of such counterparty or prime broker and will not have any claim with respect to the underlying security. Only a limited or no recovery may be obtained in such circumstances.

Certain of the over the counter ("**OTC**") swaps that the Company may enter into pursuant to its hedging activities may remain principal-to-principal or OTC contracts that the Company and third parties enter into privately. The risk of counterparty non-performance can be significant in the case of these OTC instruments, and bid-ask spreads may be unusually wide as the relevant markets are substantially unregulated. The counterparty risk for cleared derivatives is generally expected to be lower compared with uncleared OTC derivatives. Generally a clearing house would be substituted for each counterparty to a cleared derivative which, in effect, guarantees the parties' performance under the contract as each party to a trade looks only to the clearing house for performance of the other party's financial obligations. However, there can be no assurance that the clearing house, or its members, will satisfy its obligations to the Company. Additionally, some swap execution facilities may be newly organised, have limited capital and have the effect of concentrating counterparty risk.

Correlation risk. When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent the Company from achieving the intended hedging effect or expose the Company to the risk of loss. The imperfect correlation between the value of a derivative and the underlying assets may result in losses on the derivative transaction that are greater than the gain in the value of the underlying assets in the Portfolio. The Investment Manager may not hedge against a particular risk because it may not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge or because it does not foresee the occurrence of the risk. These factors may have a significant negative effect on the fair value of the Company's investments and the market value of the Ordinary Shares.

Liquidity risk. Derivative transactions may not be liquid in all circumstances, such that in volatile markets it may not be possible to close out a position without incurring a loss. Although both OTC and exchange-traded derivatives markets may experience a lack of liquidity, OTC non-standardised derivative transactions are generally less liquid than exchange-traded instruments. The illiquidity of the derivatives markets may be due to various factors, including congestion, disorderly markets, limitations on deliverable supplies, the participation of speculators, government

regulation and intervention, and technical and operational or system failures. In addition, daily limits on price fluctuations and speculative position limits set by certain exchanges on which the Company may conduct derivative transactions may prevent prompt liquidation of the Company's derivative positions, which may subject the Portfolio to the potential of greater losses and by extension have an adverse effect on the NAV and/or the market price of the Ordinary Shares.

Volatility risk. The prices of many derivative instruments, including many options and swaps, are highly volatile. Price movements of options contracts and payments pursuant to swap agreements are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The value of options and swap agreements also depends upon the price of the securities or currencies underlying them.

Risk arising from lack of ability to use derivatives for purposes other than currency hedging

The Company may not engage in derivative transactions for any purpose other than for currency hedging, including to hedge against interest rate risks or for the purposes of efficient portfolio management. The Company's inability to use derivatives in circumstances where it might otherwise be appropriate to do so could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

Net Asset Value figures published by the Company will be estimates only and may be materially different from actual results and figures appearing in the Company's financial statements, especially as valuation of interests in Private Investee Companies is inherently subjective and uncertain

The Company intends to publish monthly Net Asset Value figures. A material proportion of the Portfolio will initially consist of interests in Private Investee Companies which, because market quotations are typically not readily available for such interests, are more difficult to value than interests in Public Investee Companies. The valuations of the Company's interests in Private Investee Companies used to calculate the Net Asset Value will be based on the Investment Manager's unaudited estimated 'fair values' of those interests, applying valuation techniques which are consistent with the International Private Equity and Venture Capital Valuation Guidelines.

There is no single standard for determining the 'fair value' of an investment. In many cases, fair value is best expressed as a range of fair values from which a single estimate may be derived. Factors that the Investment Manager may consider when determining the 'fair value' of an interest in a Private Investee Company include: historical and projected financial data for the Private Investee Company; in the case of an interest in securities, the position of the relevant securities in the Private Investee Company's overall capital structure; valuations given to comparable companies; the size and scope of the Private Investee Company's operations; the strengths and weaknesses of the Private Investee Company; whether the Private Investee Company's investors' are expected to be receptive to an offering of the Private Investee Company's securities; any control provisions which may be associated with the holding of the interest; information with respect to transactions or offers for that Private Investee Company's securities (including the transaction pursuant to which an investment was made and the period of time that has elapsed from the date of the investment to the valuation date); applicable restrictions on transfer of the interest; industry information and assumptions; general economic and market conditions; and the nature and realisable value of any collateral or credit support.

Estimates of 'fair value' of interests in Private Investee Companies are inherently uncertain, may fluctuate over short periods of time and may vary (in some cases materially) from the results published in the Company's financial statements (as the figures are published at different times). Further, such estimates, and any Net Asset Value figure published by the Company, may vary (in some cases materially) from realised or realisable values.

The lack of a ready market for interests in Private Investee Companies exacerbates the risk of variation between the Company's estimated valuations and the realisable values of investments. Even if market quotations are available for the Company's investments (which would typically be the case for Public Investee Companies), such quotations may not reflect the value that the Company would be able to realise in respect of those investments. This may be due to various

factors, including illiquidity in the market for the investments, future market price volatility, or the potential for a future loss in market value due to poor industry conditions or the market's overall view of the performance of the relevant Investee Company and its management.

Accordingly, Net Asset Value figures issued by the Company should be regarded as indicative only and investors should be aware that the realisable Net Asset Value per Ordinary Share may be materially different from those figures. The Company makes no assurance and gives no guarantee as to the values that the Company records from time to time.

For the reasons explained above, it is possible that the Company may record materially higher values in respect of its investments than the values that are ultimately realised upon the disposal of those investments. In such cases, the Company's NAV will be adversely affected. Changes in values attributed to investments from quarter to quarter may result in volatility in the NAVs that the Company reports from period to period.

The Company does not expect to control Investee Companies or have influence over management or other stakeholders and therefore cannot ensure that they do not make decisions that disadvantage the Company

The Company does not expect to take controlling stakes in Investee Companies and the Company and Baillie Gifford will be unlikely to have any influence over other stakeholders or the management of Investee Companies. As a result, the Company will generally have only a limited ability to protect its interests in Investee Companies.

There is a risk that Investee Company management may take risks or make business decisions with which the Company and Baillie Gifford disagree and which may decrease the value of the Company's investment in the relevant Investee Company or, in some circumstances, cause reputational damage to the Company and Baillie Gifford.

Further, the majority stakeholders in Investee Companies may act in a manner that does not serve the Company's interests, that decreases the value of the Company's investment or, in some cases that causes the Company (whether voluntarily or not) to dispose of its stake in the relevant Investee Company earlier than had been intended. For example, Private Investee Company documentation commonly includes "drag along rights" under which, if the majority stakeholders sell their interests, minority stakeholders can be compelled to join the sale. If other stakeholders in a Private Investee Company exercise such rights, the Company would be obliged to sell its minority stake in the Private Investee Company, potentially at a price or on terms which are, or at a time which is, disadvantageous to the Company. Where this happens, the Company will not be able to benefit from any future IPO of the Private Investee Company.

Private Investee Companies may also be the subject of other private acquisition or similar corporate activity. If a Private Investee Company is acquired by or merges with an entity whose interests do not align with the Company's interests, the Company may dispose of its stake earlier than had been intended.

If any of the foregoing were to occur, it could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The Company may not be able to raise additional capital for expansion activity in the long term on acceptable terms or at all

In the long term, the Company may require additional capital to fund expansion activity and/or further investment in Investee Companies. If the returns generated by the Company over the longer term are not sufficient and/or if the Company is unable to obtain additional capital on acceptable terms, or at all, it may be forced to curtail or abandon any expansion activity and/or further investment in the Investee Companies and this could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The Company may suffer a delay in deploying the proceeds of the Placing

The Company currently expects to be at least two-thirds invested by the end of the Initial Investment Period. However, there can be no assurance that suitable investment opportunities will

materialise, prove attractive or be sufficient in quantity or size to permit this to occur. Failure by the Company to invest the proceeds of the Placing in full and in a timely fashion could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

Proceeds from equity disposals and any payments of dividends received by the Company may vary from year to year

Proceeds from any disposal of the Company's interests in Investee Companies through liquidity events, including sales of equity following IPOs and trade sales, may vary substantially from year to year. In addition, earnings produced by Investee Companies are typically reinvested for the purpose of growth, and payments of dividends by Investee Companies are often subject to milestones which may not be achieved. This means the return received by the Company from these sources may vary substantially from year to year. Notwithstanding that the Company does not expect to receive much in the way of returns from dividends, these variations in overall returns may have a material adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

Private Investee Companies may not provide sufficient information for ongoing monitoring by Baillie Gifford and the Company, which may impair the Company's ability to adequately assess, or if necessary mitigate, the risks associated with an investment

The Company and Baillie Gifford may not have access to sufficient information in respect of Private Investee Companies and there can be no assurance as to the adequacy or accuracy of information provided on an ongoing basis. Private Investee Companies that the Company invests in may, in practice, restrict the information they provide to the Company or Baillie Gifford. As a result, the ability to adequately assess and, if necessary, mitigate the risks associated with the investment in a Private Investee Company may be impaired. This could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The Company's investments may rank junior to investments made by others

The Company may make investments in Investee Companies that have indebtedness or equity securities, or may be permitted to incur indebtedness or to issue equity securities, that rank senior to the Company's investment. By their terms, such instruments may provide that their holders are entitled to receive payments of dividends, interest or principal on or before the dates on which payments are to be made in respect of the Company's investment. Also, in the event of insolvency, liquidation, dissolution, reorganisation or bankruptcy of an Investee Company, holders of securities ranking senior to the Company's investment in the Investee Company would typically be entitled to receive payment in full before distributions could be made in respect of the Company's investment. After repaying senior security holders, the Investee Company may not have any remaining assets to use for satisfying amounts in respect of the Company's investment. To the extent that any assets remain, holders of claims that rank equally with the Company's investment would typically be entitled to share on an equal and rateable basis in distributions that are made out of those assets (although this would vary from distribution to distribution).

If the Company's investments in Investee Companies rank junior to investments made by others, it could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The Company's investments may be adversely affected by poor performance of a particular sector or industry

The Company's investments are intended to be diversified by sector and industry. The diversification of its investments is intended to mitigate the Company's exposure to adverse events associated with specific investments and sectors. The Company's returns may, however, still be adversely affected by the unfavourable performance of particular sectors or industries if they affect the performance or prospects of Investee Companies. This adverse effect may be amplified if more Investee Companies are in, or connected to, the affected sector or industry (in other words, if the

Portfolio has a greater concentration of investments in any affected sector or industry). This could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

Risks associated with geographical concentration

Save as set out in the Company's investment policy, the Company may invest in Investee Companies which are incorporated or domiciled, or which conduct a significant portion of their business anywhere in the world. However, from time to time the Portfolio may be concentrated in a particular country or countries. Having a Portfolio which is concentrated in a smaller number of countries is generally considered to be a higher risk investment strategy than investing more widely, as it exposes the investor to the fluctuations of a limited geographical market and fewer currencies. Any adverse effect on the relevant markets and/or the value of the relevant currencies could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The Company's investments in emerging markets are subject to greater risks than investments in developed countries

Investment in businesses based in emerging markets involves a greater degree of risk than investment in those based in more developed countries. Among other things, investment in businesses based in emerging markets may carry the risk of there being less publicly available information, more volatile markets, less strict securities market regulation, less favourable tax provisions, and a greater likelihood of severe inflation, unstable currency, corruption, war, expropriation of personal property, and fraud, as compared with investment in businesses based in more mature jurisdictions. Crystallisation of any of these risks could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

Risks associated with leverage

The Company may utilise borrowings on a short-term basis for the purposes of bridging investments and general working capital purposes. Pursuant to its investment policy, the Company may borrow an aggregate amount equivalent to 10 per cent. of the then current unaudited Net Asset Value, calculated at the time of drawdown. The Company will pay interest on any borrowing it incurs. As such, the Company may be exposed to interest rate risk due to fluctuations in the prevailing market rates.

Such leverage can have the effect of increasing losses. This could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The Company may be exposed to market risks, principally equity securities price risk, as a result of its equity investments in Private Investee Companies that subsequently become Public Investee Companies

The Company may be exposed to market risks, principally in the form of equity securities price risk, including as a result of investments in Private Investee Companies that the Company continues to hold after the relevant Investee Companies become admitted to trading on a public stock exchange.

The market value of the Company's holdings in Public Investee Companies could be affected by a number of factors including, but not limited to: a change in sentiment in the market regarding the Public Investee Companies; the market's appetite for specific asset classes; and the financial or operational performance of the Public Investee Companies, which may be driven by, amongst other things, the cyclicality of some of the sectors in which some or all of the Public Investee Companies operate.

Equity prices and returns from investing in equity markets are sensitive to various factors including but not limited to: expectations of future dividends and profits; economic growth; exchange rates; interest rates; and inflation. The value of any investment in equity markets is therefore volatile and

it is possible, even when an investment has been held for a long time, that an investor may not get back the sum invested. Any adverse effect on the value of any equities in which the Company invests from time to time could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

Risk arising from the expansion of the jurisdiction of the CFIUS

The US government recently enacted the Foreign Investment Risk Review Modernization Act ("**FIRRMA**"), which expands the jurisdiction and powers of the Committee on Foreign Investment in the United States ("**CFIUS**"), the US interagency committee that conducts national security reviews of foreign investment. FIRRMA authorises CFIUS to review a wide range of transactions, including categories of non-controlling investments, that were not previously subject to the jurisdiction of the CFIUS, including certain foreign investments in US 'critical technology' companies. Accordingly, certain investments by the Company could be subject to the jurisdiction of the CFIUS.

Depending on the investment, the Company could be obligated to make a CFIUS filing, or it could decide to file a voluntary notice to secure CFIUS approval before closing, which could delay the time period between signing and closing. If the Company elects not to make a filing, there is a risk that the CFIUS could initiate its own review. The CFIUS also has the authority to impose penalties for failure to make certain filings. Moreover, if an investment raises significant national security concerns, the CFIUS has the authority to impose mitigation conditions or recommend that the President block a transaction. If this or any of the foregoing were to occur, it could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

RISKS RELATING TO THE INVESTMENT MANAGER AND THE PORTFOLIO MANAGER

The success of the Company is dependent on Baillie Gifford and its expertise, key personnel, and ability to source and advise appropriately on investments

In accordance with the Investment Management Agreement, the Investment Manager is responsible for the management of the Company's investments, with the Investment Manager delegating its portfolio management responsibilities to the Portfolio Manager. The Company does not have any employees and its Directors are appointed on a non-executive basis. All of its investment and asset management decisions will in the ordinary course be made by the Investment Manager and Portfolio Manager (and any of their delegates) and not by the Company. The Investment Manager is not required to and generally will not submit individual investment decisions for approval to the Board. The Company will therefore be reliant upon, and its success will depend on, Baillie Gifford and its personnel, services and resources.

Returns on Shareholders' investments in Ordinary Shares will depend upon Baillie Gifford's ability to source and make successful investments on behalf of the Company in the face of competition from other entities seeking to invest in investment opportunities identified for the Company. Those entities may be more established or have greater financial, technical or other resources than the Company. Baillie Gifford may have to compete with other investors, including venture capital funds, private equity investors and asset managers, for the opportunity to make investments in Investee Companies during initial or subsequent private funding rounds. Competition can create significant upward pressure on pricing, thereby reducing the potential investment returns. Competition may also limit Baillie Gifford's bargaining position and access to information.

Many of Baillie Gifford's investment decisions will depend upon the ability of its employees and agents to carry out due diligence and obtain relevant information. There can be no guarantee that such information will be available or that Baillie Gifford and its employees and agents will be able to obtain it. Baillie Gifford may be required to make investment decisions without complete information, or in reliance upon information provided by third parties that is impossible or impracticable to fully verify. Further, Baillie Gifford may not conduct due diligence which is wide enough in scope to reveal potential risks of a particular investment. For example, in light of the later stage nature of the private businesses in which the Company will seek to invest, Baillie Gifford will not generally carry out a detailed analysis of the internal financial controls, corporate governance arrangements or underlying business contracts of a potential investee company. There can be no

assurance that Baillie Gifford will correctly identify and evaluate the nature and magnitude of the various factors that could affect the value of and return on the Company's investments. Any failure by Baillie Gifford to perform effective due diligence on potential investments may adversely affect the investment returns expected from a particular investment.

Further, the ability of the Company to pursue its investment policy successfully will depend on the continued service of key personnel of Baillie Gifford, and/or Baillie Gifford's ability to recruit individuals of similar experience and calibre. Whilst Baillie Gifford seeks to ensure that the principal members of its management teams are suitably incentivised, the retention of key members of those teams cannot be guaranteed. There is no guarantee that, following the death, disability or departure from Baillie Gifford of any key personnel, Baillie Gifford would be able to recruit a suitable replacement or avoid any delay in doing so. The loss of key personnel and any inability to recruit an appropriate replacement in a timely fashion could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

There can be no assurance that the Board would be able to find a replacement investment manager if the Investment Manager were to resign or the Investment Management Agreement were to be terminated

Under the terms of the Investment Management Agreement, the Investment Manager may resign as the Company's investment manager by giving the Company not less than six months' written notice. Further, the Investment Management Agreement may be terminated immediately upon notice by the Investment Manager or by the Company in certain circumstances.

The Board would, in such circumstances, have to find a replacement investment manager for the Company. There can be no assurance that a replacement with the necessary skills and experience would be available and could be appointed on terms acceptable to the Company. If the Investment Management Agreement is terminated and a suitable replacement is not secured in a timely manner, this could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The past performance of investments made by Baillie Gifford is not a guarantee or an indication of the future performance of the Company

The information contained in this Prospectus relating to the prior performance of investments made by Baillie Gifford is being provided for illustrative purposes only and is not indicative of the likely performance of the Company. In considering the prior performance information contained in this Prospectus, prospective investors should bear in mind that past performance is not necessarily indicative of future results and there can be no assurance that the Company will achieve comparable results or be able to avoid losses. Further, when considering prior performance information relating to the LTGG investment team, prospective investors should bear in mind that, while the Portfolio may be managed using the principles and methodologies developed by the LTGG investment team, the portfolio management team for the Company will not be composed exclusively of members of the LTGG investment team.

Operational risks may disrupt Baillie Gifford's business, result in losses or limit the Company's growth

The Company relies heavily on the financial, accounting and other data processing systems of Baillie Gifford. If any of these systems do not operate properly or are disabled, the Company could suffer financial loss or reputational damage. A disaster or a disruption in the infrastructure that supports the Company, or a disruption involving electronic communications or other services used by Baillie Gifford or third parties with whom the Company conducts business, could have a material adverse impact on the ability of the Company to continue to operate its business without interruption. The disaster recovery programmes used by Baillie Gifford or third parties with whom the Company conducts business may not be sufficient to mitigate the harm that may result from such disaster or disruption.

Baillie Gifford's information and technology systems may be vulnerable to cyber security breaches

Baillie Gifford's information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorised persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although Baillie Gifford has implemented various measures to manage risks relating to these types of events, if Baillie Gifford's information and technology systems are compromised, become inoperable for extended periods of time or cease to function properly, Baillie Gifford may have to make a significant investment to fix or replace them. The failure for any reason of these systems and/or of disaster recovery plans could cause significant interruptions in Baillie Gifford's and/or the Company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors. Such a failure could harm Baillie Gifford's and/or the Company's reputation, subject any such entity and their respective Affiliates to legal claims and otherwise affect their business and financial performance. This could have an adverse effect on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

Reputational risks, including those arising from litigation against Baillie Gifford or the Company, may disrupt the Company's investment strategy and growth

The Company may be exposed to reputational risks, including from time to time the risk that litigation, misconduct, operational failures, negative publicity and press speculation (whether or not valid) may harm the reputation of Baillie Gifford or the Company. If Baillie Gifford or the Company is named as a party to litigation or becomes involved in regulatory inquiries, this could cause substantial reputational damage to Baillie Gifford and the Company and result in potential counterparties, target companies and other third parties being unwilling to deal with Baillie Gifford and/or the Company. Damage to the reputation of Baillie Gifford and/or the Company may disrupt the Company's investment strategy, business or potential growth, which could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The Investment Manager, the Portfolio Manager and other Baillie Gifford entities may be involved in other financial, investment or professional activities that may give rise to conflicts of interest with the Company

The Investment Manager, the Portfolio Manager and other Baillie Gifford entities may be involved in other financial, investment or professional activities which may give rise to conflicts of interest with the Company. In particular, the Investment Manager, the Portfolio Manager and other Baillie Gifford entities manage investment vehicles other than the Company and may provide investment management, risk management, investment advisory or other services in relation to such investment vehicles (and also to segregated clients) which may have investment policies which mean that they are interested in some or all of the same investments as the Company.

There is therefore a risk that conflicts of interest may arise because the Investment Manager and/or the Portfolio Manager must allocate certain investment opportunities between the Company and other investment vehicles. The Investment Manager and the Portfolio Manager have established procedures to address any such potential conflicts of interest, which are described in paragraph 4 of Part II (Investment Opportunity and Strategy) of this Prospectus.

However, there can be no guarantee that these procedures with respect to such conflicts of interest will remain in place or will be successful in addressing all such conflicts that may arise. If these procedures are not followed for any reason, if Baillie Gifford is otherwise unable to effectively manage such potential conflicts of interest, or if the outcome of following such procedures is in the circumstances adverse to the interests of the Company, this could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

The Investment Manager or the Portfolio Manager could be the subject of an acquisition by a third party or a change of control, which could result in a change in the way that they carry on their business and activities

The Investment Manager and the Portfolio Manager are wholly-owned by Baillie Gifford & Co, which has been privately owned by successive generations of partners since it was established in 1908. The Company will have limited ability to prevent stakeholders in Baillie Gifford from transferring control of part or the whole of the business of the Investment Manager or the Portfolio Manager to a third party. A new owner or new significant shareholder could have a different investment and management philosophy to the current investment and management philosophy of Baillie Gifford, which could influence the investment strategies and performance of the Investment Manager and the Portfolio Manager. However, any change in the Company's investment strategy would need to be without prejudice to the parameters of the Company's investment policy (including any investment restrictions), unless a change to the Company's investment policy were to be sought. A material change to the investment policy would require the prior approval of the Shareholders.

A change of control could also lead the Investment Manager and the Portfolio Manager to employ investment and other professionals who are less experienced or who may be unsuccessful in identifying investment opportunities.

If any of the foregoing were to occur, it could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

RISKS RELATING TO REGULATION, TAXATION AND THE COMPANY'S OPERATING ENVIRONMENT

Changes in laws or regulations governing the Company's, the Investment Manager's or the Portfolio Manager's operations may adversely affect the business and performance of the Company

The Company, Investment Manager and Portfolio Manager are subject to laws and regulations enacted by national and local governments.

The Company is subject to, and will be required to comply with, certain legal and regulatory requirements that are applicable to Guernsey-domiciled investment funds. The Company is subject also to the continuing obligations imposed on all investment companies whose shares are admitted to trading on the Specialist Fund Segment. The Investment Manager and the Portfolio Manager are subject to, and will be required to comply with, certain regulatory requirements set out in UK domestic legislation, rules and regulations as well as those set out at an EEA level, many of which could directly or indirectly affect the management of the Company.

The laws and regulations affecting the Company, the Investment Manager and the Portfolio Manager are evolving and any changes in such laws and regulations may have an adverse effect on the ability of the Company, the Investment Manager or the Portfolio Manager to carry on their respective businesses. Any such changes could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

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

Any change in the Company's tax status, or in taxation legislation or practice in the United Kingdom, Guernsey, the US or elsewhere, could adversely affect the value of investments in the Portfolio and the Company's ability to achieve its investment objective, or alter the post-tax returns to Shareholders. Statements in this Prospectus concerning the taxation of the Company and taxation of Shareholders are based upon current Guernsey, UK and US tax law and published practice, any aspect of which is in principle subject to change (potentially with retrospective effect) that could adversely affect the ability of the Company to pursue successfully its investment policy and/or which could adversely affect the taxation of the Company and the Shareholders. Statements in this Prospectus in particular take into account the UK offshore fund rules contained in Part 8 of

the Taxation (International and Other Provisions) Act 2010 and published guidance from HM Revenue & Customs on the definition of an ''offshore fund''. Should the Company become subject to the UK offshore fund rules as a result of falling within the definition of an ''offshore fund'', this may have adverse tax consequences for certain UK resident Shareholders and/or result in additional tax reporting obligations for the Company.

Potential investors should consult their tax advisers with respect to their particular tax situations and the tax effects of an investment in the Company.

Shareholders may be subject to withholding and forced transfers under FATCA and there may also be reporting of Shareholders under other exchange of information arrangements, including the CRS

The governments of the United States and Guernsey have entered into an intergovernmental agreement (the "**US-Guernsey IGA**") related to implementing FATCA which is implemented through Guernsey's domestic legislation. FATCA imposes certain information reporting requirements on a foreign financial institution ("**FFI**") or other non-US entity and, in certain cases, US federal withholding tax on certain US source payments. The Company is likely to be considered an FFI, and will therefore have to comply with certain registration and reporting requirements in order not to be subject to US withholding tax under FATCA. In addition, the Company may be required to withhold US tax at the rate of 30 per cent. on "withholdable payments" or certain "foreign passthru payments" to persons that are not compliant with FATCA or that do not provide the necessary information or documents, to the extent such payments are treated as attributable to certain US source payments.

Guernsey has also implemented the Common Reporting Standard or "**CRS**" regime with effect from 1 January 2016. Accordingly, reporting in respect of periods commencing on or after 1 January 2016 is required in accordance with the CRS (as implemented in Guernsey).

Under the CRS and legislation enacted in Guernsey to implement the CRS, certain disclosure requirements are imposed in respect of certain investors who are, or are entities that are controlled by one or more natural persons who are, residents of any of the jurisdictions that have also adopted the CRS, unless a relevant exemption applies. Where applicable, information to be disclosed will include certain information about investors, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Company. The CRS will be implemented through Guernsey's domestic legislation in accordance with guidance issued by the Organisation for Economic Co-operation and Development as supplemented by guidance notes in Guernsey. Under the CRS, disclosure of information will be made to the Director of Revenue Services in Guernsey for transmission to the tax authorities in other participating jurisdictions.

The requirements under FATCA, the CRS and similar regimes and any related legislation, IGAs and/or regulations may impose additional burdens and costs on the Company or Shareholders. There is no guarantee that the Company will be able to satisfy such obligations and any failure to comply may materially adversely affect the Company's business, financial condition, results of operations, NAV and/or the market price of the Ordinary Shares, and the Company's ability to deliver target total NAV return to Shareholders. In addition, there can be no guarantee that any payments in respect of the Ordinary Shares will not be subject to withholding tax under FATCA. To the extent that such withholding tax applies, the Company is not required to pay any additional amounts.

In subscribing for or acquiring Ordinary Shares, each Shareholder is agreeing, upon the request of the Company or its delegate, to provide such information as is necessary to comply with FATCA, the CRS and other similar regimes and any related legislation and/or regulations. In particular, investors should be aware that certain forced transfer provisions contained in the Articles may apply in the case that the Company suffers any pecuniary disadvantage as a result of the Company's failure to comply with FATCA as a result of a Non-Qualified Holder failing to provide information as requested by the Company in accordance with the Articles.

Investors should consult with their respective tax advisers regarding the possible implications of FATCA, the CRS and similar regimes concerning the automatic exchange of information and any related legislation, IGAs and/or regulations.

Certain Shareholders may be subject to adverse tax consequences as a result of the Company's status as a "passive foreign investment company" and/or "controlled foreign corporation", each as defined in the US Tax Code

The Company expects to be classified as a "passive foreign investment company" ("**PFIC**") under the US Tax Code, and it may potentially be classified as a "controlled foreign corporation" ("**CFC**") under the US Tax Code, which in either case could result in adverse tax consequences to US persons (as defined in the US Tax Code). Prospective investors should consult their tax advisers regarding the potential consequences for such investor as a result of the Company's status as either a PFIC or CFC. For further information concerning the various potential tax consequences resulting from the Company being classified as either a PFIC or CFC, please refer to the sections entitled "*Passive foreign investment companies*" and "*Controlled foreign corporations*" at paragraph 4.2 of Part V (Taxation) of this Prospectus.

The Company is likely to be regarded as a "covered fund" under the Volcker Rule. Any prospective investor that is or may be considered a "banking entity" under the Volcker Rule should consult its legal advisers regarding the potential impact of the Volcker Rule on its investments and other activities prior to making any investment decision with respect to the Ordinary Shares or entering into other relationships or transactions with the Company

Section 13 of the US Bank Holding Company Act of 1956, as amended, and Regulation VV (12 C.F.R. Section 248) promulgated thereunder by the Board of Governors of the Federal Reserve System (such statutory provision together with such implementing regulations, the "**Volcker Rule**"), generally prohibits "banking entities" (which term is broadly defined to include any US bank or savings association whose deposits are insured by the Federal Deposit Insurance Corporation, any company that controls any such bank or savings association, any non-US bank treated as a bank holding company for purposes of Section 8 of the US International Banking Act of 1978, as amended, and any Affiliate or subsidiary of any of the foregoing entities) from: (i) engaging in proprietary trading as defined in the Volcker Rule; (ii) acquiring or retaining an "ownership interest" in, or "sponsoring", a "covered fund"; and (iii) entering into certain other relationships or transactions with a "covered fund".

As the Ordinary Shares are likely "ownership interests" and the Company is likely to be regarded as a "covered fund" under the Volcker Rule, any prospective investor that is or may be considered a "banking entity" under the Volcker Rule should consult its legal advisers regarding the potential impact of the Volcker Rule on its investments and other activities, prior to making any investment decision with respect to the Ordinary Shares or entering into other relationships or transactions with the Company. If the Volcker Rule applies to an investor's ownership of Ordinary Shares, the investor may be forced to sell its Ordinary Shares or the continued ownership of Ordinary Shares may be subject to certain restrictions. Violations of the Volker Rule may also subject an investor to potential penalties imposed by the applicable bank regulatory authority or other enforcement action.

The Company has not, does not intend to and may be unable to become registered as an investment company under the Investment Company Act and related rules

The Company has not, does not intend to and may be unable to become registered with the SEC as an "investment company" under the Investment Company Act and related rules. The Investment Company Act provides certain protections to investors and imposes certain restrictions on companies that are registered as investment companies. As the Company is not so registered, does not intend to so register and may be unable to so register, none of these protections or restrictions are or will be applicable to the Company. However, if the Company were to become subject to the Investment Company Act because of a change of law or otherwise, the various restrictions imposed by the Investment Company Act, and the substantial costs and burdens of compliance therewith, could adversely affect the operating results and financial performance of the Company. Moreover, parties to a contract with an entity that has improperly failed to register as an investment company under the Investment Company Act may be entitled to cancel or otherwise void their contracts with the unregistered entity and shareholders in that entity may be entitled to withdraw their investment. In order to ensure compliance with exemptions that permit the Company to avoid being required to register as an investment company under the Investment Company Act and related rules, the Company has implemented appropriate restrictions on the ownership and

transfer of Ordinary Shares, which may affect a US investor's ability to hold or transfer Ordinary Shares and may in certain circumstances require the US investor to transfer or sell its Ordinary Shares. For further information on restrictions on offers, sales and transfers of the Ordinary Shares, please refer to the section entitled "*United States Transfer Restrictions*" at paragraph 9 of Part IV (Placing Arrangements) of this Prospectus.

The ability of certain persons to hold Ordinary Shares and make secondary transfers in the future may be restricted as a result of ERISA and other regulatory considerations

Each initial purchaser and subsequent transferee of Ordinary Shares will be required to represent and warrant or will be deemed to represent and warrant that it is not a "benefit plan investor" (as defined in Section 3(42) of ERISA), and that it is not, and is not using assets of, a plan or other arrangement subject to provisions under applicable federal, state, local, non-US or other laws or regulations that are substantially similar to Section 406 of ERISA or Section 4975 of the US Tax Code unless its purchase, holding and disposition of Ordinary Shares does not constitute or result in a non-exempt prohibited transaction or violation of any such substantially similar law. In addition, under the Articles, the Board has the power to refuse to register a transfer of Ordinary Shares or to require the sale or transfer of Ordinary Shares in certain circumstances, including any purported acquisition or holding of Ordinary Shares by a benefit plan investor.

The Ordinary Shares have not been registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. In order to avoid being required to register under the Investment Company Act, the Company has imposed significant restrictions on the transfer of Ordinary Shares which may materially affect the ability of Shareholders to transfer Ordinary Shares in the United States or to US Persons. If in the future the initial purchaser, or any subsequent holder, decides to offer, sell, transfer, assign or otherwise dispose of the Ordinary Shares, they may do so only: (i) outside the United States in an "offshore transaction" complying with the provisions of Regulation S to a person not known by the transferor to be a US Person, by prearrangement or otherwise; (ii) to a person who is both a Qualified Purchaser and an Accredited Investor and only following delivery by the transferee to the Company (or other person designated by the Company) of a signed US representation letter in form and substance acceptable to the Company that such transfer is in compliance with this paragraph; or (iii) to the Company or a subsidiary thereof.

Under the Articles, the Directors have the power to require the sale or transfer of Ordinary Shares, or refuse to register a transfer of Ordinary Shares, in respect of any Non-Qualified Holder. In addition, the Directors may require the sale or transfer of Ordinary Shares held or beneficially owned by any person who refuses to provide information or documentation to the Company which results in the Company suffering US tax withholding charges. Prospective investors should refer to the section entitled "*United States Transfer Restrictions*" at paragraph 9 of Part IV (Placing Arrangements) of this Prospectus.

The voting rights of certain categories of investor are subject to restrictions and voting adjustments in certain circumstances, which could result in the voting rights of investors falling within those categories being scaled down with respect to the appointment or removal of Directors or on other matters

Pursuant to the Placing, the Company expects to issue a number of Ordinary Shares to investors who are residents of the United States. Accordingly, the proportion of the Ordinary Shares held by US investors could be substantial at Admission and such proportion could increase in subsequent secondary market trading. The Company could lose its status as a "foreign private issuer" under the Securities Act and the Exchange Act if US investors came to own more than 50 per cent. of the Company's "voting securities", which for this purpose means securities the holders of which are presently entitled to vote on the election of Directors. If the Company ceased to be a "foreign private issuer" this could have materially adverse consequences for the Company. For example, the Company could be required to register with the SEC under the Exchange Act, which would subject the Company to potentially onerous and costly reporting requirements and substantive regulation with which the Company is not currently structured to comply.

The Company intends to conduct its business so far as possible so as to maintain its status as a "foreign private issuer". As a result, the Company has taken steps such as imposing limitations on

the voting rights attaching to the Ordinary Shares held by US investors and imposing certain restrictions on the ownership and transfer of shares. Such steps could result in the voting rights of US investors being scaled down with respect to the appointment or removal of Directors and could affect the trading price and liquidity of the Ordinary Shares. As it is likely that US investors will hold greater than 50 per cent. of the Ordinary Shares from the date of Admission, US investors should expect their voting rights to be scaled down with respect to the appointment or removal of Directors. Prospective investors should refer to the sections entitled "*Voting Rights*" at paragraph 9 of Part I (Information on the Company) and "*United States Transfer Restrictions*" at paragraph 9 of Part IV (Placing Arrangements) of this Prospectus for further information.

In addition, the Company may issue a number of Ordinary Shares to Canadian Pension Plans under the Placing. Under the Pension Benefits Standards Act, 1985 (Canada) and applicable provincial pension legislation, Canadian Pension Plans are generally restricted from holding more than 30 per cent. of the voting shares to elect directors of a corporation. The Company has therefore taken steps to limit the voting rights exercisable by Canadian Pension Plans holding Ordinary Shares, scaling down the voting rights of Canadian Pension Plans with respect to the appointment or removal of Directors to below this level.

Further, the Company may issue Ordinary Shares to BHCA Restricted Holders. In order to facilitate the ability of such BHCA Restricted Holders to comply with certain requirements under the BHCA, BHCA Restricted Holders will not be entitled to vote on any resolution concerning the appointment or removal of Directors. Further, if a BHCA Restricted Holder would be entitled to cast more than 5 per cent. of the total votes on any other Shareholder resolution, then their votes in excess of that level will be deemed to have been withheld in respect of the relevant resolution.

The restrictions described above could affect the voting rights of US investors, Canadian Pension Plans and BHCA Restricted Holders with respect to Shareholder votes and could affect the trading price and liquidity of the Ordinary Shares. Prospective investors should refer to the section entitled "*Voting Rights*" at paragraph 9 of Part I (Information on the Company) for further information.

The Company will be subject to various political, economic and other risks

The Company will be subject to various risks incidental to investing. Factors affecting economic conditions include: currency devaluation; exchange rate fluctuations; interest rate changes; competition; domestic, transnational, international and worldwide political, military and diplomatic events and trends; and other factors not within the control of the Company.

In particular, the United Kingdom voted to leave the European Union in a referendum on 23 June 2016, and the UK Government on 29 March 2017 exercised its right under Article 50 of the Treaty on the European Union to leave the European Union. The political, economic, legal and social consequences of this and the ultimate outcome of the negotiations between the UK and the European Commission are currently uncertain and may remain uncertain for some time to come, which creates a risk of potentially prolonged political and economic uncertainty and negative economic trends.

Investors should be aware that if any of these risks materialise, they could have an adverse effect on the Portfolio and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Ordinary Shares.

RISKS RELATING TO AN INVESTMENT IN THE ORDINARY SHARES

Investors may not recover the full amount of their investment in the Ordinary Shares

The Company's ability to achieve its investment objective and pursue its investment policy successfully may be adversely affected by the manifestation of any of the risks described in this "*Risk Factors*" section of this Prospectus or other market conditions (or significant changes thereto). The market price of the Ordinary Shares may fluctuate significantly, particularly in the short term, and potential investors should not regard an investment in the Ordinary Shares as a short-term investment.

As with any investment, the price of the Ordinary Shares may fall in value. The maximum loss on an investment in the Ordinary Shares is equal to the value of the initial investment and, where

relevant, any gains or subsequent investments made. Investors therefore may not recover the full amount initially invested in the Ordinary Shares, or any amount at all.

The Ordinary Shares may trade at a discount to Net Asset Value and the price that can be realised for Ordinary Shares can be subject to market fluctuations

It is unlikely that the price at which the Ordinary Shares trade will be the same as their Net Asset Value (although they are related). The shares of an investment company such as the Company may trade at a discount to their net asset value. This could be due to a variety of factors, including due to market conditions or an imbalance between supply and demand for the Ordinary Shares. While the Directors may seek to mitigate the discount to NAV through such discount management mechanisms as they consider appropriate, there can be no guarantee that they will do so or that such efforts will be successful. As a result of this, investors that dispose of their interests in the Ordinary Shares in the secondary market may realise returns that are lower than they would have been if an amount equivalent to the Net Asset Value was distributed.

The market price of the Ordinary Shares may fluctuate significantly and Shareholders may not be able to sell Ordinary Shares at or above the price at which they purchased those Ordinary Shares. Factors that may cause the price of the Ordinary Shares to vary include those detailed in this "*Risk Factors*" section of this Prospectus, such as: changes in the Company's financial performance and prospects, or in the financial performance and market prospects of the Company's investments or those which are engaged in businesses that are similar to the Company's business; the termination of the Investment Management Agreement or the departure of some or all of Baillie Gifford's key investment professionals; changes in or new interpretations or applications of laws and regulations that are applicable to the Company's business or to the companies in which the Company makes investments; sales of Ordinary Shares by Shareholders; general economic trends and other external factors, including those resulting from war, incidents of terrorism or responses to such events; poor performance in any of Baillie Gifford's activities or any event that affects the Company's or Baillie Gifford's reputation; speculation in the press or investment community regarding the Company's business or investments, or factors or events that may directly or indirectly affect the Company's business or investments; and foreign exchange risk as a result of making and selling equity investments denominated in currencies other than US Dollars.

Securities markets in general have experienced extreme volatility that has often been unrelated to the operating performance or fundamentals of individual companies. Market fluctuations may adversely affect the trading price of the Ordinary Shares. As with any investment, the price of the Ordinary Shares may fall in value with the maximum loss on such investments being equal to the value of the initial investment and, where relevant, any gains on subsequent investments made.

It may be difficult for Shareholders to realise their investment as there may not be a liquid market in the Ordinary Shares, and Shareholders have no right to have their Ordinary Shares redeemed or repurchased by the Company

Admission should not be taken as implying that there will be an active and liquid market for the Ordinary Shares. The number of Ordinary Shares to be issued pursuant to the Placing is not yet known and there may, on Admission, be a limited number of Shareholders. Consequently, the Ordinary Share price may be subject to significant fluctuation on small volumes of trading. Limited numbers of Ordinary Shares and/or Shareholders may result in limited liquidity in such Ordinary Shares, which may affect: (i) an investor's ability to realise some or all of its/their investment; and/or (ii) the price at which such Ordinary Shares trade in the secondary market. The price at which the Ordinary Shares will be traded will be influenced by a variety of factors, some specific to the Company and its investments and some which may affect companies generally.

Further, the Company is a closed-ended investment company and Shareholders will have no right to have their Ordinary Shares redeemed or repurchased by the Company at any time. Subject to the Companies Law, the Directors retain the right to effect repurchases of Ordinary Shares in the manner described in this Prospectus. However, they are under no obligation to use such powers at any time and Shareholders should not place any reliance on the willingness of the Directors to exercise such powers (given, in particular, the likely composition of the Portfolio). Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Ordinary Shares on 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 their investment at such Net Asset Value, or at all.

The Company may be required by the London Stock Exchange to ensure that a number of the Ordinary Shares are publicly held at all times. If, for any reason, the number of Ordinary Shares in public hands were to fall below an acceptable level, the London Stock Exchange might suspend or terminate the trading of the Ordinary Shares.

The Company may in the future issue new Ordinary Shares, which may dilute Shareholders' equity or have a detrimental effect on the market price of the Ordinary Shares

Further issues of Ordinary Shares may, subject to compliance with the relevant provisions of the Companies Law and the Articles, be made on a non-pre-emptive basis. Any such issue may dilute the percentage of the Company held by the Company's existing Shareholders. Additionally, such issues could have an adverse effect on the market price of the Ordinary Shares. There are no provisions of Guernsey law which confer rights of pre-emption in respect of the issue of Ordinary Shares. The Articles do, however, contain pre-emption rights in relation to issue of Ordinary Shares for cash, although such pre-emption rights have, by a written special resolution passed on 15 March 2019, been disapplied in respect of up to 720 million Ordinary Shares or C Shares (such figure to include the Ordinary Shares issued pursuant to the Placing) for a period concluding immediately prior to the AGM of the Company to be held in 2024 (or, if earlier, five years from the date of the passing of the relevant resolution).

The Ordinary Shares are subject to transfer restrictions and forced transfer provisions for investors in the United States and certain other jurisdictions

The Ordinary Shares have not been and will not be registered in the United States under the Securities Act or under any other applicable securities laws and are subject to the restrictions on transfer contained in such laws.

In addition, in order to avoid being required to register under the Investment Company Act, the Company has imposed restrictions on the transfer of the Ordinary Shares. There are restrictions on the purchase and resale of Ordinary Shares by Shareholders who are located in the United States, are US Persons, or who hold Ordinary Shares for the account or benefit of US Persons, and on the resale of Ordinary Shares by any Shareholders to any person who is located in the United States or to, or for the account or benefit of, a US Person. These restrictions may make it more difficult for Shareholders to resell the Ordinary Shares and may have an adverse effect on the market value of the Ordinary Shares.

For further information on restrictions on offers, sales and transfers of the Ordinary Shares, please refer to the section entitled "*United States Transfer Restrictions*" at paragraph 9 of Part IV (Placing Arrangements) of this Prospectus.

IMPORTANT INFORMATION

Prospective investors should rely only on the information contained in this Prospectus and any supplementary prospectus published by the Company prior to the date of Admission. No person has been authorised to give any information or to make any representation other than those contained in this Prospectus (or any supplementary prospectus published by the Company prior to the date of Admission) in connection with the Placing and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Company, the Investment Manager or the Portfolio Manager, or any of their respective Affiliates, officers, directors, employees or agents.

Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G(1) of FSMA, neither the delivery of this Prospectus nor any subscription or sale made under this Prospectus shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date of this Prospectus or that the information contained in this Prospectus is correct as of any time subsequent to its date.

The contents of this Prospectus or any subsequent communications from the Company, the Investment Manager or the Portfolio Manager, or any of their respective Affiliates, officers, directors, employees or agents, are not to be construed as legal, business or tax advice. Each prospective investor should consult their own solicitor, financial adviser or tax adviser for legal, financial or tax advice in relation to the purchase of Ordinary Shares.

The Ordinary Shares are only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the Ordinary Shares of the Company (and in the Company's underlying investments); (ii) for whom an investment in the Ordinary Shares is part of a diversified investment programme; (iii) who fully understand and are willing to assume the risks involved in such an investment portfolio; and (iv) who do not have an investment horizon of less than five years or a need for an ability to realise their investments for value on short notice. Ordinary Shares are only meant for non-retail investors. As such, investors in the Company are expected to be 'professional investors' (as such term is understood in the context of the PRIIPs Regulations) including institutional investors, professionally advised investors and highly knowledgeable non-retail investors who understand, or who have been advised of, the potential risks from investing in the Company and that meet the relevant definition of a 'professional investor'. As Ordinary Shares are not intended for investment by any retail investor, there will be no 'key information document' (as understood under the PRIIPs Regulations) produced or available to investors. Investors should also be aware that the price of the Ordinary Shares and any income from them can go down as well as up.

The Ordinary Shares are designed to be held over the long term and may not be suitable as short-term investments. There is no guarantee that any appreciation in the value of the Company's investments will occur and investors may not get back the full amount initially invested, or any amount at all. The investment objective of, and target NAV total return proposed by, the Company are targets only and should not be treated as assurances or guarantees of performance. There can be no assurance that the Company's investment objective will be achieved or that the proposed target NAV total return will be achieved or paid.

A prospective investor should be aware that the value of an investment in the Company is subject to market fluctuations and other risks inherent in investing in securities. There is no assurance that any appreciation in the value of the Ordinary Shares will occur or that the investment objective of the Company will be achieved. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company.

GENERAL

Prospective investors should rely only on the information contained in this Prospectus and any supplementary prospectus published by the Company prior to Admission. No broker, dealer or other person has been authorised by the Company, the Board or any Director, the Investment Manager or the Portfolio Manager to issue any advertisement or to give any information or to make any representation in connection with the Placing other than those contained in this Prospectus and such supplementary prospectus and, if issued, given or made, any such advertisement,

information or representation must not be relied upon as having been authorised by the Company, the Board, any Director, the Investment Manager or the Portfolio Manager.

The distribution of this Prospectus in certain jurisdictions may be restricted by law and persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions.

Prospective investors should not treat the contents of this Prospectus or any supplementary prospectus published by the Company prior to Admission as advice relating to legal, taxation, investment or any other matters. Prospective investors should inform themselves as to: (i) the legal requirements within their own countries for the purchase, holding, transfer, redemption, conversion or other disposal of Ordinary Shares; (ii) any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption, conversion or other disposal of Ordinary Shares which they might encounter; and (iii) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer, redemption, conversion or other disposal of Ordinary Shares. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

Statements made in this Prospectus are based on the law and practice currently in force in England and Wales and Guernsey, and are subject to changes in such law and practice.

SELLING RESTRICTIONS

This Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to apply for any Ordinary Shares by any person: (i) in any jurisdiction in which such offer or invitation is not authorised; or (ii) in any jurisdiction 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.

The distribution of this Prospectus and the offering of Ordinary Shares in certain jurisdictions may be restricted. Accordingly, persons into whose possession this Prospectus comes are required to inform themselves about and observe any restrictions as to the offer or sale of Ordinary Shares and the distribution of this Prospectus under the laws and regulations of any jurisdiction relevant to them in connection with any proposed applications for Ordinary Shares, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such jurisdiction.

Save for in the United Kingdom and save as explicitly stated elsewhere in this Prospectus, no action has been taken or will be taken in any jurisdiction by the Company that would permit a public offering of Ordinary Shares in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this Prospectus in any other jurisdiction where action for that purpose is required.

Notice to prospective investors in the EEA

In relation to each Relevant Member State, no Ordinary Shares have been offered or will be offered pursuant to the Placing to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that Relevant Member State, or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that offers of Ordinary Shares to the public may be made at any time under the following exemptions under the Prospectus Directive, if they are implemented in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined in Article 2(1)(e) of the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented Article 1(3)(a)(i) of the PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State.

For the purposes of this provision, the expression an "offer to the public" in relation to any offer of Ordinary Shares in any Relevant Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

Further, the Investment Manager, in its capacity as AIFM, has made the notifications or applications and received, where relevant, approvals for the marketing of the Ordinary Shares to "professional investors" (as defined in the AIFM Directive) in the UK. Notwithstanding any other statement in this Prospectus, this Prospectus should not be made available to any investor domiciled in any EEA State other than the UK. Prospective investors domiciled in the EEA that have received the Prospectus in any EEA States other than the UK should not subscribe for Ordinary Shares (and the Company reserves the right to reject any application so made, without explanation) unless: (i) the Investment Manager has confirmed that it has made the relevant notification or applications in that EEA State and is lawfully able to market Ordinary Shares into that EEA State; or (ii) such investors have received the Prospectus on the basis of an enquiry made at the investor's own initiative.

Notwithstanding that the Investment Manager may have confirmed that it is able to market Ordinary Shares to professional investors in an EEA State, the Ordinary Shares may not be marketed to retail investors (as this term is understood in the AIFM Directive as transposed in the relevant EEA States) in that EEA State unless the Ordinary Shares have been qualified for marketing to retail investors in that EEA State in accordance with applicable local laws. At the date of the Prospectus, the Ordinary Shares are not eligible to be marketed to retail investors in any EEA State. Accordingly, the Ordinary Shares may not be offered, sold or delivered and neither the Prospectus nor any other offering materials relating to such Ordinary Shares may be distributed or made available to retail investors in any EEA State.

Notice to prospective investors in Australia

This document is not a prospectus or product disclosure statement or otherwise a disclosure document for the purposes of Chapter 6D or Part 7.9 of the Australian Corporations Act 2001 (Cth) (the "**Corporations Act**") and has not been lodged with the Australian Securities and Investments Commission. It does not purport to contain all information that an investor or their professional advisers would expect to find in a prospectus, product disclosure statement or other disclosure document prepared in accordance with the Corporations Act in relation to the Ordinary Shares.

This document does not constitute an offer, or an invitation to purchase or subscribe for the Ordinary Shares offered by this document except to the extent that such an offer or invitation would be permitted under Chapter 6D or Part 7.9 of the Corporations Act without the need for a lodged prospectus or product disclosure statement.

Nothing contained in this document constitutes investment, legal, business, tax or other advice. In particular, the information in this document does not take into account your investment objectives, financial situation or particular needs. If you are located in Australia, you confirm, warrant and agree through receipt of this document that you are a person to whom an offer of securities may be made under sections 708(8) or 708(11) of the Corporations Act, such that any offer of securities to you does not require a prospectus, product disclosure statement or other form of disclosure document under the Corporations Act. In addition, you acknowledge that for a period of 12 months from the date of issue of the Ordinary Shares, you will not be able to transfer any interest in the Ordinary Shares to any person in Australia except to sophisticated or professional investors within the meaning of sections 708(8) and (11) of the Corporations Act or otherwise in accordance with section 707(3) of the Corporations Act.

Notice to prospective investors in Canada

This Prospectus relates to a potential future offering of the Ordinary Shares described herein only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale, and therein only by persons permitted to sell such securities. This Prospectus is not, and under no circumstances is to be construed as, an advertisement or a public offering of the Ordinary Shares in Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon this Prospectus or the merits of any Ordinary Shares described herein and any representation to the contrary is an offence.

The Ordinary Shares will not be publicly offered in Canada. Any offering of the Ordinary Shares in Canada will be made only by way of private placement: (i) pursuant to a Canadian offering memorandum containing certain prescribed disclosure, (ii) on a basis which is exempt from the requirement that the Company prepare and file a prospectus with the relevant Canadian securities regulatory authorities and pursuant to applicable requirements in the relevant Canadian jurisdictions, and (iii) to persons or entities that are "accredited investors" (as such term is defined in National Instrument 45-106 or the Securities Act (Ontario)) and "permitted clients" (as such term is defined in National Instrument 31-103 and Multilateral Instrument 32-102). If you are in any doubt as to your status, you should consult your financial or other professional adviser.

Securities legislation in certain provinces of Canada may provide a Shareholder with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a Misrepresentation, provided that the remedies for rescission or damages are exercised by the Shareholder within the time limit prescribed by the securities legislation of the Shareholder's province of residence. Each Shareholder should refer to any applicable provisions of the securities legislation of the Shareholder's province of residence for particulars of these rights or consult with a legal adviser. As used herein, "Misrepresentation" means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement in this Prospectus or any amendment thereto not misleading in light of the circumstances in which it was made. A "material fact" means a fact that would reasonably be expected to have a significant effect on the market price or value of the Ordinary Shares.

Notice to prospective investors in the United States

The Company has not been and will not be registered under the Investment Company Act and as such investors are not and will not be entitled to the benefits of the Investment Company Act. The Ordinary Shares have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, delivered, assigned or otherwise transferred, directly or indirectly, into or within the United States or to, or for the account or benefit of, US Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner which would not result in the Company being required to register under the Investment Company Act.

In connection with the Placing, the Ordinary Shares are being offered and sold only: (i) outside the United States in "offshore transactions" to non-US Persons pursuant to Regulation S; and (ii) to persons who are both Qualified Purchasers and Accredited Investors pursuant to an exemption of the offering from the registration requirements of the Securities Act and an exemption of the Company from the registration requirements under the Investment Company Act. There has been and will be no public offering of the Ordinary Shares in the United States.

Unless its purchase, holding, and disposition of Ordinary Shares will not constitute or result in a non-exempt prohibited transaction or violation of a substantially similar law as described below, Ordinary Shares may not be acquired by: (i) investors using assets of: (A) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (B) a "plan" as defined in Section 4975 of the US Tax Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Tax Code; or (C) an entity whose underlying assets are considered to include "plan assets" by reason of investment by an "employee benefit plan" or "plan" described in preceding clause (A) or (B) in such entity pursuant to the US Plan Assets Regulations; or (ii) a governmental, church, non-US or other employee benefit plan that is

subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Tax Code.

The Ordinary Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations and under the Articles. Any failure to comply with such restrictions may constitute a violation of applicable securities laws and may subject the holder to the forced transfer and other provisions set out in the Articles. For further information on restrictions on transfers of the Ordinary Shares, please refer to the section entitled "*United States Transfer Restrictions*" at paragraph 9 of Part IV (Placing Arrangements) of this Prospectus.

In addition, until 40 days after the commencement of the Placing, an offer or sale of the Ordinary Shares within the United States by any dealer (whether or not participating in the Placing) may violate the registration requirements of the Securities Act.

Forward-looking statements

This Prospectus includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can typically be identified by the use of forward-looking terminology, including, but not limited to, terms such as "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places in this Prospectus and include statements regarding the intentions, beliefs or current expectations of the Company, the Directors, the Investment Manager or the Portfolio Manager concerning, amongst other things, the investment objective and investment policy, the Company's target NAV total return, investment performance, results of operations, financial condition, prospects, and dividend policy of the Company and the markets in which it invests and/or operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual investment performance, results of operations, financial condition, dividends paid and its financing strategies may differ materially from the impression created by the forward-looking statements contained in this Prospectus. In addition, even if the investment performance, results of operations, financial condition of the Company and its financing strategies, are consistent with the forward-looking statements contained in this Prospectus, those results, its condition or strategies may not be indicative of results, its condition or strategies in subsequent periods. Important factors that could cause these differences include, but are not limited to, the factors set out in the "*Risk Factors*" section of this Prospectus.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. Prospective investors should carefully review the "*Risk Factors*" section of this Prospectus for a discussion of additional factors that could cause the Company's actual results to differ materially from those that the forward-looking statements may give the impression will be achieved, before making an investment decision. Forward-looking statements speak only as at the date of this Prospectus. The Company, the Investment Manager and the Portfolio Manager undertake no obligation to revise or update any forward-looking statements contained herein (save where required by the Prospectus Rules, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules or the AIFM Directive), whether as a result of new information, future events, conditions or circumstances, any change in the Company's, the Investment Manager's or the Portfolio Manager's expectations with regard thereto or otherwise. However, Shareholders are advised to read any communications that the Company may make directly to them, and any additional disclosures in announcements that the Company may make through an RIS following the date of this document.

For the avoidance of doubt, nothing in the foregoing paragraphs under the heading "Forward-looking statements" constitutes a qualification of the working capital statement contained in Part VI (Additional Information on the Company) of this Prospectus.

AIFM Directive disclosures

The AIFM Directive imposes conditions on the marketing of entities such as the Company to investors in the EEA. The AIFM Directive requires that an "alternative investment fund manager" ("**AIFM**") be identified to meet such conditions where such marketing is sought. For these purposes, Baillie Gifford & Co Limited, as the legal person responsible for performing portfolio and risk management of the Company, shall be the AIFM. Disclosures required to be made by the AIFM under the AIFM Directive are addressed within this Prospectus.

PRIIPs Regulation

Ordinary Shares are not intended for investment by any retail investor. There will therefore be no key information document produced or available to investors.

Data protection

The Company and Baillie Gifford will process personal data at all times in compliance with DP Legislation and the privacy notices that are available for review at www.bailliegifford.com/en/uk/about-us/important-disclosures/privacy-policy/individual-investors and www.bailliegifford.com/en/uk/about-us/important-disclosures/privacy-policy (the "**Privacy Notices**"). The Company and Baillie Gifford shall only process personal data for the purposes set out in the Privacy Notices (the "**Purposes**"), which include:

- to administer an investor's investment in accordance with its instructions;
- to communicate with an investor to provide it with information about Baillie Gifford products, services, events, promotions or other insights where it indicated that it wishes to receive such information;
- to process identification details in order to comply with anti-financial crime obligations;
- to check identification details against databases of individuals who are subject to sanctions, classified as "politically exposed persons" or have committed crimes and following up any suspicions, in order to comply with anti-money laundering and terrorism obligations and to avoid fraud itself; and
- to meet other compliance and regulatory duties, for example to retain certain records.

The personal data collected, stored, and used by the Company and Baillie Gifford is set out in the Privacy Notices and includes:

- personal details such as name, title, date of birth, addresses, telephone numbers and email addresses;
- identification and verification information and documents, such as signatures, passports, driving licences, birth/marriage certificates and tax/credit references;
- financial and transactional information relating to the investor's investments and the investor's instructions regarding these.

Where necessary to fulfil the Purposes, the Company and Baillie Gifford may share an investor's personal information amongst Baillie Gifford entities and with third parties including the auditor, the Registrar and printers. Personal data may also be shared with the following third parties:

- a regulator or other authority (such as HMRC) in order to comply with any applicable law;
- a screening or identity checking service as required by law in order to carry out the investor's instructions in relation to the products or services the Company and/or Baillie Gifford provide to it; and
- marketing partners where the investor has indicated that it wishes to receive such material.

Any sharing of personal data between parties will be carried out in compliance with DP Legislation and as set out in the Privacy Notices.

No incorporation of website

The contents of the Company's website at www.schiehallionfund.com and the Investment Manager's website at www.baillliegifford.com, the contents of any website accessible from hyperlinks on the Company's website, the Investment Manager's website, or any other website referred to in this Prospectus are not incorporated into, and do not form part of this Prospectus. Investors should base their decision to invest on the contents of this Prospectus and any supplementary prospectus published by the Company prior to Admission alone and should consult their professional advisers prior to making an application to acquire Ordinary Shares.

EXPECTED TIMETABLE

Publication of this Prospectus and commencement of the Placing	18 March 2019
Latest time and date for placing commitments under the Placing	3.00 p.m.* on 21 March 2019
Publication of results of the Placing	22 March 2019
Admission and dealings in Ordinary Shares commences	8.00 a.m. on 27 March 2019
CREST Accounts credited with uncertificated Ordinary Shares	as soon as practicable after 8.00 a.m. on 27 March 2019
Where applicable, definitive share certificates despatched by post	approximately two weeks after Admission

* *or such later time as may be notified to a Placee.*

References to times are to London times unless otherwise stated. Any changes to the expected timetable set out above will be notified to the market by the Company via an RIS announcement. In any case, Admission and dealings in Ordinary Shares shall commence by no later than the Long Stop Date.

ISSUE STATISTICS

Placing Price per Ordinary Share **	US$1.00
Gross Placing Proceeds ***	US$250 million
Estimated Net Placing Proceeds****	US$248.75 million
Expected Net Asset Value per Ordinary Share on Admission	99.5 cents

** *The minimum subscription per investor is US$5 million.*

*** *Assuming that the Placing is subscribed as to 250 million Ordinary Shares.*

**** *The maximum Gross Placing Proceeds are US$600 million, with the actual size of the Placing being subject to investor demand. The number of Ordinary Shares to be issued pursuant to the Placing, and therefore the Gross Placing Proceeds, is not known as at the date of this Prospectus but will be notified to the market by the Company via an RIS announcement prior to Admission. The Placing will not proceed if the Net Placing Proceeds would be less than US$248.75 million. If the Placing does not proceed, subscription monies received will be returned without interest at the risk of the applicant.*

DEALING CODES

ISIN	GG00BJ0CDD21
SEDOL	BJ0CDD2
Ticker	MNTN

DIRECTORS, ADVISERS AND OTHER SERVICE PROVIDERS

Directors	Dr Linda Yueh (Chairperson) Trudi Clark John Mackie CBE
Registered Office	First Floor, Albert House, South Esplanade St Peter Port, Guernsey Channel Islands, GY1 1AJ
Investment Manager and AIFM	Baillie Gifford & Co Limited Calton Square 1 Greenside Row Edinburgh, EH1 3AN
Portfolio Manager	Baillie Gifford Overseas Limited Calton Square 1 Greenside Row Edinburgh, EH1 3AN
Legal advisers to the Company (as to English and US securities law)	Herbert Smith Freehills LLP Exchange House Primrose Street London, EC2A 2EG
Legal advisers to the Company (as to Guernsey law)	Ogier (Guernsey) LLP Redwood House St Julian's Avenue St Peter Port Guernsey, Channel Islands, GY1 1WA
Legal advisers to the Company (as to US tax law)	Ropes & Gray LLP Prudential Tower 800 Boylston Street Boston, MA 02199-3600
Depositary	The Bank of New York Mellon (International) Limited 1 Canada Square London, E14 5AL
Administrator, Secretary and Designated Manager	Alter Domus (Guernsey) Limited First Floor, Albert House, South Esplanade St Peter Port Guernsey, Channel Islands, GY1 1AJ
Registrar	Computershare Investor Services (Guernsey) Limited First Floor, Tudor House, Le Bordage St Peter Port Guernsey, Channel Islands, GY1 1DB
Receiving Agent	Computershare Investor Services PLC Corporate Actions Projects The Pavilions Bridgwater Road Bristol, BS13 8AE
Reporting Accountant	KPMG Channel Islands Limited Glategny Court, Glategny Esplanade St Peter Port Guernsey, Channel Islands, GY1 1WR

Auditor	KPMG Channel Islands Limited Glategny Court, Glategny Esplanade St Peter Port Guernsey, Channel Islands, GY1 1WR
Corporate Broker	Winterflood Securities Limited The Atrium Building Cannon Bridge House 25 Dowgate Hill London, EC4R 2GA

PART I – INFORMATION ON THE COMPANY

1. INTRODUCTION

The Company is a newly established non-cellular closed-ended investment company limited by shares, incorporated in Guernsey on 4 January 2019 with registration number 65915. The Company does not have a fixed life. The Company is an alternative investment fund or "AIF" for the purposes of the AIFM Directive.

The Company will be externally managed by Baillie Gifford & Co Limited (the "**Investment Manager**"), its AIFM. The Company has consented to the Investment Manager delegating its portfolio management responsibilities to Baillie Gifford Overseas Limited (the "**Portfolio Manager**"). Further details on the Investment Manager and the Portfolio Manager are set out in Part III (Directors, Management and Administration) of this Prospectus.

The Company's investment objective and investment policy are set out below. The Company may make its investments either directly or through one or more wholly-owned subsidiary companies.

The Company will ensure that it treats all holders of the same class of its shares that are in the same position equally in respect of the rights attaching to those shares. For reasons relating to US securities laws, US Persons who are holders of Ordinary Shares will have their voting rights in relation to the appointment and removal of Directors capped, in accordance with the Articles (details of which are set out in paragraph 5.2 of Part VI (Additional Information on the Company).

Application will be made for the Ordinary Shares in the Company to be admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange. It is expected that Admission will become effective and that unconditional dealings in the Ordinary Shares issued pursuant to the Placing will commence at 8.00 a.m. on 27 March 2019.

2. INVESTMENT OBJECTIVE AND INVESTMENT POLICY

Investment objective

The Company's investment objective is to generate capital growth for investors through making long-term minority investments in later stage private businesses that the Company considers to have transformational growth potential and to have the potential to become publicly traded.

Investment policy

In making its initial investment in a business, the Company will seek to invest in private businesses which it considers have the potential to become admitted to trading on a public stock exchange. Those investments will typically take the form of equity or equity-related instruments (which may include, without limitation, preference shares, convertible debt instruments, equity-related and equity-linked notes and warrants) issued by Investee Companies.

The Company will only invest in private businesses that are considered to have some or all of the following features:

- the potential to grow revenue and earnings multiple fold over the long term;
- scalable business models that should enable those businesses to grow into their opportunity;
- robust competitive advantages;
- exceptional management teams;
- an entry price which significantly undervalues the long term opportunity for the business; and
- an ambition and ability to become standalone public companies.

Investee Companies may be from any sector and any geography (save as set out below). While there are no specific limits placed on exposure to any one sector, the Company will at all times seek to invest and manage the Portfolio in a manner consistent with spreading investment risk.

With prior approval of the Board, the Company may permit the use of derivatives for the purpose of currency hedging, though it currently does not expect to do so. Save for this and for investments made using equity-related instruments as described above, the Company may not engage in derivative transactions for any purpose.

The Board does not intend to use structural gearing with a view to enhancing equity returns on investments. The Company may employ gearing on a short-term basis for the purpose of bridging investments and general working capital purposes. The Company may in aggregate borrow amounts equalling up to 10 per cent. of NAV, calculated at the time of drawdown.

The Company will be subject to the following investment restrictions:

- an Investee Company must be a Private Investee Company at the time of the Company's initial investment in that Investee Company. The Company may, however, make subsequent investments in the Investee Company, even if the Investee Company has been admitted to trading on a public stock exchange in the period since the Company's initial investment;
- a Private Investee Company must have a value of at least US$500 million at the time of the Company's initial investment in the Private Investee Company. This restriction will not apply to the Company's subsequent investments in the Investee Company, if any;
- the Company may not make an initial investment in a Private Investee Company which exceeds in value 10 per cent. (calculated at the time of investment) of the most recently published NAV (save to the extent that breach of this 10 per cent. limit is due to a change in the value of the Company's invested assets or currency fluctuations from the time of the Company's firm commitment to make the investment to the time of investment);
- the Company may not make any investment in a Private Investee Company that would cause the value of the Company's holding in that Private Investee Company to exceed 19.9 per cent. (calculated at the time of investment) of the most recently published NAV; and
- the Company may not make any investment in an Investee Company that would cause the Company's holding in that Investee Company to exceed 20 per cent. (calculated at the time of investment) of the total issued share capital of the Investee Company.

A reference to the value of assets of the Company (including Investee Companies) referred to in the restrictions above shall be to value as determined in accordance with the Company's valuation policy from time to time.

The Company does not currently expect the Portfolio to be majority invested in Public Investee Companies at any point in time, but it has not set a limit on the percentage of the Portfolio which can be invested in Public Investee Companies at a given time.

It is intended that the Company will, subsequent to the Initial Investment Period, be substantially invested in normal market conditions. However, the Company may at any time hold overnight or term deposits or, pending investment in Investee Companies, invest in a range of cash equivalent instruments such as US Treasury Bills or money market funds. There is no restriction on the amount of cash or cash equivalent instruments that the Company may hold.

3. CHANGES TO INVESTMENT POLICY

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

4. TARGET RETURN

The Portfolio Manager will aspire to generate a net return for the Company of approximately three times invested capital over rolling 10 year periods, measured on the basis of NAV total return on the Portfolio, i.e. adjusted for any dividends paid and returns of capital.

The above should not be taken as an indication of the Company's expected future performance, return or results over any period and does not constitute a profit forecast. It is intended to be a

target only and reflects the Portfolio Manager's understanding of what investors in a venture capital fund would ordinarily consider to be a successful investment. There is no assurance that it can or will be achieved and that the Company will be able to satisfy investors in this regard. The Portfolio Manager believes that it has had and will continue to have access to investment opportunities in private businesses that may generate substantial returns over the long term. It is, however, a recent investor in venture capital and private equity and, as such, does not yet have a track record to demonstrate that returns of this order would have been achievable on the basis of investments it has made to date. Further, the actual return generated by the Company will depend on a wide range of factors including, but not limited to, general economic and market conditions, the performance of Investee Companies and the markets in which they operate, fluctuations in currency exchange rates, the terms of the investments made and the other risks that are described more fully in this Prospectus, including in particular in the "*Risk Factors*" section of this Prospectus. Accordingly, prospective investors should not place any reliance on the target return figures stated above in deciding whether to invest in the Ordinary Shares.

5. USE OF PROCEEDS

The Directors intend to use the Net Placing Proceeds (if any), less amounts required for working capital purposes, to acquire investments in accordance with the Company's investment objective and investment policy, as set out in paragraph 2 above.

Subject to suitable investment opportunities arising, the Net Placing Proceeds are intended to be at least two-thirds invested by the end of the Initial Investment Period. Initial investments are expected to be made in private businesses with which Baillie Gifford is familiar, and also in new opportunities.

The Company's initial investment in a Private Investee Company is expected typically to be between 1.5 per cent. and 5 per cent. (but may be up to 10 per cent.) of NAV at the time of investment. The Company is expected to have holdings in 20 to 60 Investee Companies by the end of the Initial Investment Period.

6. DIVIDEND POLICY

Given the nature of the Company's investments, the Company does not expect to pay dividends in the foreseeable future. If any dividends or distributions are made, they will at all times be subject to compliance with the solvency test prescribed by Guernsey law. Details in relation to the taxation of dividends and distributions are set out in Part V (Taxation) of this Prospectus.

7. SHARE PURCHASES AND BUY-BACKS

The Directors will consider repurchasing Ordinary Shares in the market if they believe it to be in the interests of Shareholders as a whole and as a means of addressing imbalances between supply and demand for the Ordinary Shares.

The timing, price and volume of any buy back of Ordinary Shares will be at the absolute discretion of the Directors and are subject to the Company having sufficient working capital for its requirements and surplus cash resources available. The acquisition of Ordinary Shares pursuant to this authority is subject to compliance with the solvency test and any other relevant provisions of the Companies Law.

The Directors have been granted general authority to purchase in the market up to 10 per cent. of the number of Ordinary Shares in issue immediately following Admission, with such authority expiring at the conclusion of the Company's first AGM. The Directors intend to seek annual renewal of this authority from the Shareholders at each of the Company's AGMs (which may be increased to a maximum of 14.99 per cent.).

In the event that the Board decides to repurchase Ordinary Shares, purchases will only be made through the market for cash at prices (after taking account of all commissions, costs and expenses of the purchases) not exceeding the last reported Net Asset Value per Ordinary Share.

Shareholders and prospective Shareholders should note that the purchase of Ordinary Shares by the Company is entirely discretionary and may not be on a *pro rata* basis. No

expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions.

Ordinary Shares purchased by the Company may be cancelled or held in treasury (or a combination of both). Ordinary Shares may be sold from treasury but not at a price per share which would be less (after taking account of all commissions, costs and expenses of such sale) than the last reported Net Asset Value per Ordinary Share at the relevant time.

Treasury Shares

The Company is permitted to hold Ordinary Shares acquired by way of market purchase in treasury, rather than being obliged to cancel them. A maximum of 10 per cent. of the Ordinary Shares in issue at the relevant time may be held in treasury. Such Ordinary Shares may be subsequently cancelled or sold for cash. Holding Ordinary Shares in treasury would give the Company the ability to sell Ordinary Shares from treasury quickly and in a cost efficient manner, and would provide the Company with additional flexibility in the management of its capital base. However, the issue of Ordinary Shares from treasury will be subject to the Articles and the provisions relating to rights of pre-emption contained therein, further details of which are referred to in the section entitled "*Share issuance*" below.

Share issuance

The Directors will have authority to issue further Ordinary Shares following Admission. Further issues of Ordinary Shares will only be made if the Directors determine such issues to be in the best interests of Shareholders and the Company as a whole. Relevant factors in making such determination include the Company's performance, the discount/premium at which the Ordinary Shares trade to the prevailing Net Asset Value per Ordinary Share, perceived investor demand and investment opportunities. Ordinary Shares will only be issued at prices per Ordinary Share which, after taking into account any placing commission and expenses payable in respect of such issues, are not less than the last reported Net Asset Value per Ordinary Share.

There are no provisions of Guernsey law which confer rights of pre-emption in respect of the issue of Ordinary Shares. The Articles do, however, contain pre-emption rights in relation to issue of Ordinary Shares for cash, although such pre-emption rights have, by a resolution passed on 15 March 2019, been disapplied in respect of up to 720 million Ordinary Shares or C Shares (such figure to include the Ordinary Shares issued pursuant to the Placing) for a period concluding immediately prior to the AGM of the Company to be held in 2024 (or, if earlier, five years from the date of the passing of the relevant resolution). The Directors intend to request that the authority to issue Ordinary Shares on a non-pre-emptive basis is renewed at the AGM of the Company to be held in 2024 and at each subsequent AGM of the Company.

Application will be made for any Ordinary Shares issued following Admission to be admitted to trading on the Specialist Fund Segment.

C Shares

The Articles contain provisions that permit the Directors, subject to Companies Law, to issue C Shares (also known as convertible shares) from time to time. C Shares convert into Ordinary Shares (on a NAV for NAV basis) only when a specified (usually substantial) proportion of the net proceeds of issuing such C Shares have been invested in accordance with the Company's investment policy (prior to which the assets of the Company attributable to the C Shares are segregated from the assets of the Company attributable to the other classes of shares). The issue of C Shares would therefore permit the Board to raise further capital for the Company whilst limiting dilution of investment returns for existing Shareholders which might otherwise result. The Directors will have authority to issue C Shares following Admission.

8. NET ASSET VALUE CALCULATION AND PUBLICATION

The Net Asset Value is the value of all assets of the Company less liabilities (including provisions for such liabilities). The Net Asset Value per Ordinary Share is the Net Asset Value attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue at the relevant time (excluding any Ordinary Shares held in treasury).

An unaudited Net Asset Value and Net Asset Value per Ordinary Share will be calculated in US Dollars by the Investment Manager on a monthly basis, as described below. These will be notified monthly through a Regulatory Information Service and will also be published monthly on the Company's website at www.schiehallionfund.com.

The Directors may temporarily suspend the calculation and publication of the Net Asset Value during a period when, in the Directors' opinion:

- there are political, economic, military or monetary events or any circumstances which are outside the control, responsibility or power of the Directors and which have either or both of the following effects: (i) disposal or valuation of investments of the Company, or other transactions in the ordinary course of the Company's business, would not be reasonably practicable without material detriment to the interests of Shareholders; and (ii) in the opinion of the Directors, the Net Asset Value cannot be fairly calculated;
- there is a breakdown of the means of communication which are normally employed in calculating or publishing the Net Asset Value; or
- it is not reasonably practicable to determine or publish the Net Asset Value on an accurate and timely basis.

To the extent that the Articles require a suspension in the calculation of the Net Asset Value, the suspension will be notified through a Regulatory Information Service as soon as practicable after the suspension occurs.

The Directors will value the Company's investments on the basis of the following valuation policies.

Valuation policy with respect to investments in Private Investee Companies

The Company's investments in Private Investee Companies will be valued at 'fair value'. The Investment Manager will prepare a valuation of each investment in a Private Investee Company not less frequently than once every three months, and more frequently if required, in accordance with the agreed valuation techniques set out below. Holdings will not be valued simultaneously, but rather on a staggered basis. The Directors will be provided with details of these valuations on a biannual basis and on request and will conduct a detailed review of and, where appropriate, challenge the Investment Manager's valuations.

When preparing valuations of investments in Private Investee Companies, the Investment Manager intends to apply valuation techniques which are consistent with the International Private Equity and Venture Capital Valuation ("**IPEV**") Guidelines. The valuation techniques set out in the IPEV Guidelines may be categorised as follows:

- market approach, which may involve applying the following valuation techniques: (i) applying multiples of earnings or of revenue; (ii) using industry valuation benchmarks, including as a sense check of values produced using other techniques; and (iii) reviewing any available market prices;
- income approach, which may involve applying the following valuation techniques: (i) discounted cash flows or earnings of underlying business; and (ii) discounted cash flows from an investment; and
- replacement cost approach, which may involve applying the net assets valuation technique.

According to the IPEV Guidelines, the price of a recent investment, if resulting from an orderly transaction, generally represents 'fair value' as of the transaction date and may be an appropriate starting point for estimating 'fair value' at subsequent measurement dates. However, adequate consideration must be given to the facts and circumstances as at the subsequent measurement date, including changes in the market or performance of the Investee Company.

If the Directors consider that it would be inappropriate to use a particular valuation technique, either generally or for a particular investment, the Company may adopt such other valuation techniques as they consider to be reasonable in the circumstances.

Valuation policy with respect to investments in Public Investee Companies

To the extent that the Company holds investments in Public Investee Companies, the Directors will value the Company's investments in Public Investee Companies at 'fair value'. The 'fair value' of such investments will, in normal market conditions, be bid value or, in the case of holdings on certain recognised overseas exchanges, at last traded prices.

9. VOTING RIGHTS

The general position on voting rights in the Company is set out in the description of the Articles at sub-paragraphs 5.2.6(A) and (B) of Part VI (Additional Information on the Company) of this Prospectus. The voting rights in the Company are, however, subject to certain restrictions, which are summarised below and set out more fully in sub-paragraphs 5.2.6(C) to (L) of Part VI (Additional Information on the Company) of this Prospectus.

The Company may issue Ordinary Shares to BHCA Restricted Holders under the Placing. In order to facilitate the ability of such BHCA Restricted Holders to comply with certain requirements under the BHCA, in respect of any resolution of Shareholders proposed at a general meeting, if a BHCA Restricted Holder would be entitled to cast more than 5 per cent. of the total votes on a resolution, then the aggregate votes cast "for" or "against" the resolution by the BHCA Restricted Holder in excess of 5 per cent. will be deemed to have been withheld in respect of the relevant resolution.

In addition, pursuant to the Placing, the Company expects to issue a substantial number of Ordinary Shares to investors who may be US residents or US Persons. Accordingly, the proportion of the Ordinary Shares held by US residents or US Persons could be substantial at Admission, and such proportion could increase in subsequent secondary market trading.

The Company could lose its status as a "foreign private issuer" under the Securities Act and the Exchange Act if US residents or US Persons came to own more than 50 per cent. of the Company's "voting securities", which for this purpose means securities the holders of which are presently entitled to vote on the election of Directors. If the Company ceased to be a "foreign private issuer", this could have materially adverse consequences for the Company. For example, the Company could be required to register with the SEC under the Exchange Act, which would subject the Company to potentially onerous and costly reporting requirements and substantive regulation with which the Company is not currently structured to comply.

With a view to ensuring that the Company continues to be considered a "foreign private issuer" for the purposes of the Securities Act and the Exchange Act, the Articles provide that, in respect of any Shareholder resolution concerning the appointment or removal of one or more of the Directors (a "**Director Resolution**"), each Shareholder shall be requested to make certain certifications with regard to their status (and, to the extent they hold shares for the account or benefit of any other person, the status of such other person) as a non-US resident and non-US Person (each Shareholder that does not so certify, being a "**Non-Certifying Shareholder**", and each Shareholder that does make such certification, being a "**Certifying Shareholder**"). BHCA Restricted Holders are not entitled to vote on any Director Resolution and, accordingly, notwithstanding any certification that any BHCA Restricted Holder may make in respect of their status as a non-US resident and non-US Person, BHCA Restricted Holders shall be disregarded and considered neither Certifying Shareholders nor Non-Certifying Shareholders.

If the aggregate total of votes which Non-Certifying Shareholders would otherwise be entitled to cast on a Director Resolution is greater than 49 per cent. of the aggregate total of votes which all Certifying Shareholders and Non-Certifying Shareholders are entitled to cast on such Director Resolution, then the aggregate number of votes which Non-Certifying Shareholders are entitled to cast on such Director Resolution shall be scaled down so as not to exceed 49 per cent. of the aggregate total of votes which all Certifying Shareholders and Non-Certifying Shareholders are entitled to cast on such Director Resolution.

Where all Shareholders who cast their vote on any Director Resolution are Non-Certifying Shareholders, the relevant Director Resolution will be deemed not to have passed.

The Company may also issue a number of Ordinary Shares to Canadian Pension Plans under the Placing. Under the Pension Benefits Standards Act, 1985 (Canada) and applicable provincial pension legislation, Canadian Pension Plans are generally restricted from holding more than 30 per

cent. of the voting shares to elect directors of a corporation. The Company has therefore taken steps to scale down the voting rights exercisable on a Director Resolution by Canadian Pension Plans holding Ordinary Shares such that, after the scaling down of any Non-Certifying Shareholders' votes (as described above), no Canadian Pension Plan may be entitled to cast more than 29 per cent. of the total votes which Certifying Shareholders and Non-Certifying Shareholders are entitled to cast. If the voting rights exercisable by a Canadian Pension Plan are accordingly scaled down on a Director Resolution by any amount, then the voting rights exercisable by Certifying Shareholders other than Canadian Pension Plans on that Director Resolution will be increased *pro rata* by the same amount.

Further information on the relevant provisions of the Articles is set out in paragraph 5.2.6 in Part VI (Additional Information on the Company) of this Prospectus.

10. MEETINGS, REPORTS AND ACCOUNTS

The Company expects to hold its first AGM in 2020 and will then hold an AGM each year thereafter. The annual report and accounts of the Company will be made up to 31 January in each year with copies expected to be sent to Shareholders within the following four months. The Company will also publish unaudited interim reports to 31 July each year. The Company's financial statements will be prepared in US Dollars in accordance with IFRS.

The Company intends that its first financial period will be to 31 January 2020 and will prepare financial statements in respect of this period.

Any ongoing disclosures required to be made to Shareholders pursuant to the AIFM Directive will (where applicable) be contained in the Company's periodic or annual reports, on the Company's website, or will be communicated to Shareholders in written form as required.

11. TAXATION

Potential investors are referred to Part V (Taxation) of this Prospectus for details of the taxation of the Company and of Shareholders in Guernsey, the UK and the US.

Shareholders considering disposing of their Ordinary Shares are advised to consider their investment objectives and their own individual financial and tax circumstances. Shareholders who are in any doubt as to their tax position should seek professional advice from their own adviser.

PART II – INVESTMENT OPPORTUNITY AND STRATEGY

1. INVESTMENT OPPORTUNITY

It is Baillie Gifford's view that the prevailing model of dividing investment strategies between private and public investing is broken. An arbitrary line is too often drawn at IPO, with investors seeking exposure to growth on one side of the line or the other, but not both. As a result, investors in public companies often have not had access to value created before a company is admitted to trading on a public stock exchange. Investors in private companies, on the other hand, too often are compelled to invest through limited life funds, and are therefore unable to hold investments for the long term after those companies IPO, even if significant upside remains.

Baillie Gifford believes that this arbitrary line is a more acute problem for investors in public companies, as it has observed that many leading companies are staying private for longer. Data from the National Venture Capital Association's 2018 Yearbook shows that the median time from first venture funding to IPO for US companies has increased from 5.2 years in 2007 to 7.1 years in 2017. This trend can also be seen in other parts of the world. In Baillie Gifford's view, this means in many cases that more value creation takes place before companies become publicly traded.

At the same time, Baillie Gifford has observed that businesses have been able to use modern technologies such as software and the internet to create business models able to grow in scale more rapidly than before. In Baillie Gifford's view, businesses have never before been able to develop so quickly and to such scale, in as many industries and geographies as they are today. Baillie Gifford believes that this ability has been facilitated by technological change and the business model innovation that such change unlocks.

The combination of these factors, Baillie Gifford believes, reduces the amount of growth and value creation which is accessible for investors in public companies.

Baillie Gifford considers that it is also materially limiting to dedicate an investment strategy solely to private markets. The value of a business may continue to grow at an attractive rate, post IPO. The opportunity the Company is seeking to capitalise on, through the expertise of Baillie Gifford, is to identify and invest in such businesses. It is Baillie Gifford's belief that there is real opportunity to be gained by adopting a strategy which discards the boundary between private and public growth investing.

Baillie Gifford is therefore seeking, through the Company's investment in later stage private businesses, to maximise the Company's exposure to periods of transformational growth in the value of such companies. The Company will invest in companies at an earlier stage than is possible for purely public market strategies, and may hold stakes in those companies beyond the stage at which a traditional private market investor would typically dispose of them.

Investors in private businesses are commonly restricted to investing in defined geographies. An important point of differentiation for the Company is its ability to invest in multiple geographies. In Baillie Gifford's view, the investment opportunity exists across multiple sectors and is not limited to any specific countries or geographical regions. The Company, through Baillie Gifford, will therefore seek opportunities to invest in private businesses around the world and to provide patient long-term capital to these businesses as they scale and, in some cases, enter the public markets.

2. INVESTMENT PROCESS AND STRATEGY

Baillie Gifford will pursue a differentiated investment strategy by:

(i) identifying and investing in Private Investee Companies which Baillie Gifford assesses as having transformational growth potential;

(ii) continuing to hold stakes in Private Investee Companies as they grow; and

(iii) retaining stakes in Investee Companies after they become admitted to trading on public stock exchanges (i.e. after they become Public Investee Companies), for as long as Baillie Gifford considers that an attractive growth opportunity and investment upside to those stakes continue to exist.

Each element of the investment process summarised above is explained below.

(i) Identifying and investing in Private Investee Companies with transformational growth potential

Baillie Gifford will target private businesses that it expects will generate significant returns for the Company in the form of capital gains. Baillie Gifford has observed that certain businesses, over the long term:

1. are able to distinguish themselves from their competition and create conditions that make it difficult for competitors to replicate or impinge upon their success;
2. have the potential to generate high profits and returns for their shareholders, compared to the average company; and
3. have the potential to grow substantially faster than the average company.

Baillie Gifford refers to such businesses as having 'transformational growth potential'.

Identifying private businesses with transformational growth potential

Baillie Gifford strives to understand the drivers of growth and why some businesses have transformational growth potential, while others do not. Baillie Gifford has been analysing this feature of businesses as an investor in the public markets since the formation of its Long Term Global Growth ("**LTGG**") investment team in 2003 and, more recently, as an investor in private businesses.

Baillie Gifford has a long history of managing global public equity strategies and analysing rapidly growing public companies, and has successfully leveraged its reputation, relationships, and experience as a long-term global investor to identify and analyse high quality private businesses around the world. In Baillie Gifford's view, this history and experience makes it well-placed to analyse the next generation of private businesses in order to determine which of them are worthy of investors' capital.

Baillie Gifford believes that it takes at least five years, often more, for the enduring quality of a business to become apparent. In Baillie Gifford's view, it cannot necessarily be deduced from analysis of media conjecture, hype, despair or quarterly financials, whether a particular business displays the features which it may need to be successful (such as competitive advantage, addressable market, business model, managerial excellence and effective culture). By analysing the range of outcomes for businesses over the next five to 10 years, and beyond, Baillie Gifford seeks to give itself the best chance of finding those which will be responsible for delivering attractive investment returns.

In Baillie Gifford's experience, many private companies with transformational growth potential exhibit the same characteristics as public companies with transformational growth potential. The factors that will inform Baillie Gifford's decision to invest are therefore common to an assessment of any company, whether public or private.

Baillie Gifford's research and analysis framework has evolved through its LTGG investment team's process. Baillie Gifford uses a '10 questions' report structure, under which it asks particular questions of itself about potential investee companies, in order to facilitate comparison of investment opportunities. Answering the 10 challenging questions posed during this process is, Baillie Gifford believes, the best way to determine which potential investee companies have transformational growth potential. This report structure has developed over time, and will continue to be refined by Baillie Gifford in light of its ongoing investment experience.

To increase the quality of its answers to each of the 10 questions and, as a result, the quality of its investment decisions, Baillie Gifford seeks to understand and become familiar with businesses long before the opportunity to invest in them arises. Time with the management of a business, which is made possible by Baillie Gifford's scale and reputation, is a key part of the investment process. In some cases, Baillie Gifford speaks to and learns about a firm for over a year before it makes an investment.

In order to verify and build upon what it learns about private companies, Baillie Gifford liaises with a wide range of persons to obtain diverse insights. Baillie Gifford actively seeks outside perspectives on potential investee companies from its contacts in the world of public and private company

investing, as well as in academia and industry. Through this, Baillie Gifford seeks to build a deeper understanding of the relevant potential investee company and its market.

Baillie Gifford has previously identified rapidly growing private companies in Asia, Europe and North America, and it remains open minded as to where the next generation of world class companies will emerge. When assessing investment opportunities, however, Baillie Gifford may take into consideration sanctions and statutory prohibitions that apply to investment activity in a given country or in relation to a specific entity or group of entities, or that, to Baillie Gifford's knowledge, would be likely to cause Shareholders to have to divest or be similarly problematic if breached.

Investing in private businesses with transformational growth potential

The ability to analyse the business of private companies in order to identify those capable of creating value for investors, and to avoid those that are not, is essential. But that ability alone is not sufficient to enable the creation of a portfolio capable of delivering strong and enduring investment performance. Access to leading private businesses around the world is also necessary.

A private company can be selective about who it allows to be its shareholders. Simply having capital ready to invest is not necessarily enough to ensure access to the most in-demand private companies in the world. However, Baillie Gifford has observed that private companies which have already received venture funding, and which see their future in the public markets, want to create continuity and stability in their shareholder base. Baillie Gifford believes it can offer such continuity and stability. In Baillie Gifford's view, it is its reputation as a patient, high conviction, long-term investor in high growth businesses around the world that has led to visibility on substantial deal flow in some of the fastest growing private firms globally.

Further, Baillie Gifford's deliberate model of being a minority financial investor and not taking board seats should, in many geographies, facilitate its approach to investing in companies before they are admitted to trading on a public stock exchange.

(ii) Continuing to hold and build stakes in Private Investee Companies as they increase in scale

The Company expects to support Private Investee Companies through subsequent private funding, if Baillie Gifford considers that the investment opportunity remains attractive.

Baillie Gifford will seek to invest in private businesses that have the potential to generate returns that are multiples of its investors' original investment. This cannot happen without such private businesses achieving substantial growth in their sales and earnings, which can take a significant amount of time. Traditionally, limited life structures have been the most common way for an investor to hold investments in private businesses. Such structures effectively cap the investor's ability to hold an interest in a business for the long term. The Company has no fixed life, which enables a longer-term approach to investing in private businesses.

Baillie Gifford has the authority to invest the Company's assets in an Investee Company up to the limits set out in the Company's investment policy. While the Company may invest up to 19.9 per cent. of NAV in a single Private Investee Company, its strong expectation is that, should it ever seek exposure to a Private Investee Company in excess of 10 per cent. of NAV, it will only build that exposure above the 10 per cent. threshold gradually across funding rounds, in increments of approximately 2 per cent. or less of NAV.

(iii) Retaining stakes in Investee Companies after they become publicly traded

It is expected that, in the future, several Private Investee Companies will have their securities admitted to trading on a public stock exchange. The Company may retain (or add to) its holding in a Private Investee Company after it becomes a Public Investee Company, but will do so only for as long as Baillie Gifford believes that continued investment offers the opportunity for further attractive investment returns. Baillie Gifford will typically seek to dispose of some or all of an interest in a Public Investee Company when it believes that the relative attraction of one or more other investment opportunities is greater than the attraction from continuing to hold the interest in the Public Investee Company, for example because it believes that the opportunity for transformational

growth in the Public Investee Company is exhausted, or that such growth has been fully priced into the valuation of the Public Investee Company.

Over time, the proportion of the Portfolio invested in Private Investee Companies relative to Public Investee Companies will vary due to Private Investee Companies becoming admitted to trading on a public stock exchange and depending on the attractiveness of investing in new opportunities compared with retaining or building existing holdings.

3. CASE STUDIES ILLUSTRATING BAILLIE GIFFORD'S INVESTMENT PROCESS AND STRATEGY

The following examples illustrate how Baillie Gifford has applied its investment process and strategy to investing in private businesses. In each case, the '10 questions' report structure was used to assess the potential investment and the holding is intended to be held by the relevant BG Clients over the long term.

- ***HeartFlow*** – HeartFlow develops medical software for the non-invasive diagnosis of coronary heart disease. The company does this by using standard CT scans to analyse blood flow within the coronary arteries. HeartFlow's test is currently available in the US, Europe and Japan. It has the potential to help healthcare systems improve patient outcomes by more accurately diagnosing coronary heart disease, whilst also reducing overall cost by eliminating unnecessary invasive testing. HeartFlow earns revenue through a fee-per-use business model, with price individually negotiated with payers/healthcare providers. Baillie Gifford was introduced to HeartFlow by a contact at an existing public holding of the LTGG investment team. Since Baillie Gifford's first investment, HeartFlow has passed key milestones that Baillie Gifford considers encouraging.

- ***TransferWise*** – TransferWise is an international money transfer business that enables international money transfers to be made more cheaply by netting off flows within countries at the mid-market exchange rate, thereby giving both parties a better exchange rate and avoiding potentially higher fees charged by traditional banks. TransferWise now offers this service in multiple countries facilitating the exchange of multiple currencies. TransferWise charges a small fee based on the value of the transaction, which is typically less than 1 per cent. of the amount transferred, and a small flat rate fee per transaction. Since Baillie Gifford first invested at the start of 2016, TransferWise has seen a significant increase in its revenues.

- ***Lyft*** – Lyft is a 'ride sharing' company operating primarily in the US, where it is the second largest provider behind Uber. The company has created a strong two sided network with large pools of drivers and riders, operating in over 300 towns and cities. The company earns revenue by charging a percentage commission on the value of a given ride. Growth at the company is driven by overall growth in ride sharing, as well as taking market share from Uber. Baillie Gifford first met the company in 2015 and invested in 2017. Since then, revenues at Lyft have grown substantially.

- ***Full Truck Alliance (FTA)*** – FTA is an online marketplace that connects truck drivers and shippers in China. The company was formed after the merger of the two market leaders, Houchebang and Yunmanman. FTA now holds the predominant market share in the online sector and is taking market share from offline physical marketplaces. FTA's services make it easier, quicker and cheaper for truck drivers to find work, whilst giving shippers access to a wider pool of truck drivers. Baillie Gifford believes that FTA has the potential to take significant market share from offline channels. Baillie Gifford invested in FTA at the start of 2017.

These examples are not a guarantee or indication of the future performance of the Company but, rather, are illustrative examples of private businesses in which the LTGG investment team has been able to invest on behalf of BG Clients. Returns from those investments may not yet have been realised, and there is no guarantee that Baillie Gifford will be able to exit from investments in private businesses in a timely fashion (or at all) and at a satisfactory price. It should not be assumed that investments made in the future will be profitable or will equal the performance of the securities discussed in this Prospectus. Please refer to the "*Risk Factors*" section of this

Prospectus, including in particular the risks described under the headings "*The Company's investments in Private Investee Companies will not be liquid, which may limit its ability to realise investments at short notice, at a fair value or at all*" on page 21 and "*The past performance of investments made by Baillie Gifford is not a guarantee or an indication of the future performance of the Company*" on page 29.

As disclosed in the "*Risk Factors*" section of this Prospectus, when considering prior performance information relating to the LTGG investment team, prospective investors should bear in mind that, while the Portfolio will be managed using the principles and methodologies described in this Prospectus, the portfolio management team for the Company will not be composed exclusively of members of the LTGG investment team. More information on the portfolio management team for the Company is set out in section 5 of Part III (Directors, Management and Administration) of this Prospectus.

4. INVESTMENT ALLOCATION AND CONFLICT MANAGEMENT

It is Baillie Gifford's policy to allocate investment orders fairly and equitably across all clients participating in any given order. From time to time, Baillie Gifford may be required to allocate certain investment opportunities between the Company and other BG Clients. Baillie Gifford has established procedures to address allocation of investment opportunities between BG Clients and any conflicts of interest which may arise in such circumstances.

When allocating investment opportunities in Private Investee Companies, Baillie Gifford will consider all BG Clients whose investment strategies authorise investment in Private Investee Companies. Baillie Gifford's current policy requires it to take into account the following high level principles when allocating those investment opportunities:

- no BG Client or group of BG Clients is to be favoured or disfavoured in the allocation of investment opportunities; and
- all BG Clients and groups of BG Clients should be treated fairly.

Initial funding rounds

In respect of funding rounds for Private Investee Companies in which Baillie Gifford has not already invested, Baillie Gifford will consider each deal opportunity on a case-by-case basis. Baillie Gifford will take into account various factors when allocating investment opportunities at this initial funding round stage, including:

- the size of the deal;
- the size of each BG Client's portfolio assets, each BG Client's desired portfolio weighting, and the residual balance of Private Investee Company allocation for each BG Client (according to its investment policy and restrictions);
- allocation which would provide meaningful holding sizes;
- any mandate restrictions on the type of investment permitted for each BG Client; and
- each BG Client's available cash position.

Baillie Gifford may receive an allocation that is less than its aggregate demand across all relevant BG Client accounts. In such circumstances, Baillie Gifford would typically seek to allocate the opportunity to each "strategy group" run at Baillie Gifford, *pro rata* to the size of the requested allocation. As a second step, Baillie Gifford would then, as between the BG Client accounts within the strategy groups, seek to allocate to the BG Client accounts, *pro rata* to the allocation originally requested on their behalf, in order to try to maintain consistent model weightings.

Sometimes, a deal may not be of sufficient size to allow a *pro rata* allocation at a meaningful holding size across all investment strategies. In such circumstances, Baillie Gifford would typically prioritise allocation of the investment opportunity to the BG Client accounts within the strategy which are managed by the portfolio managers who were primarily responsible for identifying, researching and negotiating that particular private placement.

Subsequent funding rounds

For allocation of investment opportunities arising upon funding rounds subsequent to the Private Investee Company's initial funding round, Baillie Gifford will initially consider the BG Clients which participated in the relevant Private Investee Company's earlier funding round(s). The allocation for subsequent funding rounds may differ from the allocation for the previous funding round(s) due to changes in the circumstances of BG Clients. For example, BG Clients might have different cash positions compared with their position at the time of the earlier funding round(s).

If Baillie Gifford expects that the allocation of investment opportunities arising upon a subsequent funding round will differ from the allocation in earlier funding round(s), Baillie Gifford will consider allocation on a case-by-case basis in order to assess whether there are any potential conflicts of interest which may arise.

5. TRACK RECORD

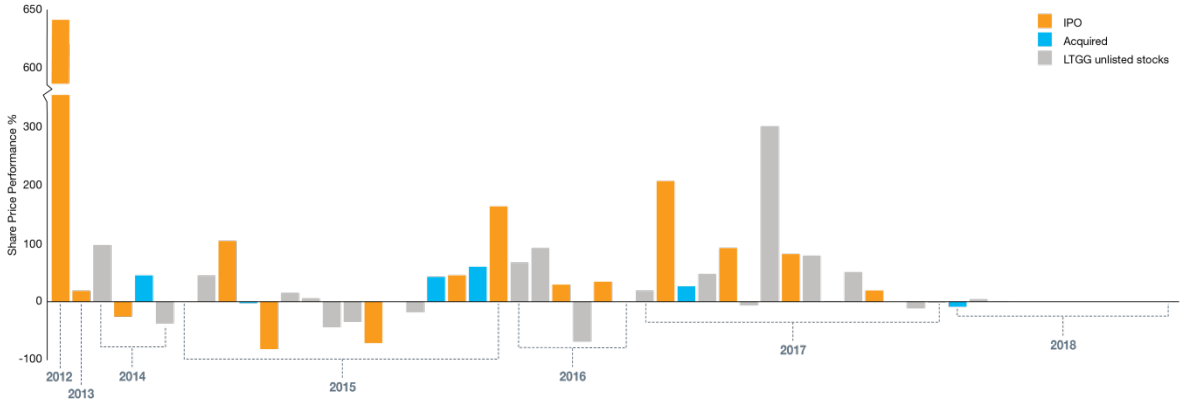
Baillie Gifford has been investing across the world for over 100 years, with a track record of adding value after fees over the long term.

Baillie Gifford will manage the Portfolio using the principles and methodologies described in paragraph 2 above, which have been developed by the LTGG investment team since it was established in 2003. The LTGG investment team originally focussed on the public markets, but in 2012 it expanded its remit into investment in private businesses in what Baillie Gifford considers to be a natural evolution of its public market approach. The Portfolio will be lead managed by Peter Singlehurst, the investment manager who leads Baillie Gifford's unlisted equities team, with Mark Urquhart, a partner and investment manager in the LTGG investment team, supporting as deputy manager. More information on the portfolio management team is set out in paragraph 5 of Part III (Directors, Management and Administration) of this Prospectus.

Set out below is the relevant track record and investment history information of the LTGG investment team. As disclosed in the "*Risk Factors*" section of this Prospectus, when considering prior performance information relating to the LTGG investment team, prospective investors should bear in mind that, while the Portfolio will be managed using the LTGG principles and methodologies described in this Prospectus, the portfolio management team described above will not be composed exclusively of members of the LTGG investment team.

Baillie Gifford has extensive experience as a manager of public equity portfolios. As explained above, the considerations which will inform Baillie Gifford's decision to invest are common to an assessment of any business, whether public or private. Baillie Gifford considers that its experience in investing in the public markets is therefore also valuable when investing in private businesses. Since 29 February 2004, the cumulative return (net of fees in US$) to 31 December 2018 on investments made in listed securities by Baillie Gifford's LTGG investment team on behalf of BG Clients, pursuant to a mandate focused solely on listed securities without any restriction on the securities to be invested in, was 337.7 per cent. (an average of 10.54 per cent. per year). This can be contrasted with the cumulative return on securities within the MSCI AC World Index which, over the same period, amounted to 157.0 per cent. (an average of 6.57 per cent. per year).

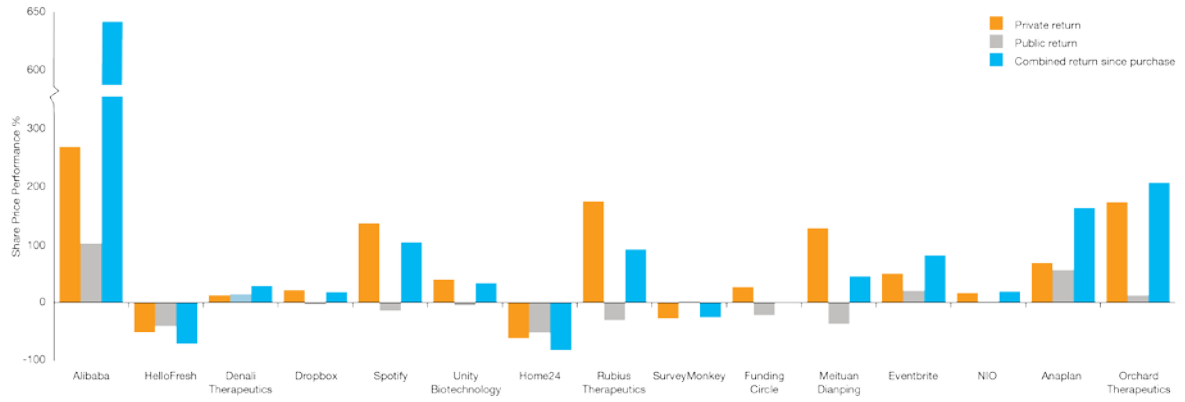
Since 2012, as Baillie Gifford's primary investor in private businesses, the LTGG investment team has invested over US$2 billion in aggregate in over 50 private businesses. The majority of the investments by the LTGG investment team to 31 December 2018 have been in public equities, and there is only a limited meaningful track record of investment in private businesses that can be presented from 2012. However, Figure 1 below shows the share price performance, from initial investment to 31 December 2018, on investments in private businesses made by Baillie Gifford's LTGG investment team. Where those businesses remained private as at 31 December 2018, the share price performance has been calculated by reference to the 'fair value' of the investments, as determined by the Investment Manager in accordance with the valuation policy (for which, see paragraph 8 of Part I (Information on the Company) of this Prospectus) and the International Private Equity and Venture Capital Valuation Guidelines.



Source: Baillie Gifford.
Company share price performance percentage change since first investment, expressed in local currency to 31 December 2018, based on the unlisted investments made by the Long Term Global Growth investment team since 2012. A limited number of unlisted investments have also been made for other clients, managed by different investment teams, and are not shown in this chart.

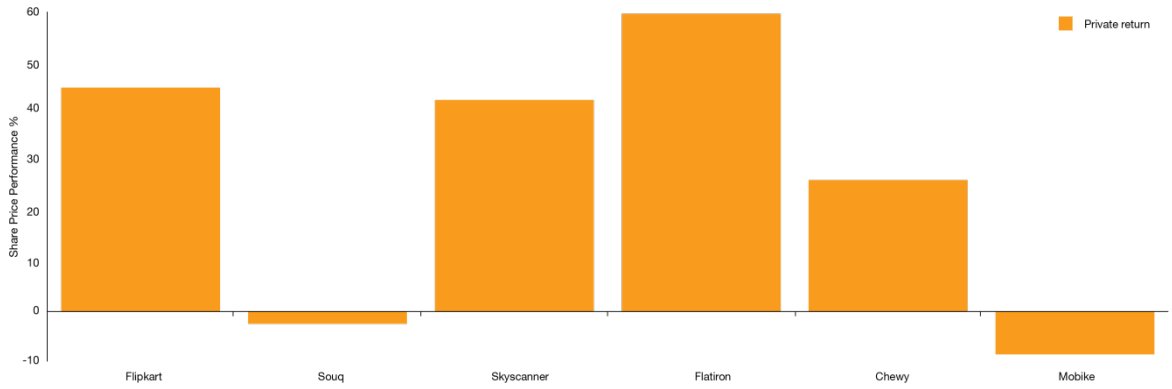
Figure 1 – Share price performance, from first investment to 31 December 2018, of each of the LTGG investment team's investments in private businesses since 2012

Figure 1 also indicates whether each business has made an initial public offering, has been the subject of an acquisition in the private markets, or remains a private business. Further detail on the share price performance of the businesses that had made an initial public offering, had been acquired in the private markets, or continued to be held as at 31 December 2018 is provided in Figures 2, 3 and 4 (respectively) below.



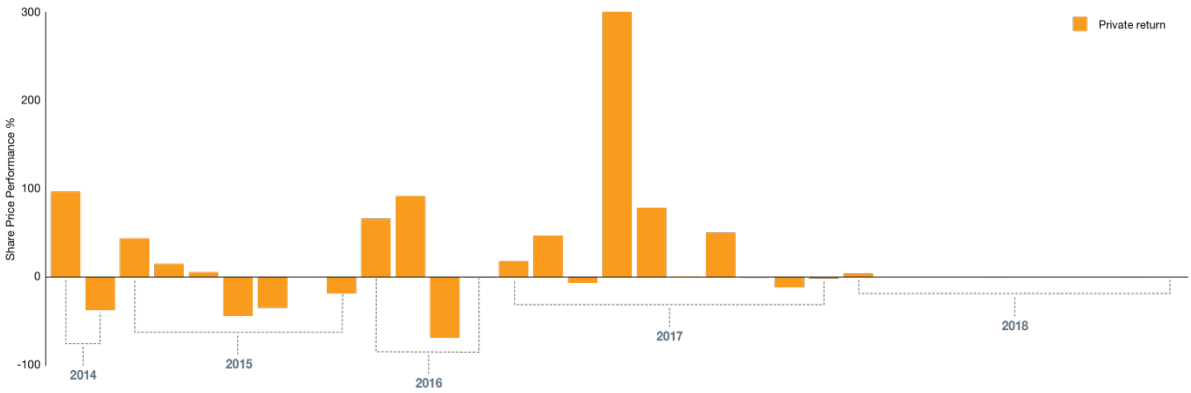
Source: Baillie Gifford.
Company share price performance percentage change since first investment, expressed in local currency to 31 December 2018, based on the unlisted investments made by the Long Term Global Growth investment team since 2012, that have gone on to become listed companies. The 'private return' represents the share price return from initial purchase to the IPO, while the 'public return' represents the share price return from the IPO to 31 December 2018. The private and public returns cannot be added together to calculate the combined return as they are geometric.

Figure 2 – Share price performance, from first investment to 31 December 2018, of each of the LTGG investment team's investments in private businesses since 2012 that subsequently became public companies



Source: Baillie Gifford.
Company share price performance percentage change since first investment, expressed in local currency, based on the unlisted investments made by the Long Term Global Growth investment team since 2012, that have been acquired by other companies during the period to 31 December 2018.

Figure 3 – Share price performance, from first investment to 31 December 2018, of each of the LTGG investment team's investments in private businesses since 2012 that were subsequently acquired as private businesses



Source: Baillie Gifford.
Company share price performance change since first investment, expressed in local currency to 31 December 2018, based on the unlisted investments made by the Long Term Global Growth investment team since 2012, that remained private companies as at 31 December 2018.

Figure 4 – Share price performance, from first investment to 31 December 2018, of each of the LTGG investment team's investments in private businesses since 2012 that it continued to hold as at 31 December 2018

The past performance of investments made by Baillie Gifford is not a guarantee or indication of the future performance of the Company. It should not be assumed that investments made in the future will be profitable or will equal the performance of the securities discussed in this Prospectus. Please refer to the "*Risk Factors*" section of this Prospectus, including in particular the risks described under the headings "*The Company's investments in Private Investee Companies will not be liquid, which may limit its ability to realise investments at short notice, at a fair value or at all*" on page 21 and "*The past performance of investments made by Baillie Gifford is not a guarantee or an indication of the future performance of the Company*" on page 29. Pursuant to regulatory requirements and market practice in the United States, a list of each investment (both listed and unlisted) made by a model portfolio reflecting the broader LTGG strategy (encompassing listed investments in addition to private investments) at Baillie Gifford for the years 2012 through 2018 will be available from Baillie Gifford to potential US investors (and any other potential investor), free of charge, upon request until the Placing closes. Such list will include purchase prices and recent market prices of each such investment.

PART III – DIRECTORS, MANAGEMENT AND ADMINISTRATION

1. DIRECTORS

The Directors are responsible for the determination of the Company's investment policy and investment 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. The Directors have delegated responsibility for managing the assets comprised in the Portfolio to the Investment Manager, which is not required to, and generally will not, submit individual investment decisions for the approval of the Board. The Company has consented to the Investment Manager delegating its portfolio management responsibilities to the Portfolio Manager.

All of the Directors are non-executive and are independent of the Investment Manager and the Portfolio Manager (as understood pursuant to the AIC Code).

The Directors will meet as a Board at least quarterly, the Audit Committee will meet at least twice a year and the Nomination Committee will meet at least once a year.

In relation to transactions in which a Director is interested, the Articles provide that, as long as the Director discloses to the Board the nature and extent of any material interest, a Director 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 with, any body corporate in which the Company is interested and shall not, by reason of their office, be accountable to the Company for any benefit they derive from any such office, employment, transaction or arrangement and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit.

The Directors are as follows:

Dr Linda Yueh (Chairperson)

Dr Linda Yueh is a non-executive director of Rentokil Initial, a constituent of the FTSE 100, where she is a member of the audit, remuneration and nomination committees. Dr Yueh is the chair of The Royal Commonwealth Society as well as a trustee of Malaria No More UK and the Coutts Foundation, where she is the chair-designate of the finance and investment sub-committee. She was a non-executive director of the following FTSE companies: Baillie Gifford's flagship Scottish Mortgage Investment Trust and JPMorgan Asset Management's Asian Investment Trust. Dr Yueh is a fellow in economics at St Edmund Hall, University of Oxford and adjunct professor of economics at London Business School. She is also visiting professor at LSE IDEAS and was visiting professor of economics at Peking University.

Trudi Clark

Ms Clark graduated in business studies and qualified as a chartered accountant with Robson Rhodes in Birmingham before moving to Guernsey in 1987. In Guernsey she joined KPMG, where she was responsible for an audit portfolio including some of the major financial institutions in Guernsey. After 10 years in public practice, Ms Clark was recruited by the Bank of Bermuda as head of European internal audit, later moving into corporate banking. In 1995 she joined Schroders in the Channel Islands as CFO and was promoted in 2000 to banking director and in 2003 to managing director. From 2006 to 2009, Ms Clark established a family office, specialising in alternative investments. In recent years she has returned to public practice specialising in corporate restructuring services, establishing the Guernsey practice of David Rubin & Partners Limited. Since 2018, Ms Clark has concentrated on a portfolio of non-executive director appointments for companies, both listed and non-listed, investing in property, private equity and other assets. Ms Clark holds a personal fiduciary licence issued by the GFSC and acts as non-executive director and consultant to one high net worth family.

John Mackie CBE

Following an early career in retail management, Mr Mackie went to the University of Glasgow as a mature student and then qualified as a chartered accountant with Arthur Andersen & Co in Glasgow. He then spent five years with 3i Group before joining Morgan Grenfell Private Equity in 1990 as a founder director. Mr Mackie was made a director of Morgan Grenfell & Co in 1993. From 2000 to 2006, Mr Mackie was chief executive of the British Venture Capital Association and was a

partner in Parallel Private Equity LLP until 2011. He was until 2013 chairman of Henderson Private Equity Investment Trust plc, until 2014 a director of Baronsmead VCT plc and until September 2018 the senior independent director at Mithras Investment Trust plc. Mr Mackie is currently a partner in Mithras Capital Partners LLP and chairman of the advisory boards at Amadeus and Angels Seed Fund and Amadeus IV Early Stage Fund.

2. THE INVESTMENT MANAGER

The Company and the Investment Manager have entered into the Investment Management Agreement pursuant to which the Company has appointed Baillie Gifford & Co Limited, a private limited company incorporated in Scotland on 8 October 1979 with registered number SC069524, as its investment manager (the "**Investment Manager**"). The registered office of the Investment Manager is Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, United Kingdom.

Pursuant to the Investment Management Agreement, the Investment Manager has been given responsibility, subject to the overall supervision of the Board, for active discretionary investment management of the Portfolio in accordance with the Company's investment objective and policy.

The Investment Manager will also be responsible for certain aspects of the day-to-day administration of the Company (including but not limited to liaising with the Depositary and calculating the NAV on a monthly basis (or at such other intervals as may be agreed with the Company from time to time) in conjunction with the Administrator.

As the entity appointed to be responsible for risk management and portfolio management, the Investment Manager will be the Company's AIFM. A summary of the material terms of the Investment Management Agreement are set out in paragraph 10.1 of Part VI (Additional Information on the Company) of this Prospectus.

The Investment Manager is authorised and regulated as an AIFM by the FCA and, as such, is subject to its rules in the conduct of its investment business. The Investment Manager complies with the requirements of the AIFM Directive with respect to cover for professional negligence liabilities through maintaining additional own funds, further details of which are set out in paragraph 17 of Part VI (Additional Information on the Company) of this Prospectus.

If the entity appointed as investment manager to the Company is changed, the Company will notify that change through a Regulatory Information Service.

3. THE PORTFOLIO MANAGER

The Company has consented to the Investment Manager delegating its portfolio management responsibilities to Baillie Gifford Overseas Limited (the "**Portfolio Manager**"), a limited liability company incorporated in Scotland on 29 September 1983 with registered number SC084807, whose registered office is at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, United Kingdom.

The Portfolio Manager has approximately US$131.9 billion in assets under management as at 31 December 2018 and serves as investment adviser to a range of client accounts, including institutional separate accounts, US registered investment companies and non-US pooled investment vehicles. The Portfolio Manager is registered as an investment adviser with the SEC.

If the delegate of the Investment Manager (or any replacement portfolio manager) is changed, the Company will notify that change through a Regulatory Information Service.

4. BAILLIE GIFFORD

The Investment Manager and the Portfolio Manager are wholly-owned subsidiaries of Baillie Gifford & Co, a Scottish partnership with its principal place of business at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, United Kingdom. Baillie Gifford & Co is an investment management firm which was formed in 1927 out of the legal firm Baillie & Gifford, W.S., which had been involved in investment management since 1909.

Baillie Gifford & Co is one of the largest investment trust managers in the UK (by total assets) and currently manages the portfolios of nine investment trusts. Baillie Gifford & Co also manages the assets of open-ended investment companies, together with segregated investment portfolios on

behalf of pension funds, charities and other institutional clients, both in the UK and overseas. Baillie Gifford & Co is one of the leading privately owned investment management firms in the UK, with 44 partners and a staff of around 1,000. As at 31 December 2018, funds under the management or advice of Baillie Gifford & Co totalled around US$220.7 billion.

Baillie Gifford & Co, the Investment Manager, the Portfolio Manager and other direct or indirect subsidiary undertakings of Baillie Gifford & Co from time to time, or any one or more of them, as the context requires, are referred to in this Prospectus as "**Baillie Gifford**".

5. INVESTMENT TEAM

The Portfolio will be lead managed by Peter Singlehurst, with Mark Urquhart supporting as deputy manager.

Peter Singlehurst

Peter graduated with a BA in philosophy, politics and economics in 2008 and an MA in philosophy in 2009 from Durham University. He joined Baillie Gifford in September 2010 and is head of the "unlisted equities team".

Mark Urquhart

Mark graduated with a BA in philosophy, politics and economics from Oxford University in 1992. He spent a year at Harvard as a Kennedy Scholar in 1993 before completing a PhD in politics at the University of Edinburgh in 1996. Mark joined Baillie Gifford in 1996 and was an investment manager in the Japanese equities team, until he co-founded the LTGG strategy in 2003. Mark became a partner of Baillie Gifford & Co in 2004.

6. DEPOSITARY

The Bank of New York Mellon (International) Limited has been appointed as the depositary of the Company pursuant to the Depositary Agreement with the Company and the Investment Manager, further details of which are set out in paragraph 10.2 of Part VI (Additional Information on the Company) of this Prospectus. As depositary of the Company, it will perform those duties prescribed under the AIFM Directive. These include safekeeping of the Company's assets, cash monitoring and oversight.

7. ADMINISTRATOR

Alter Domus (Guernsey) Limited has been appointed as administrator, secretary and designated manager of the Company pursuant to the Administration Agreement, further details of which are set out in paragraph 10.3 of Part VI (Additional Information on the Company) of this Prospectus. The Administrator will be responsible for certain aspects of the day-to-day administration and general secretarial functions of the Company in conjunction with the Investment Manager (including but not limited to the maintenance of the Company's statutory records).

8. REGISTRAR

Computershare Investor Services (Guernsey) Limited has been appointed as the Company's registrar pursuant to the Registrar Services Agreement, further details of which are set out in paragraph 10.4 of Part VI (Additional Information on the Company) of this Prospectus. The Registrar will be responsible for the maintenance of the Register, dealing with routine correspondence and enquiries, and the performance of all the usual duties of a registrar in relation to the Company.

9. AUDITOR

The auditor to the Company will be KPMG Channel Islands Limited of Glategny Court, Glategny Esplanade, St Peter Port, Guernsey, GY1 1WR. KPMG Channel Islands Limited is independent of the Company and is a member of the Institute of Chartered Accountants in England and Wales. The auditor's responsibility is to audit and express an opinion on the financial statements of the

Company in accordance with applicable law and auditing standards. The annual report and accounts will be prepared in accordance with IFRS.

10. FEES AND EXPENSES

Initial expenses

The formation and initial expenses of the Company are those that are necessary for the establishment of the Company, the Placing and Admission ("**Initial Expenses**"). The Initial Expenses will include, without limitation: registration and admission fees; the cost of settlement arrangements; printing, advertising and distribution costs; and professional services fees, including legal fees; and any other applicable expenses. No such costs and expenses will be directly charged to the Placees in connection with the Placing and Admission and such costs and expenses will instead be borne by the Company as a whole.

The Initial Expenses are not expected to exceed 0.5 per cent. of the Gross Placing Proceeds. Therefore, on Admission, the opening NAV per Ordinary Share is expected to be 99.5 cents and, on the basis that the Gross Placing Proceeds are US$250 million, the Net Placing Proceeds will be US$248.75 million.

Ongoing expenses

The Company will also incur ongoing expenses, which are not currently expected to exceed 1.12 per cent. of the NAV annually once the Net Placing Proceeds are substantially invested (assuming that the Net Placing Proceeds are US$248.75 million), taking into account all material fees payable directly or indirectly by the Company for services under arrangements entered into as at the date of this Prospectus. Investors should note, however, that some expenses are inherently unpredictable and, depending on circumstances, ongoing expenses may exceed this estimation. The relevant heads of ongoing expense which will be borne by the Company are set out below, as are those ongoing expenses which are not readily quantifiable and therefore have not been taken into account in this estimation.

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. The Directors' current level of remuneration is £30,000 per annum for each Director other than the Chairperson, who receives an additional £15,000 per annum, and chairperson of the Audit Committee, who receives an additional £5,000 per annum.

All of the Directors will also be entitled to be paid all reasonable expenses properly incurred by them in connection with the performance of their duties. These expenses will include those associated with attending general meetings, Board or committee meetings and legal fees. If the Board requests one or more of the Directors to perform services outside of those considered to be ordinary course on behalf of the Company, the Board may determine that additional remuneration may be paid to the Director or Directors.

Investment Management Fee

Under the terms of the Investment Management Agreement and with effect from Admission, the Investment Manager will be entitled to a fee (exclusive of VAT, which shall be added where applicable) payable quarterly in arrears, calculated as at the close of business on the relevant Valuation Date: (a) on the Net Asset Value excluding cash or cash equivalent assets up to and including US$650 million, at a rate of 0.225 per cent.; (b) on the Net Asset Value excluding cash or cash equivalent assets exceeding US$650 million up to and including US$1.3 billion, at a rate of 0.2 per cent.; and (c) on the Net Asset Value excluding cash or cash equivalent assets exceeding US$1.3 billion, at a rate of 0.175 per cent. (the "**Investment Management Fee**"). "**Valuation Date**" means 31 January, 30 April, 31 July and 31 October (as the case may be).

Depositary

Under the terms of the Depositary Agreement, the Depositary is entitled to receive a fee in respect of UK depositary services of 0.01275 per cent. of the total assets of the Company, subject to a minimum annual fee of £10,000 (exclusive of VAT). A custody fee in respect of global custodian services is also payable, the level of which will depend upon the assets held and the country or

countries in which those assets are held, subject to a minimum annual fee of £33,600 (exclusive of VAT).

Administrator

Under the terms of the Administration Agreement, the Administrator is entitled to receive a fixed one-off fee of £14,000 and a fixed annual fee of £64,000 (exclusive of goods and services tax).

Registrar

Under the terms of the Registrar Services Agreement, the Registrar is entitled to a fixed global fee of £18,000 per year (exclusive of VAT).

Other operational expenses

Other ongoing operational expenses that will be borne by the Company include the auditor's fees, corporate broker fees, legal fees, certain direct transaction expenses (although Baillie Gifford will bear third party due diligence costs, advisory costs and legal costs arising directly from initial and follow on investments in Private Investee Companies), the costs of any filings (including tax filings) or regulatory notifications, fees of the London Stock Exchange, fees for public relations services, directors and officers liability insurance premiums, and printing costs. The Company may also bear certain out of pocket expenses of the Investment Manager or its Affiliates, the Company's service providers and the Directors. Baillie Gifford will bear third party valuation costs in relation to investments in all Investee Companies, whether private or public.

11. TAKEOVER CODE

The Takeover Code will apply to the Company with effect from Admission. For more information, see paragraph 6 of Part VI (Additional Information on the Company) of this Prospectus.

12. CORPORATE GOVERNANCE

The Company is committed to complying in all material respects with the corporate governance obligations which apply to Guernsey registered companies admitted to trading on the Specialist Fund Segment.

AIC Code

The Company will comply with the 2019 Code of Corporate Governance produced by the AIC (the "**AIC Code**"). The AIC Code provides a framework of best practice in respect of the governance of investment companies, such as the Company. The Board has considered the principles and provisions of the AIC Code. The Company will report against the AIC Code.

In addition, the Disclosure Guidance and Transparency Rules require the Company to: (i) make a corporate governance statement in its annual report and accounts based on the code to which it is subject, or with which it voluntarily complies; and (ii) describe its internal control and risk management arrangements.

Guernsey Code

On 1 January 2012, the GFSC's "Finance Sector Code of Corporate Governance" (the "**GFSC Code**") came into effect, which applies to all companies that hold a licence from the GFSC under the regulatory laws or which are registered or authorised as collective investment schemes. The GFSC has stated in the GFSC Code that companies which report against the AIC Code are deemed to meet the requirements of the GFSC Code. Therefore, as the Company will report against the AIC Code, it will be deemed to meet the requirements of the GFSC Code.

Audit Committee

The Company has established an Audit Committee which will be chaired by Trudi Clark and consists of all the Directors. The Audit Committee will meet at least twice a year. The Board considers that the members of the Audit Committee have the requisite skills and experience to fulfil the responsibilities of the Audit Committee. The Audit Committee will keep under review the effectiveness of the Company's internal financial control systems. It will review the interim and annual reports of the Company and also receive information from the Investment Manager. The Audit Committee will review the scope, results, cost effectiveness, independence and objectivity of

the Company's external auditor. It will also review the valuations of all investments in Private Investee Companies, and, where appropriate, recommend these to the Board for approval.

Nomination Committee

The Company has established a Nomination Committee, which will be chaired by Dr Linda Yueh and consists of all the Directors. The Nomination Committee will meet at least once a year and will have responsibility for: (i) identifying individuals qualified to become Board members and nominating candidates for election at general meetings of the Shareholders or for appointment to fill Board vacancies; (ii) recommending to the Board, membership of the Audit Committee; and (iii) considering the structure, size and composition of the Board and making recommendations with regard to any changes.

13. DIRECTORS' SHARE DEALINGS

The Directors have adopted a share dealing code that is compliant with the Market Abuse Regulation. Each Director will be responsible for ensuring his or her compliance with the share dealing code.

14. MEETINGS, REPORTS AND ACCOUNTS

The Company expects to hold its first AGM in 2020 and will then hold an AGM each year thereafter. The annual report and accounts of the Company will be made up to 31 January in each year with copies expected to be sent to Shareholders within the following four months. The Company will also publish unaudited interim reports to 31 July each year.

The Company intends that its first financial period will be to 31 January 2020 and it will prepare financial statements in respect of this period.

The first half-yearly report of the Company will cover the period from incorporation to 31 July 2019 and the accounts for the first full financial period will cover the period from incorporation to 31 January 2020.

Any ongoing disclosures required to be made to Shareholders pursuant to the AIFM Directive will (where applicable) be contained in the Company's interim or annual reports, on the Company's website, or will be communicated to Shareholders in written form as required.

The Directors intend to include in the Company's annual and half-yearly reports sufficient information relating to the Portfolio and valuation methodologies to enable Shareholders to appraise the Portfolio.

PART IV – PLACING ARRANGEMENTS

1. THE PLACING

The conditional placing of Ordinary Shares described in this Prospectus is referred to as the "**Placing**". The Company may issue up to 600 million Ordinary Shares through the Placing at the Placing Price. This maximum Placing size should not be taken as an indication of the number of Ordinary Shares to be issued. The Placing is not being underwritten.

The aggregate Net Placing Proceeds are not known, but are expected to be approximately US$248.75 million on the assumption that Gross Placing Proceeds are US$250 million.

The latest time and date for receipt of placing commitments under the Placing is 3.00 p.m. on 21 March 2019 (or such other time and date as the Company may determine).

It is expected that the results of the Placing will be notified through a Regulatory Information Service on or around 22 March 2019 (or such other date, not being later than 30 April 2019, as the Company may determine).

If the timetable for the Placing is changed, the revised timetable will be notified through a Regulatory Information Service.

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

(i) Admission occurring by 8.00 a.m. (London time) on 27 March 2019 (or such other date, not being later than the Long Stop Date, as the Company may determine); and

(ii) the Net Placing Proceeds being at least US$248.75 million.

The terms and conditions which will apply to any Placee for Ordinary Shares pursuant to the Placing are contained in Part VII (Terms and Conditions of the Placing) of this Prospectus.

2. DEALINGS IN ORDINARY SHARES

Application has been made to the London Stock Exchange for the Ordinary Shares in issue and to be issued pursuant to the Placing to be admitted to trading on the Specialist Fund Segment.

The Company does not guarantee that, at any particular time, any market maker(s) will be willing to make a market in the Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary Shares. Accordingly, the dealing price of the Ordinary Shares may not necessarily reflect changes in the NAV per Ordinary Share. Furthermore, the level of liquidity in the Ordinary Shares on the Specialist Fund Segment may vary significantly and is unknown as at the date of this Prospectus.

3. REVOCATION OF PLACING

The Placing may be revoked by the Company if Admission does not occur by:

(i) 8.00 a.m. (London time) on 27 March 2019 (or such other date, not being later than the Long Stop Date, as the Company may determine); or

(ii) if earlier, the date on which the Placing ceases to be capable of becoming unconditional, which would be the case if (*inter alia*) the Net Placing Proceeds would not be at least US$248.75 million.

Any such revocation will be announced by the Company via an RIS announcement as soon as practicable after the Company has decided to revoke the Placing. In such circumstances, any application monies will be returned to investors at their own risk without interest and after the deduction of any applicable bank charges.

4. SCALING BACK

If aggregate applications for Ordinary Shares under the Placing were to exceed a value of US$600 million, it would be necessary to scale back applications under the Placing. The Company reserves the right, in its sole discretion, to scale back placing commitments under the Placing in such amounts as it considers appropriate.

The Company will notify investors of the number of Ordinary Shares in respect of which their placing commitment has been successful and the results of the Placing will be announced by the Company on or around 22 March 2019 via an RIS announcement.

Subscription monies received in respect of unsuccessful applications (or to the extent scaled back) will be returned without interest and after the deduction of any applicable bank charges at the risk of the applicant to the bank account from which the money was received.

5. ADMISSION

Admission is expected to take place at 8.00 a.m. on 27 March 2019, at which time the Ordinary Shares would be admitted to CREST. The Ordinary Shares are in registered form and can also be held in uncertificated form. Where applicable, definitive share certificates in respect of the Ordinary Shares are expected to be despatched by post at the risk of the recipients, to the relevant holders, approximately two weeks after Admission. Prior to the despatch of definitive share certificates in respect of any Ordinary Shares which are held in certificated form, transfers of those Ordinary Shares will be certified against the Register. No temporary documents of title will be issued.

6. 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 Ordinary Shares under the CREST system. The Company will apply for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any Shareholder so wishes.

An investor applying for Ordinary Shares in the Placing may elect to receive Ordinary Shares in uncertificated form if such investor is a system-member (as defined in the CREST Regulations) in relation to CREST. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so.

7. LEGAL IMPLICATIONS OF THE CONTRACTUAL RELATIONSHIP ENTERED INTO FOR THE PURPOSE OF INVESTMENT

The Company is a non-cellular investment company limited by shares, incorporated in Guernsey under the Companies Law. While investors acquire an interest in the Company on subscribing for or purchasing Ordinary Shares, the Company is the sole legal and/or beneficial owner of its investments. Consequently, Shareholders have no direct legal or beneficial interest in those investments. The liability of Shareholders for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the Ordinary Shares held by them. Shareholders' rights in respect of their investment in the Company are governed by the Articles and the Companies Law. Under Guernsey law, the following types of claim may in certain circumstances be brought against a company by its shareholders: contractual claims under its articles of incorporation; claims in misrepresentation in respect of statements made in its prospectus and other marketing documents; unfair prejudice claims; and derivative actions. If a Shareholder considers that it may have a claim against the Company in connection with such investment in the Company, such Shareholder should consult its own legal advisers.

Jurisdiction and applicable law

As noted above, Shareholders' rights are governed principally by the Articles and the Companies Law. By subscribing for Ordinary Shares, investors agree to be bound by the Articles which are governed by, and construed in accordance with, the laws of Guernsey.

Recognition and enforcement of foreign judgments

A final and conclusive judgment under which a sum of money is payable (not being a sum payable in respect of taxes or other charges of a like nature or in respect of a fine or penalty) obtained in the superior courts in the reciprocating countries set out in the Judgments (Reciprocal Enforcement) (Guernsey) Law, 1957 (the "**1957 Law**") (which includes the Supreme Court and the Senior Courts of England and Wales, excluding the Crown Court), after a hearing on the merits

would be recognised as a valid judgment by the Guernsey courts and would be enforceable in accordance with and subject to the provisions of the 1957 Law.

The Guernsey courts would also recognise any final and conclusive judgment under which a sum of money is payable (not being a sum payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty) obtained in a court not recognised by the 1957 Law provided such court is deemed to have jurisdiction in accordance with the principles of private international law as applied by Guernsey and such judgment would be sufficient to form the basis of proceedings in the Guernsey courts for a claim for liquidated damages in the amount of such judgment. In such proceedings, the Guernsey courts would not re-hear the case on its merits save in accordance with such principles of private international law.

8. OVERSEAS PERSONS AND TERRITORIES

The attention of potential investors who are not resident in, or who are not citizens of, the UK is drawn to the sections below.

The offer of Ordinary Shares under the Placing to Overseas Persons may be affected by the laws of other relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to acquire Ordinary Shares under the Placing. It is the responsibility of all Overseas Persons receiving this Prospectus and/or wishing to subscribe for Ordinary Shares under the Placing to satisfy themselves as to full observance of the laws of the relevant territory in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities needing to be observed and paying any issue, transfer or other taxes due in such territory.

None of the Ordinary Shares have been or will be registered under the laws of any overseas territory. Accordingly, the Ordinary Shares may not be offered, sold, issued or delivered, directly or indirectly, within any overseas territory unless an exemption from any registration requirement is available.

No person receiving a copy of this Prospectus in any territory other than the UK may treat the same as constituting an offer or invitation to them, unless in the relevant territory such an offer can lawfully be made to them without compliance with any material further registration or other legal requirements.

Persons (including, without limitation, nominees and trustees) receiving this Prospectus should not distribute or send it to any person or in or into any other jurisdiction where to do so would or might contravene local securities laws or regulations. Investors should additionally consider the provisions set out under the heading "*Important Information*" on pages 38 to 44 of this Prospectus.

The Company reserves the right to treat as invalid any agreement to subscribe for Ordinary Shares under the Placing if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

9. UNITED STATES TRANSFER RESTRICTIONS

The Company has elected to impose the restrictions described in the section below entitled "*Representations, warranties and undertakings*" (in particular, see item (d) below) on offers and sales of and the future trading in the Ordinary Shares: (i) so that the Company will not be required to register the Ordinary Shares under the Securities Act; (ii) so that the Company will not have an obligation to register as an "investment company" under the Investment Company Act and related rules; and (iii) to address certain ERISA, US Tax Code and other considerations. These restrictions, which will remain in effect until the Company determines in its sole discretion to remove them, may adversely affect the ability of Shareholders to trade in the Ordinary Shares. The Company and its agents will not be obliged to recognise any resale or other transfer of the Ordinary Shares made other than in compliance with the restrictions described below.

Unless otherwise agreed with the Company in writing, the Ordinary Shares may not be acquired by:

- investors using assets of: (A) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (B) a "plan" as defined in Section 4975 of the US Tax

Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Tax Code; or (C) an entity whose underlying assets are considered to include "plan assets" by reason of investment by an "employee benefit plan" or "plan" described in preceding clause (A) or (B) in such entity pursuant to the US Plan Assets Regulations, unless its purchase, holding and disposition of Ordinary Shares will not constitute or result in a non-exempt prohibited transaction; or

- a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Tax Code, unless its purchase, holding, and disposition of Ordinary Shares will not constitute or result in a violation of any such substantially similar law.

Representations, warranties and undertakings

Unless otherwise agreed with the Company in writing, each acquirer of the Ordinary Shares pursuant to the Placing and each subsequent transferee, by acquiring Ordinary Shares or any beneficial interest therein, will be deemed to have represented, warranted, undertaken, agreed and acknowledged to the Company as follows:

(a) it is located outside the United States, it is not a US Person, it is acquiring the Ordinary Shares in an "offshore transaction" meeting the requirements of Regulation S, and it is not acquiring the Ordinary Shares for the account or benefit of a US Person;

(b) the Ordinary Shares have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, delivered, assigned or otherwise transferred, directly or indirectly, into or within the United States or to, or for the account or benefit of, US Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner which would not require the Company to register under the Investment Company Act;

(c) the Company has not been and will not be registered under the Investment Company Act and, as such, investors will not be entitled to the benefits of the Investment Company Act and the Company has elected to impose restrictions on the Placing and on the future trading in the Ordinary Shares to ensure that the Company is not and will not be required to register under the Investment Company Act;

(d) if in the future it decides to offer, sell, transfer, assign, pledge or otherwise dispose of the Ordinary Shares or any beneficial interest therein, it will do so only: (i) outside the United States in an "offshore transaction" complying with the provisions of Regulation S to a person not known by the transferor to be a US Person, by prearrangement or otherwise; (ii) to a person who is both a Qualified Purchaser and an Accredited Investor pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and only following delivery by the transferee to the Company (or other person designated by the Company) of a signed US representation letter in form and substance acceptable to the Company that such transfer is in compliance with this sub-clause (the form of such letter is available from the Registrar upon request); or (iii) to the Company or a subsidiary thereof. It acknowledges and agrees that any offer, sale, transfer, assignment, pledge or other disposal made other than in compliance with the foregoing restrictions will be subject to the compulsory transfer provisions contained in the Articles;

(e) it is not, and is not acting on behalf of, a Benefit Plan Investor, unless its purchase, holding, and disposition of Ordinary Shares will not constitute or result in a non-exempt prohibited transaction or violation of any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Tax Code;

(f) unless otherwise expressly agreed with the Company, neither it, nor any person having a "beneficial interest" (as such term is defined in FINRA rule 5130) in it, is: (i) a "restricted person" pursuant to FINRA rule 5130; or (ii) a "covered person" pursuant to FINRA rule 5131 (a "**covered person**" as used in this sub-clause means an executive officer or director of a

"public company" or a "covered non-public company", or a person receiving "material support" from such an executive officer or director, where the "public company" or "covered non-public company" (1) is currently an investment banking services client of a FINRA member or has paid compensation to a FINRA member for investment banking services in the past twelve months, (2) expects to retain a FINRA member for investment banking services within the next three months or (3) has entered into an express or implied obligation, directly or indirectly through such executive officer or director, to retain a FINRA member for the performance of future investment banking services as described under FINRA rule 5131(b), or a person otherwise voluntarily restricted under FINRA rule 5131(b) pursuant to FINRA rule 5131). It acknowledges and agrees that the Company, the Investment Manager and the Portfolio Manager will rely on the representations in sub-clause (i) and (ii) above in connection with any representations the Company (or the Investment Manager or Portfolio Manager, on behalf of the Company) is required to make under FINRA rule 5130 or FINRA rule 5131 to purchase "new issues" (as such term is defined in FINRA rule 5130) and it will promptly notify the Company, the Investment Manager and the Portfolio Manager and provide corrected information upon the occurrence of any change with respect to the representations in sub-clause (i) or (ii) above;

(g) it is acquiring the Ordinary Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Ordinary Shares in any manner that would violate the Securities Act, the Investment Company Act or any other applicable securities laws;

(h) it is aware and acknowledges that the Company reserves the right to make inquiries of any holder of the Ordinary Shares or interests therein at any time as to such person's status under relevant laws and regulations (including, without limitation, such person's status in connection with any relevant provision under the Securities Act, Investment Company Act, Exchange Act, FINRA rules or any other relevant laws or regulations) and to require any such person that has not satisfied the Company that the holding by such person will not violate, require registration under, or cause the Company to lose an exemption or a status under, relevant laws or regulations to transfer such Ordinary Shares or interests in accordance with the Articles;

(i) the representations, warranties, undertakings, agreements and acknowledgements contained in this Prospectus are irrevocable and it acknowledges that the Company and its Affiliates and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of and compliance with the representations, warranties, undertakings, agreements and acknowledgements contained herein;

(j) if any of the representations, warranties, undertakings, agreements or acknowledgements contained herein are no longer accurate or have not been complied with, it will immediately notify the Company; and

(k) if it is acquiring any Ordinary Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and it has full power to make, and does make, the representations, warranties, undertakings, agreements and acknowledgements contained herein on behalf of each such account.

PART V – TAXATION

1. GENERAL

The information below, which relates only to Guernsey, the UK and the US, summarises the advice received by the Board and is applicable to the Company and (except in so far as express reference is made to the treatment of other persons) to persons who are resident in Guernsey, the UK or the US for taxation purposes and who hold Ordinary Shares as an investment. It is based on current Guernsey, UK and US tax law and published practice, respectively, which law or practice is, in principle, subject to any subsequent changes therein (potentially with retrospective effect). It is not intended to be, nor should it be construed to be, legal or tax advice. Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Ordinary Shares in connection with their employment may be taxed differently and are not considered. The tax consequences for each Shareholder of investing in the Company may depend upon the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject.

If you are in any doubt about your tax position, you should consult your professional adviser.

2. GUERNSEY

2.1 The Company

The Company intends to apply for exemption from liability to income tax in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989, as amended by the Director of Revenue Services in Guernsey for the current year. The exemption must be applied for annually and will be granted, subject to the payment of an annual fee, which is currently fixed at £1,200, provided the Company qualifies for exemption under the applicable legislation. It is the intention of the Directors to conduct the affairs of the Company so as to ensure that it continues to qualify for such exempt company status for the purposes of Guernsey taxation.

As an exempt company, the Company is and will be treated as if it were not resident in Guernsey for the purposes of liability to Guernsey income tax. Under current law and practice in Guernsey, the Company will only be liable to tax in Guernsey in respect of income arising or accruing in Guernsey, other than from a relevant bank deposit, from other exempt bodies or from shares in Guernsey companies.

Withholding tax

Under Guernsey tax law, no withholding of tax should be required in respect of Shareholders if, at the time a distribution is made, the Company has tax exempt status.

In the event that the Company does not have tax exempt status at the time a distribution is made, it may be required to withhold tax at the applicable rate in respect of any distribution made (or deemed to have been made) to Shareholders who are Guernsey resident.

Stamp duty

There is also no stamp duty or equivalent tax payable in Guernsey on the issue, transfer or redemption of shares such as the Ordinary Shares. In addition, Guernsey no longer charges document duty on the creation or increase of authorised share capital.

Capital taxes

Guernsey currently does not levy taxes upon capital inheritances, capital gains, gifts, sales or turnover, nor are there any estate duties, save for registration fees and ad valorem duty for a Guernsey 'Grant of Representation' where the deceased dies leaving assets in Guernsey (which required presentation of such a grant).

Goods and Services Tax

The States of Guernsey has passed enabling legislation for the introduction of a system of goods and services ("**GST**"). However, no decision as to the introduction of GST has been made.

Anti-avoidance

Guernsey has a wide ranging anti-avoidance provision. The provision targets transactions where the effect of the transaction or series of the transactions, is the avoidance, reduction or deferral of a tax liability. At his discretion, the Director of Revenue Services in Guernsey will make such adjustments to the tax liability to counteract the effect of the avoidance, reduction or deferral of the tax liability.

2.2 **Shareholders**

Provided the Company maintains its exempt status, Shareholders who are resident for tax purposes in Guernsey (which includes Alderney and Herm for these purposes) will suffer no deduction of tax by the Company from any distributions payable by the Company, but the Administrator may provide details of distributions made to Guernsey resident Shareholders to the Director of Revenue Services in Guernsey, including the names and addresses of the Guernsey resident Shareholders, the gross amount of any distribution paid and the date of the payment. The Director of Revenue Services can require the Company to provide the name and address of every Guernsey resident who, on a specified date, has a beneficial interest in the shares of the Company, with details of the interest. Such information is not required to be delivered to the Director of Revenue Services in respect of distributions payable to Shareholders not resident in Guernsey. Shareholders resident outside Guernsey will not be subject to any tax in Guernsey in respect of distributions paid in relation to any shares in the Company owned by them or on the disposal of their holding of shares in the Company.

2.3 **FATCA and the CRS**

The governments of the United States and Guernsey have entered into the US-Guernsey IGA related to implementing the FATCA, which is implemented through Guernsey's domestic legislation.

Guernsey has also implemented the CRS regime with effect from 1 January 2016. Accordingly, reporting in respect of periods commencing on or after 1 January 2016 is required in accordance with the CRS (as implemented in Guernsey).

Under the CRS and legislation enacted in Guernsey to implement the CRS, certain disclosure requirements are imposed in respect of certain investors who are, or are entities that are controlled by one or more natural persons who are, residents of any of the jurisdictions that have also adopted the CRS, unless a relevant exemption applies. Where applicable, information to be disclosed will include certain information about Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Company. The CRS will be implemented through Guernsey's domestic legislation in accordance with guidance issued by the Organisation for Economic Co-operation and Development as supplemented by guidance notes in Guernsey.

Under the CRS, disclosure of information will be made to the Director of Revenue Services in Guernsey for transmission to the tax authorities in other participating jurisdictions.

In subscribing for or acquiring Ordinary Shares, each Shareholder is agreeing, upon the request of the Company or its delegate, to provide such information as is necessary to comply with FATCA, the CRS and other similar regimes and any related legislation, IGAs and/or regulations.

Investors should consult with their respective tax advisers regarding the possible implications of FATCA, the CRS and similar regimes concerning the automatic exchange of information any other related legislation, intergovernmental agreements and/or regulations.

3. UNITED KINGDOM

3.1 The Company

The Directors have been advised that following certain changes to the United Kingdom tax rules regarding "alternative investment funds" implemented by the Finance Act 2014 and contained in section 363A of the Taxation (International and other Provisions) Act 2010 the Company will not be treated as resident in the United Kingdom for United Kingdom tax purposes. Accordingly, the Company will only be subject to UK income tax or corporation tax on any UK source income and to the extent it carries on a trade in the UK (whether or not through a branch, agency or permanent establishment situated therein).

3.2 Shareholders

UK Offshore Fund Rules

If the Company meets the definition of an "offshore fund" for the purpose of UK taxation, then in order for a UK Shareholder to be taxed under the regime for tax on chargeable gains (rather than on an income basis) on a disposal of Ordinary Shares, the Company must apply to HM Revenue & Customs to be treated as a reporting fund and maintain reporting fund status throughout the period in which the UK Shareholder holds the Ordinary Shares.

The Directors are of the opinion that, under current law, the Company should not be an "offshore fund" for the purposes of UK taxation, and legislation contained in Part 8 of the Taxation (International and Other Provisions) Act 2010 (other than section 363A referred to above), should not apply.

Accordingly, Shareholders (other than those holding Ordinary Shares as dealing stock, who are subject to separate rules) who are resident in the UK, or who carry on business in the UK through a branch, agency or permanent establishment with which their investment in the Company is connected, may, depending on their circumstances and subject as mentioned below, be liable to UK tax on chargeable gains realised on the disposal of their Ordinary Shares.

Tax on Chargeable Gains

A disposal of Ordinary Shares (including a disposal on a winding-up of the Company) by a Shareholder who is resident in the United Kingdom for tax purposes, or who is not so resident but carries on a trade in the UK through a branch agency or permanent establishment in connection with which their investment in the Company is used, held or acquired, may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains, depending on the Shareholder's circumstances and subject to any available exemption or relief.

UK-resident and domiciled individual Shareholders have an annual exemption, such that capital gains tax is chargeable only on gains arising from all sources during the tax year in excess of this figure. The annual exemption is £11,700 for the tax year 2018-2019 and £12,000 for the tax year 2019-2020. For such individual Shareholders, capital gains tax will be chargeable on a disposal of Ordinary Shares at the applicable rate (currently 10 per cent. (for basic rate taxpayers) or 20 per cent. (for higher or additional rate taxpayers)).

Generally, an individual Shareholder who has ceased to be resident in the UK for tax purposes for a period of five years or less and who disposes of Ordinary Shares during that period may be liable, on their return to the UK, to UK taxation on any chargeable gain realised (subject to any available exemption or relief). Special rules apply to Shareholders who are subject to tax on a "split-year"' basis, who should seek specific professional advice if they are in any doubt about their position.

Corporate Shareholders who are resident in the UK for tax purposes will generally be subject to corporation tax at the rate of corporation tax applicable to that Shareholder (currently at a rate of 19 per cent. and reducing to 17 per cent. from 1 April 2020) on chargeable gains arising on a disposal of their Ordinary Shares.

Shareholders who are neither resident in the UK, nor temporarily non-resident for the purposes of the anti-avoidance legislation referred to above, and who do not carry on a trade in the UK through a branch, agency or permanent establishment with which their investment in the Company is connected, should not be subject to United Kingdom taxation on chargeable gains on a disposal of their Ordinary Shares.

Dividends

For the 2018-2019 and 2019-2020 tax years, UK resident individuals are entitled to a nil rate of income tax on the first £2,000 of dividend income in a tax year (the "**Nil Rate Amount**"). Any dividend income received by a UK resident individual Shareholder in excess of the Nil Rate Amount will be subject to income tax at a rate of 7.5 per cent. to the extent that it is within the basic rate band, 32.5 per cent. to the extent that it is within the higher rate band and 38.1 per cent. to the extent that is within the additional rate band.

Dividend income that is within the Nil Rate Amount counts towards an individual's basic or higher rate limits – and will therefore affect the level of savings allowance to which they are entitled, and the rate of tax that is due on any dividend income in excess of the Nil Rate Amount. In calculating into which tax band any dividend income over the Nil Rate Amount falls, savings and dividend income are treated as the highest part of an individual's income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice.

A corporate Shareholder who is tax resident in the UK or carries on a trade in the UK through a permanent establishment in connection with which its Ordinary Shares are held will be subject to UK corporation tax on the gross amount of any dividends paid by the Company, unless the dividend falls within one of the exempt classes set out in Part 9A of the Corporation Tax Act 2009. It is anticipated that dividends paid on the Ordinary Shares to UK tax resident corporate Shareholders (other than those which are a "small company" for the purposes of Part 9A) would generally (subject to anti-avoidance rules) fall within one of those exempt classes, however, such Shareholders are advised to consult their independent professional tax advisers to determine whether such dividends will be subject to UK corporation tax. If the dividends do not fall within any of the exempt classes, the dividends will be subject to tax currently at a rate of 19 per cent. and reducing to 17 per cent. from 1 April 2020.

*Stamp duty and Stamp Duty Reserve Tax ("**SDRT**")*

No UK stamp duty or SDRT will arise on the issue of Ordinary Shares. No UK stamp duty will be payable on a transfer of Ordinary Shares, provided that all instruments effecting or evidencing the transfer (or all matters or things done in relation to the transfer) are not executed in the UK and no matters or actions relating to the transfer are performed in the UK.

Provided that the Ordinary Shares are not registered in any register kept in the UK by or on behalf of the Company and that the Ordinary Shares are not paired with shares issued by a company incorporated in the UK, any agreement to transfer the Ordinary Shares will not be subject to UK SDRT.

ISAs and SSAS/SIPPs

Investors resident in the United Kingdom who are considering acquiring Ordinary Shares are recommended to consult their own tax and/or investment adviser in relation to the eligibility of the Ordinary Shares for ISAs and SSAS/SIPPs.

Ordinary Shares acquired pursuant to the Placing will not be eligible for inclusion in a stocks and shares ISA. On Admission, Ordinary Shares acquired in the market should be eligible for inclusion in a stocks and shares ISA, subject to applicable subscription limits. The annual ISA investment allowance is £20,000 for the 2018-2019 and 2019-2020 tax years.

The Ordinary Shares should be eligible for inclusion in a SSAS or SIPP, subject to the discretion of the trustees of the SSAS or SIPP, as the case may be.

3.3 Other UK Tax Considerations

The attention of individuals resident in the UK for taxation purposes is drawn to Chapter 2, Part 13 of the Income Tax Act 2007, which may render them liable to income tax in respect of the undistributed income of the Company.

The UK "controlled foreign company" provisions subject UK resident companies to tax on the profits of companies not so resident in which they have a controlling interest, subject to certain "gateway" provisions and exemptions. UK corporate Shareholders are advised to consult their own professional tax advisers as to the implications of these provisions.

The attention of persons resident in the UK for taxation purposes is drawn to the provisions of section 13 Taxation of Chargeable Gains Act 1992 under which, in certain circumstances, a portion of chargeable gains made by a non-UK resident company can be attributed to UK resident participators to whom more than one quarter of any gain made by the company would be attributable. This applies if the non-UK resident company would be a close company were the company to be resident in the United Kingdom for taxation purposes.

4. UNITED STATES

4.1 The Company

The Company is expected to be treated as an association taxable as a corporation for US federal income tax purposes. Certain US source income received by the Company that is not effectively connected with a US trade or business, such as dividends and interest paid by US persons or certain other US source "fixed or determinable annual or periodical" ("**FDAP**") income, will be subject to US federal income tax withholding at a rate of 30 per cent., unless an exception applies. The Company does not expect that an exception would apply to US source dividends.

The Company may in certain circumstances incur income and gain that is effectively connected with a US trade or business ("**effectively connected income**"). The Company would be subject to US federal income tax on any such effectively connected income at the rates applicable to US corporations (currently, at a rate of 21 per cent.), plus a "branch profits tax", currently at 30 per cent. (for a combined effective rate of 44.7 per cent.), as well as any applicable state and local taxes. In addition, gain derived from the disposition of a "United States real property interest," broadly defined and generally including stock of a "United States real property holding corporation" ("**USRPHC**"), as such terms are defined for US federal income tax purposes, is treated as effectively connected income. Gain on disposition of a USRPHC is not subject to the branch profits tax. The Company does not expect to incur a significant amount of effectively connected income.

If the Company is subject to US withholding taxes or treated as engaged in a US trade or business, Shareholders will indirectly bear their share of all taxes and expenses imposed or otherwise paid by the Company.

4.2 Shareholders

The following is a summary of certain US federal income tax considerations relating to the acquisition, ownership and disposition of Ordinary Shares by a US Holder (as defined below). This summary deals only with purchasers that acquire and hold the Ordinary Shares as capital assets within the meaning of Section 1221 of the US Tax Code. The discussion does not cover all aspects of US federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Ordinary Shares by particular investors, and does not address state, local, foreign or other tax laws, nor the medicare tax on net investment income. This summary also does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the US federal income tax laws (such as financial institutions, insurance companies, investors liable for the alternative minimum tax, individual retirement accounts and other tax-deferred accounts, REITs, regulated investment companies, tax-exempt organisations, applicable

educational institutions, dealers in securities or currencies, investors that will hold the Ordinary Shares as part of straddles, hedging transactions or conversion transactions for US federal income tax purposes or US Holders whose functional currency is not the US Dollar). This summary is based on the US Tax Code, its legislative history, existing and proposed regulations thereunder, and published rulings and court decisions, all as at the date hereof and all subject to change at any time, possibly with retroactive effect. In addition, the US recently enacted into law a broad-based reform of the US Tax Code (such reform, the "**Tax Act**"). There are significant uncertainties regarding the application of the Tax Act. Further guidance on the Tax Act is expected, but the timing, form, scope and content of such guidance are not yet known.

For purposes of this summary, the term "**US Holder**" means a beneficial owner of Ordinary Shares that is, for US federal income tax purposes: (i) an individual citizen or resident of the United States; (ii) a corporation created or organised under the laws of the United States, any State thereof, or the District of Columbia; (iii) an estate the income of which is subject to US federal income tax regardless of its source; or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more US persons have the authority to control all substantial decisions of the trust, or the trust has made a valid election to be treated as a domestic trust for US federal income tax purposes.

This summary does not address the tax consequences of prospective Shareholders that are partnerships and such prospective Shareholders should consult their tax advisers concerning the US federal income tax consequences to their partners of the acquisition, ownership and disposition of Ordinary Shares by the partnership.

Shareholders should consult their own tax advisers regarding the tax consequences to them of an investment in the Company in light of their particular circumstances including under laws of their citizenship, residence or domicile and any other non-US or US local, state or federal laws (including the implications of the Tax Act on their investment, as well as non-income tax laws).

Taxation of distributions

Subject to the rules discussed below, any distribution to a US Holder will be taxable to that US Holder as a dividend to the extent of the current and accumulated earnings and profits (determined under US federal income tax principles) of the Company. Such payments will not be eligible for the dividends received deduction generally allowable to corporations and will not be eligible for the preferential income tax rate on qualified dividend income. Distributions in excess of earnings and profits will be non-taxable to the extent of, and will be applied against and reduce, the US Holder's adjusted tax basis in the Ordinary Shares. Distributions in excess of earnings and profits and adjusted tax basis will be taxable as capital gain from the sale or exchange of property, and generally will be treated as long-term capital gain if the US Holder's holding period for such Ordinary Shares exceeds one year.

Taxable disposition of Ordinary Shares

Subject to the rules discussed below, upon the sale or other taxable disposition of Ordinary Shares which, in general, would include a redemption of Ordinary Shares treated as an exchange as described below, and including as a result of a dissolution and liquidation, a US Holder generally will recognise capital gain or loss in an amount equal to the difference between the amount realised and the US Holder's adjusted tax basis in the Ordinary Shares. Any such capital gain or loss generally will be long-term capital gain or loss if the US Holder's holding period for such Ordinary Shares exceeds one year.

Redemptions

Subject to the rules discussed below, the tax treatment of any redemptions of Ordinary Shares of a US Holder depends on whether the redemption qualifies as a sale of the Ordinary Shares under Section 302 of the US Tax Code. Whether such redemption qualifies for sale treatment will depend largely on the total number of shares treated as held by the US Holder (including any shares constructively owned by the US Holder)

relative to all shares of the Company outstanding both before and after such redemption. If such redemption qualifies as a sale, the US Holder's tax treatment will be as described under "*Taxable disposition of Ordinary Shares*" above; otherwise, the US Holder's tax treatment will be as described above under "*Taxation of distributions*."

Passive foreign investment companies

The Company expects to be treated as a "passive foreign investment company" ("**PFIC**") for US federal income tax purposes. Once a corporation qualifies as a PFIC with respect to a shareholder, it is, subject to certain exceptions, always treated as a PFIC with respect to such shareholder, regardless of whether it satisfies either of the qualification tests in subsequent years. If the Company were to qualify as a PFIC, any gain on disposition of stock of the Company as well as income realised on certain "excess distributions" by the Company would be treated as though realised ratably over the US Holder's holding period of its interest in the Company. Such gain or income would be taxed as ordinary income. In addition, an interest charge would be imposed on the US Holder based on the tax deferred from prior years.

If the Company were treated as a PFIC and a US Holder elected to treat its interest in the PFIC as a "qualified electing fund" ("**QEF**") under the US Tax Code, in lieu of the foregoing treatment, such US Holder would be required to include in income each year a portion of the ordinary earnings and net capital gains of the qualified company, even if not distributed to the US Holder. If a timely QEF election has been made, dividends allocable to amounts previously taxed pursuant to the QEF election will not be taxable to US Holders. In order to make such election, among other things, the US Holder would have to be supplied with an information statement provided by the PFIC and certain information and agreements would have to be obtained from the PFIC. The Company does not expect to provide or otherwise obtain the information necessary for such Shareholders to make and maintain a QEF election with respect to the Company or any subsidiaries. In addition, depending on whether the interests traded on the Specialist Fund Segment qualify as traded on a "qualified exchange or other market" for purposes of the PFIC rules and the actual trading volume of the Ordinary Shares, a mark-to-market election may be available, which could also mitigate some of the adverse tax consequences arising from the Company's status as a PFIC to US Holders. The Company can make no assurance that the Ordinary Shares will be listed on a "qualified exchange or other market" or that there will be sufficient trading activity for the Ordinary Shares.

If the Company holds equity (as determined for US federal income tax purposes) of a non-US corporation, US Holders might be treated as holding an indirect investment in a PFIC and could be subject to certain adverse tax consequences (including additional reporting obligations). Prospective purchasers should consult their tax advisers regarding the issues relating to such investments and the need to make a QEF election on each such non-US corporation.

C*ontrolled foreign corporations*

A non-US corporation such as the Company will be classified as a controlled foreign corporation ("**CFC**") in one or more taxable years if US persons owning, directly or indirectly (including through a partnership), at least 10 per cent. of the voting stock or value of such corporation (each such 10 per cent. owner, a "**US Shareholder**"), own in the aggregate more than 50 per cent. of the voting power or value of the stock of such corporation, after applying certain attribution rules. If the Company were to be treated as a CFC, each US Shareholder who directly or indirectly (within the meaning of the US Tax Code) owns an interest in the Company generally would be required to include in gross income as ordinary income, such US Shareholder's *pro rata* share of the Company's "subpart F" income, as well as certain global intangible low taxed income ("**GILTI**") and certain income determined under Section 956 of the US Tax Code (whether or not any such income is distributed by the CFC). In general, subpart F income includes passive income (such as dividends and, generally, gain from the sale of investments) and certain related party income.

Distributions by the CFC to a US Shareholder are not subject to tax to the extent such distribution is of amounts previously included in income by the US Shareholder pursuant to the rules described in the previous paragraph. Gain, if any, realised by a US Shareholder upon the taxable sale or exchange of shares of such CFC would be recharacterised as dividend income to the extent of such US Shareholder's *pro rata* share of the CFC's undistributed earnings and profits and subject to tax at ordinary income tax rates or, in the case of an individual US Shareholder, at a reduced tax rate if the CFC is a qualified foreign corporation and certain other requirements are satisfied. Gain in excess of such amount would be treated as capital gain. The Company is not a qualified foreign corporation.

There can be no assurance that the Company will have the information necessary to determine whether it or any subsidiary is a CFC. If the Company holds equity (as determined for US federal income tax purposes) of a non-US corporation, US Holders might be treated as holding an indirect investment in a CFC and could be subject to certain adverse tax consequences (including additional reporting obligations). If the Company is both a CFC and a PFIC, the CFC rules, rather than the PFIC rules described herein, will generally apply to such US Holder in respect of its investment in the Company, and the QEF and market-to-market elections will not be available to the US Holder.

The rules regarding CFCs and PFICs are complex. US Holders should consult with their advisers regarding the consequences of investing in the Company.

Reporting

Certain US Holders may be subject to US tax reporting requirements which may require them to file information returns directly with the IRS in respect of their investment in the Company. Penalties may be imposed upon an investor for failure to comply with these requirements. All prospective US Holders are urged to consult their own tax advisers about potential US federal tax reporting and filing obligations in connection with an investment in the Company.

4.3 Considerations applicable to ERISA and other US plan investors

Employee benefit plans that are subject to the fiduciary provisions of ERISA, plans that are subject to Section 4975 of the US Tax Code, and entities deemed to hold "plan assets" of any of the foregoing (each, a "**benefit plan investor**"), as well as governmental plans and other US employee benefit plans that are not subject to the fiduciary provisions of ERISA or Section 4975 of the US Tax Code (collectively, with benefit plan investors, referred to as "**Plans**"), may generally invest in the Company, subject to the following considerations.

General fiduciary considerations

The fiduciary provisions of ERISA, and the fiduciary provisions of pension codes applicable to governmental or other US employee benefit plans that are not subject to ERISA, may impose limitations on investment in the Company. Fiduciaries of Plans, in consultation with their advisers, should consider, to the extent applicable, the impact of such fiduciary rules and regulations on an investment in the Company. Among other considerations, the fiduciary of a Plan should take into account: the composition of the Plan's portfolio with respect to diversification; the cash flow needs of the Plan and the effects thereon of the illiquidity of the investment; the economic terms of the Plan's investment in the Company; the Plan's funding objectives; the tax effects of the investment; the fact that the investors in the Company are expected to consist of a diverse group of investors; and the fact that the management of the Company will not take the particular objectives of any investors or class of investors into account.

Plan fiduciaries should also take into account the fact that, while the Investment Manager will have certain general fiduciary duties to the Company, it will not have any direct fiduciary relationship with or duty to any investor. Similarly, it is intended that the assets of the Company will not be considered plan assets of any Plan or be subject to any fiduciary or investment restrictions that may exist under pension codes specifically applicable to such Plans.

ERISA and other benefit plan investors

A fiduciary acting on behalf of a benefit plan investor, in addition to the matters described above, should take into account the following considerations in connection with an investment in the Company.

Under ERISA and the US Plan Assets Regulations, generally, a benefit plan investor's assets would be deemed to include an undivided interest in each of the underlying assets of the Company, unless investment in the Company by benefit plan investors is not "significant" or another exception applies. Investment by benefit plan investors would not be "significant" if less than 25 per cent. of the value of each class of equity interests in the Company is held by benefit plan investors, determined after excluding the interests of the Investment Manager and any other person who has discretionary authority or control, or provides investment advice for a fee with respect to the assets of the Company, and affiliates of any of the foregoing persons, other than a benefit plan investor.

If the Company were deemed to hold plan assets of the investors that are benefit plan investors, the investment in the Company by each such benefit plan investor could constitute an improper delegation of investment authority by the fiduciary of such benefit plan investor. In addition, any transaction the Company enters into would be treated as a transaction with each such benefit plan investor and any such transaction with certain "parties in interest" (as defined in ERISA) or "disqualified persons" (as defined in Section 4975 of the US Tax Code) with respect to a benefit plan investor could be a "prohibited transaction" under ERISA or Section 4975 of the US Tax Code.

The Directors reserve the right to decline to transfer, convert or register any transfer of Ordinary Shares to any person whose ownership of Ordinary Shares may cause the Company's assets to be deemed plan assets of investors that are benefit plan investors.

Prohibited transaction considerations

Fiduciaries of benefit plan investors should also consider whether an investment in the Company could involve a direct or indirect transaction with a "party in interest" or "disqualified person" as defined in ERISA and Section 4975 of the US Tax Code, and if so, whether such prohibited transaction may be covered by an exemption. Each acquirer of Ordinary Shares will be deemed to have represented and warranted that, if it is or is acting on behalf of a benefit plan investor, its purchase, holding and disposition of Ordinary Shares will not constitute or result in a non-exempt prohibited transaction.

Governmental Plans

Government-sponsored Plans are not subject to the fiduciary provisions of ERISA or to the prohibited transaction provisions under Section 4975 of the US Tax Code. However, federal, state or local laws or regulations governing the investment and management of the assets of such plans may contain fiduciary and prohibited transaction requirements similar to those under ERISA and the US Tax Code discussed above and may include other limitations on permissible investments. Each acquirer of Ordinary Shares will be deemed to have represented and warranted that, if it is or is acting on behalf of such a Plan, its purchase, holding and disposition of Ordinary Shares will not constitute or result in a violation of any federal state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Tax Code.

PART VI – ADDITIONAL INFORMATION ON THE COMPANY

1. INCORPORATION OF THE COMPANY

1.1 The Company is a newly established non-cellular investment company limited by shares, registered and incorporated in Guernsey under the Companies Law on 4 January 2019 with registration number 65915. The Company is a registered closed-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended, and the Registered Collective Investment Scheme Rules 2018 issued by the GFSC.

1.2 The registered office and principal operating establishment and place of business of the Company is First Floor, Albert House, South Esplanade, St Peter Port, Guernsey, Channel Islands, GY1 1AJ. The telephone number of the Company is +44 (0)1481 742250. The statutory records of the Company will be kept at this address. The Company operates under the Companies Law and ordinances and regulations made thereunder. The Company is resident for tax purposes in Guernsey and currently has no employees. The Company has an unlimited life.

1.3 The Directors confirm that the Company has not traded or commenced operations and that, as at the date of this Prospectus, no accounts of the Company have been made up since its incorporation. There have been no changes to the issued share capital of the Company, nor any significant change in the financial or trading position of the Company, since the incorporation of the Company.

1.4 Save for its entry into the material contracts summarised in paragraph 10 below and certain non-material contracts, since its incorporation the Company has not commenced operations, has not declared any dividend and no financial statements have been made up.

1.5 The principal activity of the Company is to invest its assets in accordance with the investment policy set out in Part I (Information on the Company) of this Prospectus. The Company has no reserves.

1.6 KPMG Channel Islands Limited is and has been the only auditor of the Company since its incorporation. KPMG Channel Islands Limited is a member of the Institute of Chartered Accountants of England & Wales.

2. THE AIFM

2.1 The Investment Manager, Baillie Gifford & Co Limited, a private limited company incorporated in Scotland under the Companies Acts 1948 to 1976 with registered number SC069524, is the Company's AIFM. It is authorised and regulated by the FCA. The registered office of the Investment Manager is Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, United Kingdom and its telephone number is 0131 275 2000.

2.2 Pursuant to the Investment Management Agreement, the Company has consented to the Investment Manager delegating its portfolio management responsibilities to the Portfolio Manager, Baillie Gifford Overseas Limited, a limited liability company incorporated in Scotland on 29 September 1983 with registered number SC084807, whose registered office is at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, United Kingdom. The Investment Manager believes that any such delegation would not give rise to any conflicts of interest between the Investment Manager and the Portfolio Manager.

3. THE DEPOSITARY

3.1 The Bank of New York Mellon (International) Limited has been appointed as depositary of the Company pursuant to the Depositary Agreement (further details of which are set out in paragraph 10.2 below). The Depositary is a private limited company incorporated in England and Wales under the Companies Act 1985 with registered number 3236121. It is authorised by the PRA and is dual-regulated by the FCA and the PRA, including for the purpose of providing depositary services. The address of the registered office of the Depositary is 1 Canada Square, London, E14 5AL, and its telephone number is 020 3322 4806.

3.2 Pursuant to the Depositary Agreement, the Depositary may delegate its safe-keeping functions. The Depositary intends to delegate certain of its safe-keeping functions to The Bank of New York Mellon and The Bank of New York Mellon SA/NV (the "**Sub-Custodians**"). The Sub-Custodians may sub-delegate safekeeping of assets in certain markets in which the Company may invest to various sub-delegates. The Depositary and the Sub-Custodians are members of the same corporate group.

3.3 Although the Portfolio Manager is registered with the SEC, it is not required to, and may not, comply with Rule 206(4)-2 under the Advisers Act, relating to the custody of client funds and securities, with respect to the Company.

3.4 Certain conflicts of interests may arise as a result of the delegation arrangements referred to above. The Depositary will have policies and procedures in place to identify all conflicts of interests arising from this and will take all reasonable steps to avoid such conflicts of interests. Where such conflicts of interests cannot be avoided, the Depositary will ensure that the conflicts are managed, monitored and disclosed in order to prevent adverse effects on the interests of the Company and the Shareholders.

3.5 The Depositary and the Sub-Custodians may have an interest, relationship or arrangement that is in conflict with or otherwise material in relation to the services it provides to the Company. Conflicts of interest may also arise between the Depositary's different clients, including the Company. As a global financial services provider, one of the Depositary's fundamental obligations is to manage conflicts of interest fairly and transparently. As a regulated business, the Depositary is required to prevent, manage and, where required, disclose information regarding any actual or potential conflict of interest incidents to relevant clients. The Depositary is required to and does maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps designed to prevent conflicts of interest from adversely affecting the interests of its clients.

4. SHARE CAPITAL

4.1 The ISIN of the Ordinary Shares is GG00BJ0CDD21 and the SEDOL is BJ0CDD2. The ticker symbol of the Company is MNTN.

4.2 The share capital of the Company consists of an unlimited number of: (i) ordinary shares of no par value which, upon issue, the Directors may classify as Ordinary Shares; and (ii) C Shares denominated in such currencies as the Directors may determine. A maximum of 600 million Ordinary Shares will be issued pursuant to the Placing. All holders of the same class of shares shall have the same voting rights in respect of the share capital of the Company.

4.3 As at the date of incorporation and as at the date of this Prospectus, the entire issued share capital of the Company, comprising two Ordinary Shares issued at a price of US$1.00 each, was and is held by the Investment Manager and the Portfolio Manager (who each hold one Ordinary Share), being the subscribers to the Memorandum.

4.4 The Directors have absolute authority to allot the Ordinary Shares under the Articles and are expected to resolve to do so shortly prior to Admission in respect of the Ordinary Shares to be issued pursuant to the Placing.

4.5 Pursuant to a written special resolution of the subscribers to the Memorandum dated 15 March 2019, the Directors have been granted a general authority to allot, without regard to the pre-emption rights contained in the Articles, up to 720 million Ordinary Shares or C Shares (such figure to include the Ordinary Shares issued pursuant to the Placing), such authority to expire at the end of the period concluding immediately prior to the AGM of the Company to be held in 2024 (or, if earlier, five years from the date of the relevant resolution).

4.6 Pursuant to a written ordinary resolution of the subscribers to the Memorandum dated 15 March 2019, the Directors have been granted general authority to purchase in the market up to 60 million Ordinary Shares (or, if lower, up to 10 per cent. of the Ordinary Shares in issue immediately following Admission) at a price not exceeding the last reported NAV per Ordinary Share as at the time of purchase, and such purchases will only be made in

accordance with the Companies Law, which provides among other things that any such purchase is subject to the Company passing the solvency test contained in the Companies Law at the relevant time, such authority to expire at the end of the period concluding immediately prior to the first AGM of the Company. The Directors intend to seek annual renewal of this authority from the Shareholders at the Company's AGMs.

4.7 The Ordinary Shares will be issued and created in accordance with the Articles and the Companies Law. Details of the provisions of the Articles, including with respect to the issue of Ordinary Shares, are set out at paragraph 5.2 below.

4.8 The Ordinary Shares are in registered form and, from the relevant Admission, will be capable of being held in uncertificated form and title to such Ordinary Shares may be transferred by means of a relevant system (as defined in the CREST Regulations). Where the Ordinary Shares are held in certificated form, share certificates will be sent to the registered members or their nominated agent (at their own risk) within 10 days of the completion of the registration process or transfer of the Ordinary Shares, as the case may be. Where Ordinary Shares are held in CREST, the relevant CREST stock account of the registered members will be credited. The Registrar, whose registered address is set out on page 46 of this Prospectus, maintains a register of Shareholders holding their Ordinary Shares in CREST.

4.9 Save as disclosed in this Prospectus, since the date of its incorporation, no share or loan capital of the Company

4.9.1 has been issued or agreed to be issued, or is now proposed to be issued, either for cash or any other consideration and 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; or

4.9.2 is under option or has been agreed conditionally or unconditionally to be put under option.

4.10 All Ordinary Shares will be fully paid on Admission. Subject as provided elsewhere in this Prospectus and in the Articles, Ordinary Shares are freely transferable.

4.11 **Redemptions at the option of Shareholders**

There is no right or entitlement attaching to Ordinary Shares that allows them to be redeemed or repurchased by the Company at the option of the Shareholder.

5. MEMORANDUM AND ARTICLES OF INCORPORATION

5.1 **Memorandum**

The Memorandum does not restrict the objects of the Company.

5.2 **Articles of incorporation**

The Articles contain (among others) provisions to the following effect:

5.2.1 **Issue of shares**

Subject to the provisions of the Companies Law 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).

5.2.2 **Alteration to share capital**

The Company may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares, and sub-divide its shares, or any class of them, into shares of a smaller amount than its existing shares. The Company may reduce its share capital by way of distribution of amounts standing to any capital account of the Company or otherwise as the Directors may determine.

5.2.3 **Redemption of shares**

Any share may be issued which is or will be liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such share.

5.2.4 **Dividends and distributions**

(A) Subject to the provisions of the Companies Law and the Articles, the Company may by ordinary resolution declare dividends and/or make distributions in accordance with the respective rights of the Shareholders. No dividend or other distribution shall exceed the amount recommended by the Directors. Subject to the provisions of the Companies Law and the Articles, the Directors may pay interim dividends and/or make distributions, or pay at intervals settled by them any dividend or distribution payable at a fixed rate, if it appears to them that such dividends or distributions are justified by the assets of the Company.

(B) Subject to the provisions of the Companies Law and the Articles, all dividends and distributions shall be declared and paid according to the amounts paid up on the shares on which the dividend or other distribution is paid. If any share is issued on terms that it ranks for dividend or other distribution as from a particular date, it shall rank for dividend or other distribution accordingly. In any other case, dividends or other distributions shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion(s) of the period in respect of which the dividend is paid.

(C) Notwithstanding any other provision of the Articles, but without prejudice to the rights attached to any shares, the Company or the Directors may fix a date and time as the record date by reference to which a dividend will be declared or paid or a distribution, allotment or issue of shares made. No dividend or other distribution or other money payable in respect of a share shall bear interest against the Company, unless otherwise provided by the rights attached to the share.

5.2.5 **Distribution of assets on a winding up**

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

5.2.6 **Voting rights**

(A) Subject to sub-paragraph 5.2.6(B) below and any rights or restrictions attached to any class of shares, on a show of hands:

(1) every Shareholder present in person at a meeting has one vote;

(2) every proxy present who has been duly appointed by a Shareholder entitled to vote has one vote; and

(3) every corporate representative who has been duly authorised by a corporation has the same voting rights as the corporation would be entitled to,

and on a poll every Shareholder (whether present in person or by proxy or corporate representative) has one vote for every share of which they are the holder or in respect of which they have been appointed the proxy

or corporate representative. A Shareholder entitled to more than one vote need not, if they vote, use all their votes or cast all the votes they use the same way. In the case of joint holders, the vote of the joint holder whose name appears first on the Register in respect of the joint holding shall be accepted to the exclusion of the vote of the other joint holders.

(B) 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 them unless all amounts presently payable by them in respect of that share have been paid.

(C) In respect of any resolution to appoint or remove a Director (a "**Director Resolution**"), each Shareholder shall be requested to certify that, at the time of the general meeting (or any adjournment thereof) at which the relevant Director Resolution is tabled: (a) it is not a US Person or a resident of the United States within the meaning of Rule 405 under the Securities Act or Rule 3b-4(c) under the Exchange Act (a "**US Resident**"); and (b) to the extent that it holds shares for the account or benefit of any other person, such other person is not a US Person or a US Resident. Each Shareholder that does not so certify at the relevant time in a manner satisfactory to the Board is referred to in this paragraph as a "**Non-Certifying Shareholder**". Each shareholder that does make such certification is referred to in this paragraph as a "**Certifying Shareholder**".

(D) BHCA Restricted Holders are not entitled to vote on any Director Resolution and, accordingly, BHCA Restricted Holders shall be disregarded and considered neither Certifying Shareholders nor Non-Certifying Shareholders for the purposes of this paragraph.

(E) For the purposes of calculating the number of votes which Non-Certifying Shareholders are entitled to cast on a Director Resolution, if and to the extent that, in the absence of this paragraph:

"A" > (49/100) X "B"

then the aggregate total of votes which Non-Certifying Shareholders are entitled to cast shall be reduced so that "D" is the whole number nearest to but not exceeding:

"C" X (49/51)

Where the aggregate number of votes actually cast by Non-Certifying Shareholders (whether on a show of hands or on a poll or on a written resolution) "for" and "against" the relevant Director Resolution when added to the aggregate number of votes withheld by Non-Certifying Shareholders in respect of such Director Resolution exceeds "D", then the number of: (a) aggregate votes cast "for"; (b) aggregate votes cast "against"; and (c) aggregate votes withheld in respect of such Director Resolution by Non-Certifying Shareholders, will each be reduced *pro rata* until the sum of (a), (b) and (c) above is equal to the whole number nearest to but not exceeding "D". Where the aggregate number of votes actually cast (whether on a show of hands or on a poll) and votes withheld, in each case by Non-Certifying Shareholders, is equal to or less than "D", then each of such votes actually cast or votes withheld (as applicable) shall be counted and no reductions shall occur.

Where all Shareholders who cast their vote on any Director Resolution are Non-Certifying Shareholders, the relevant Director Resolution will be deemed not to have passed.

(F) In respect of any Director Resolution, each Shareholder shall also be requested to certify, if applicable, that, at the time of the general meeting (or any adjournment thereof) at which the relevant Director Resolution is tabled, it is a Canadian Pension Plan. Each Shareholder that makes such certification is referred to in this paragraph as a "**CPP Certifying Shareholder**".

(G) For the purposes of calculating the number of votes which a CPP Certifying Shareholder is entitled to cast on a Director Resolution after the operation of the provision described in paragraph 5.2.6(E), if and to the extent that in the absence of the operation of this provision with respect to that CPP Certifying Shareholder:

"E" > (29/100) X "F"

then the aggregate total of votes which that CPP Certifying Shareholder (an "**Affected CPP Certifying Shareholder**") is entitled to cast shall be reduced so that "G" is the whole number nearest to but not exceeding:

"F" X (29/100)

and the aggregate total of votes which Certifying Shareholders other than Affected CPP Certifying Shareholders are entitled to cast shall be increased to "H".

Where the aggregate number of votes actually cast by an Affected CPP Certifying Shareholder (whether on a show of hands or on a poll or on a written resolution) "for" and "against" the relevant Director Resolution, when added to the aggregate number of votes withheld by that Affected CPP Certifying Shareholder in respect of such Director Resolution, exceeds "G", then the number of: (a) aggregate votes cast "for"; (b) aggregate votes cast "against"; and (c) aggregate votes withheld in respect of, such Director Resolution by that Affected CPP Certifying Shareholder, will each be reduced *pro rata* until the sum of (a), (b) and (c) above is equal to the whole number nearest to but not exceeding "G". Where the aggregate number of votes actually cast (whether on a show of hands or on a poll) and votes withheld, in each case by that Affected CPP Certifying Shareholder, is equal to or less than "G", then each of such votes actually cast or votes withheld (as applicable) shall be counted and no reductions shall occur.

Where the aggregate number of votes actually cast by Certifying Shareholders other than Affected CPP Certifying Shareholders (whether on a show of hands or on a poll or on a written resolution) "for" and "against" the relevant Director Resolution, when added to the aggregate number of votes withheld by Certifying Shareholders other than Affected CPP Certifying Shareholders in respect of such Director Resolution, is less than "H", then the number of: (a) aggregate votes cast "for"; (b) aggregate votes cast "against"; and (c) aggregate votes withheld in respect of, such Director Resolution by Certifying Shareholders other than Affected CPP Certifying Shareholders, will each be increased *pro rata* until the sum of (a), (b) and (c) above is equal to the whole number nearest to but not exceeding "H". Where the aggregate number of votes actually cast (whether on a show of hands or on a poll) and votes withheld, in each case by Certifying Shareholders other than Affected CPP Certifying Shareholders, is equal to or more than "H", then each of such votes actually cast or votes withheld (as applicable) shall be counted and no increases shall occur.

(H) For the purposes of the provisions above:

"**A**" is the aggregate total of votes which Non-Certifying Shareholders are entitled to cast, whether on a show of hands or on a poll, on the relevant

Director Resolution, prior to the operation of the provisions set out in paragraph 5.2.6(E);

"**B**" = A + C

"**C**" is the aggregate total of votes which Certifying Shareholders are entitled to cast, whether on a show of hands or on a poll, on the relevant Director Resolution;

"**D**" is the aggregate total of votes which Non-Certifying Shareholders are entitled to cast, whether on a show of hands or on a poll, on the relevant Director Resolution, following the operation of the provisions described in paragraph 5.2.6(E);

"**E**" is the aggregate total of votes which a CPP Certifying Shareholder is entitled to cast, whether on a show of hands or on a poll, on the relevant Director Resolution following the operation of the provisions described in paragraph 5.2.6(E) but prior to the operation of the provisions described in paragraph 5.2.6(G);

"**F**" = C + D

"**G**" is the aggregate total of votes which an Affected CPP Certifying Shareholder is entitled to cast, whether on a show of hands or on a poll, on the relevant Director Resolution following the operation of the provisions described in 5.2.6(G); and

"**H**" = C – G

(I) The Directors may specify other requirements and/or vary the requirements set out in sub-paragraphs (C) to (E) as they, in their discretion, consider necessary or appropriate to give effect to the limitation herein, but such restrictions shall only be implemented when the Directors in good faith believe that: (a) to not do so may result in a regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Company or its Shareholders as a whole; and (b) the exercise of such power would not disturb the market in those shares.

(J) In respect of any resolution proposed at a general meeting, each Shareholder shall be requested to disclose whether at the time of the general meeting (or any adjournment thereof) at which the relevant resolution is tabled, it is subject to restrictions under the BHCA in respect of certain of its equity investments due to its relationship with a bank holding company (as defined by the BHCA).

(K) Each Shareholder that certifies that it is subject to restrictions under the BHCA in respect of certain of its equity investments due to its relationship with a bank holding company (as defined by the BHCA) is referred to in these articles as a "**BHCA Restricted Holder**".

(L) If, in the absence of this paragraph, a BHCA Restricted Holder would be entitled to cast more than 5 per cent. of the total votes on a resolution, then, subject to the provision described in paragraph 5.2.6(D), the aggregate votes cast "for" or "against" the resolution by the BHCA Restricted Holder in excess of 5 per cent. will be deemed to have been withheld in respect of the relevant resolution.

5.2.7 **General meetings**

(A) All general meetings other than AGMs shall be called extraordinary general meetings.

(B) The Directors may call general meetings and, on the requisition of Shareholders pursuant to the provisions of the Companies Law, will convene and hold a general meeting within certain time limits. If there are not sufficient Directors to form a quorum in order to call a general

meeting, any Director may call a general meeting. If there is no Director, any Shareholder may call a general meeting.

(C) A general meeting of the Company shall be called by at least 10 days' notice, unless called on shorter notice by agreement of all Shareholders entitled to attend and vote at the general meeting.

(D) 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, shall be a quorum.

(E) 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 Companies Law, any corporation (other than the Company itself) which is a Shareholder may, by resolution of its directors or other governing body, authorise any 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.

(F) The Directors may make arrangements for simultaneous attendance of and participation in any general meeting by electronic means allowing persons not present together at the same place to attend, speak and vote at the meeting (including the use of satellite meeting places).

(G) 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.

(H) 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.

5.2.8 **Disclosures of beneficial interests in shares**

(A) The Directors may, by notice in writing (a "**Disclosure Notice**"), require a person whom the Directors know or have reasonable cause to believe is or has, at any time during the three years immediately preceding the date on which the Disclosure Notice is issued, been interested in any shares to confirm the fact or (as the case may be) to indicate whether or not it is the case, and to give such certain further information as may be required.

(B) Any Disclosure Notice shall require any information in response to such notice to be given within a prescribed period (which is 14 days after service of the Disclosure Notice) or such other reasonable period as the Directors may determine.

(C) In addition to the right to serve a Disclosure Notice on any person, the Directors may serve notice on any Shareholder requiring that Shareholder to provide the Company within the prescribed period (which shall be 28 days after service), or such other reasonable period as the directors may determine, with any information, representations, certificates or forms relating to such Shareholder that the Directors determine from time to time are necessary or appropriate for the Company to: (a) satisfy any account or payee identification, documentation or other diligence requirements and any reporting requirements imposed under FATCA or the requirements of any similar

laws or regulations to which the Company may be subject enacted from time to time by any other jurisdiction ("**Similar Laws**"); (b) avoid or reduce any tax otherwise imposed by FATCA or Similar Laws (including any withholding upon any payments to such holder by the Company); (c) permit the Company to enter into, comply with, or prevent a default under or termination of, an agreement of the type described in section 1471(b) of the US Tax Code or under Similar Laws; or (d) permit the Company to assess the status of the Shareholder under any relevant laws or regulations (including, without limitation, such person's status in connection with any relevant provision under the Securities Act, Investment Company Act, Exchange Act, FINRA rules or any other relevant laws or regulations).

(D) If any Shareholder is in default in supplying to the Company the information required under a Disclosure Notice or notice served pursuant to the provision set out in paragraph 5.2.8(C) within the prescribed period or such other reasonable period as the Directors may determine, the Directors in their absolute discretion may serve a direction notice on the Shareholder. The direction notice may direct that in respect of the shares in respect of which the default has occurred (the "**Default Shares**"), the Shareholder shall not be entitled to vote in general meetings or class meetings. Where the Default Shares represent at least 0.25 per cent. in number of the class of shares concerned, the direction notice may additionally direct that dividends on such Default Shares will be retained by the Company (without interest), and that no transfer of Default Shares (other than a transfer authorised under the Articles) shall be registered until the default is rectified. Subject to the Uncertificated Securities Regulations and the rules issued from time to time by an authorised operator (as defined in the Uncertificated Securities Regulations) of an uncertificated system governing the admission of securities to and the operation of the uncertificated system managed by the authorised operator, and the requirements of the FCA and the London Stock Exchange, the Directors may at their discretion deem the Default Shares to be held by, or on behalf of or for the benefit of, a Non-Qualified Holder (as the directors may determine).

5.2.9 **Untraced Shareholders**

Subject to certain 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 have not been claimed by the Shareholder, no cheque, warrant or other method of payment for amounts payable in respect of such shares has been cashed or effected and no communication has been received by the Company from the Shareholder or person concerned.

5.2.10 **Borrowing powers**

The Directors shall restrict the borrowings of the Company so as to secure that the aggregate principal amount (including any premium payable on final repayment) outstanding of all money borrowed by the Company shall not at the date of borrowing, save with the previous sanction of an ordinary resolution of the Company, exceed an amount equal to 50 per cent. of the aggregate of the issued and fully paid share capital and capital reserves of the Company (such 50 per cent. for these purposes including any existing borrowings and the proposed additional borrowing, and calculated at the time of incurring the proposed additional borrowings).

5.2.11 **Transfer of shares**

(A) 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.

(B) A share in uncertificated form may be transferred by means of the relevant system concerned.

(C) The Directors may, in their absolute discretion, refuse to register the transfer of a share in certificated form which is not fully paid provided that, if the share has been admitted to trading on a regulated market, 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:

(1) 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;

(2) is in respect of only one class of share;

(3) is not in favour of more than four transferees; and

(4) is not in favour of any Non-Qualified Holder.

(D) The Directors may refuse to register a transfer of a share in uncertificated form to a person who is to hold it thereafter in certificated form in any case where the Company is entitled to refuse (or is excepted from the requirement) under the Uncertificated Securities Regulations to register the transfer.

(E) If the Directors refuse to register a transfer of a share, they shall send the transferee notice of that refusal with reasons for the refusal within two months after the date on which the transfer was lodged with the Company (for the transfer of a share in certificated form) or the date the operator-instruction was received by the Company (for the transfer of a share in uncertificated form which will be held thereafter in certificated form).

(F) 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.

(G) The Directors may, in their absolute discretion, decline to transfer, convert or register any transfer of shares to any person: (i) whose ownership of shares may cause the Company's assets to be deemed "plan assets" for the purposes of ERISA or the US Tax Code; (ii) whose ownership of shares may cause the Company to be required to register as an "investment company" under the Investment Company Act or to lose an exemption or a status thereunder to which it might otherwise be entitled (including because the holder of shares is not a "qualified purchaser" as defined in the Investment Company Act); (iii) whose ownership of shares may cause the shares to be required to be registered or cause the Company to be required to file reports under the Exchange Act or any similar legislation; (iv) whose ownership of shares may cause the Company to be a "controlled foreign corporation" for the purposes of the US Tax Code, or may cause the Company to suffer any pecuniary disadvantage (including any excise tax, penalties or liabilities under ERISA or the US Tax Code); (v) whose ownership of shares may cause the Company to cease to be considered a "foreign private issuer" for the purposes of the Securities Act or the Exchange Act; (vi) whose ownership of shares may cause the Company to be deemed (a) a "restricted person" or an account in which a "restricted person" has a

"beneficial interest" pursuant to FINRA rule 5130, or (b) a "covered person" or an account in which a "covered person" has a "beneficial interest" pursuant to FINRA rule 5131 (a "**covered person**" as used in this sub-clause means an executive officer or director of a "public company" or a "covered non-public company", or a person receiving "material support" from such an executive officer or director, where the "public company" or "covered non-public company" (1) is currently an investment banking services client of a FINRA member or has paid compensation to a FINRA member for investment banking services in the past twelve months, (2) expects to retain a FINRA member for investment banking services within the next three months, or (3) has entered into an express or implied obligation, directly or indirectly through such executive officer or director, to retain a FINRA member for the performance of future investment banking services as described under FINRA rule 5131(b), or a person otherwise voluntarily restricted under FINRA rule 5131(b)); or (vii) whose ownership of shares would or might result in the Company not being able to satisfy its obligations on the Common Reporting Standard developed by the Organisation for Economic Co-Operation and Development, FATCA or such similar reporting obligations on account of, *inter alia*, non-compliance by such person with any information request made by the Company (each person described in (i) to (vii) above, being a "**Non-Qualified Holder**").

(H) If any Non-Qualified Holder owns any shares, whether directly, indirectly or beneficially, the Directors may give notice requiring such person within 30 days to:

(1) establish to the satisfaction of the Directors that such person is not a Non-Qualified Holder; or

(2) sell or transfer his shares to a person who is not a Non-Qualified Holder, and to provide the Directors with satisfactory evidence of such sale or transfer. Pending sale or transfer of such shares, the Directors may suspend rights with respect to the shares.

(I) If any person upon whom a notice is served pursuant to the provision of the Articles referred to in sub-paragraph 5.2.11(G) above does not within 30 days either transfer his shares or establish to the satisfaction of the Directors that he or she is not a Non-Qualified Holder, the Directors may arrange for the sale of the shares on behalf of the registered holder at the best price reasonably obtainable at the time. The manner, timing and terms of any such sale shall be such as the Directors determine (based on appropriate professional advice) to be reasonably obtainable having regard to all material circumstances.

5.2.12 **Appointment of Directors**

(A) Unless the Company determines otherwise by ordinary resolution, the number of Directors (other than alternate Directors) shall not be less than three nor more than nine.

(B) Subject to the Articles, the Company may by ordinary resolution appoint a person who is willing to act as a Director, and is permitted by law to do so, to be a Director either to fill a vacancy or as an additional Director.

(C) The Directors may appoint a person who is willing to act as a Director, 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 AGM and shall then be eligible for reappointment by Shareholders.

(D) Until otherwise determined by the Company by ordinary resolution, there shall be paid to the Directors (other than alternate Directors) such fees for

their services in the office of Director as the Directors may determine, not exceeding in the aggregate an annual sum of £300,000 (or such larger amount as the Company may by ordinary resolution decide).

5.2.13 **Powers of Directors**

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

(B) Subject to the provisions of the Companies Law, the Directors may appoint one or more of their number to the office of managing director or to any other executive office of the Company and, subject to the provisions of the Companies Law, any such appointment may be made for such term, at such remuneration and on such other conditions as the Directors think fit.

(C) Any Director (other than an alternate Director) may appoint any other Director, or other person approved by resolution of the Directors and willing to act and permitted by law to do so, to be an alternate Director and may remove such an alternate Director from office.

5.2.14 **Voting at board meetings**

(A) No business shall be transacted at any meeting of the Directors unless a quorum is present. The quorum may be fixed by the Directors from time to time, but 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 or she 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 or herself a Director shall, if his or her appointor is not present, be counted in the quorum.

(B) 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 chairperson of the meeting shall, unless he or she is not entitled to vote on the resolution, have a second or casting vote.

5.2.15 **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 or she 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.

5.2.16 **Directors' interests**

Provided that the Director has disclosed to the other Directors the nature and extent of any material interest of his or hers, a Director, notwithstanding his or her 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 hold any position with, or be a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is interested.

5.2.17 **Periodic retirement**

Each Director shall retire from office at each AGM except any Director appointed by the Board after the notice of that AGM has been given and before that AGM has been held.

5.2.18 **Indemnity**

Subject to the Companies Law, the Company may: indemnify to any extent any person who is or was a Director, directly or indirectly (including by funding any expenditure incurred or to be incurred by the Director) against any loss or liability whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by them or otherwise in relation to the Company; and purchase and maintain insurance for any person who is or was a Director, against any loss or liability or any expenditure he or she may incur, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by them or otherwise, in relation to the Company.

5.2.19 **Terms of C Shares**

(A) **Definitions**

"C Share" means a redeemable ordinary share of no par value in the capital of the Company issued and designated as a "C Share" of such class (denominated in such currency) as the Board may determine in accordance with the Articles, and having such rights and being subject to such restrictions as are contained in the Articles and which will convert into an Ordinary Share in accordance with the terms of the Articles;

"C Share Surplus" means, in relation to any tranche of C Shares, the net assets of the Company attributable to the holders of C Shares of that tranche (including, for the avoidance of doubt, any income and/or revenue arising from or relating to such assets) less such proportion of the Company's liabilities (including the fees and expenses of the liquidation or return of capital (as the case may be)) as the Directors or the liquidator (as the case may be) shall reasonably allocate to the assets of the Company attributable to such holders;

"C Shareholder" means a holder of C Shares;

"Conversion" means, in relation to any tranche of C Shares, conversion of the C Shares of that tranche into New Shares in accordance with the Articles;

"Conversion Calculation Date" means, in relation to any tranche of C Shares, the earlier of:

a) close of business on the day to be determined by the Directors occurring not before the day on which the Investment Manager gives notice to the Directors that at least 85 per cent., or such other percentage as the Directors may select as part of the terms of issue of any tranche of C Shares, of the assets attributable to the holders of that tranche of C Shares are invested in accordance with the investment policy of the Company; and

b) opening of business on the first day on which the Directors resolve that Force Majeure Circumstances in relation to any tranche of C Shares have arisen or are imminent,

provided that the Conversion Calculation Date shall in relation to any tranche of C Shares be such that the Conversion Date shall not be later than such date as may be determined by the Directors on the date of issue of C Shares of such tranche as the last date for Conversion of that tranche;

"Conversion Date" means, in relation to any tranche of C Shares, the earlier of:

a) such date as may be determined by the Directors on the date of issue of the C Shares of such tranche as the last date for Conversion of such tranche; and

b) the opening of business on a dealing day selected by the Directors and falling after the Conversion Calculation Date;

"Conversion Ratio" means in relation to each tranche of C Shares, A divided by B calculated to four decimal places (with 0.00005 being rounded upwards) where:

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

and

$$B=\frac{F-G}{H}$$

and where:

C is the aggregate value of all assets and investments of the Company attributable to the relevant tranche of C Shares (as determined by the Directors) on the relevant Conversion Calculation Date calculated in accordance with the accounting principles adopted by the Company from time to time;

D is the amount (to the extent not otherwise deducted in the calculation of C) which, in the Directors' opinion, fairly reflects the amount of the liabilities attributable to the holders of C Shares of the relevant tranche on the Conversion Calculation Date;

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

F is the aggregate value of all assets and investments attributable to the Ordinary Shares on the relevant Conversion Calculation Date calculated in accordance with the accounting principles adopted by the Company from time to time;

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 attributable to the Ordinary Shares on the Conversion Calculation Date; and

H is the number of Ordinary Shares in issue on the Conversion Calculation Date;

"Force Majeure Circumstance" means, in relation to any tranche of C Shares, any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation and/or other circumstances which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable notwithstanding that less than 85 per cent. (or such other percentage as the Directors may select as part of the terms of issue of such tranche) of the assets attributable to the holders of that tranche of C Shares are invested in accordance with the investment policy of the Company;

"Issue Date" means, in relation to any tranche of C Shares, the day on which the Company receives the net proceeds of the issue of the C Shares of that tranche;

"New Shares" means the new Ordinary Shares arising on Conversion of the C Shares; and

"Share Surplus" means the net assets of the Company less the C Share Surplus or, if there is more than one tranche of C Shares in issue at the relevant time, the C Share Surpluses attributable to each of such tranches.

(B) **Issue of C Shares**

Subject to the Articles and the Companies Law, the Directors shall be authorised to issue C Shares in tranches on such terms as they determine provided that such terms are consistent with the provisions of the Articles. The Board shall, on the issue of each tranche of C Shares, determine the Conversion Calculation Date (including the percentage of assets to have been invested prior to calculation of the Conversion Ratio taking place), Conversion Date, Conversion Ratio and voting rights attributable to each such tranche.

Each tranche of C Shares, if in issue at the same time, shall be deemed to be a separate class of shares. The Board may, if it so decides, designate each tranche of C Shares in such manner as it sees fit in order that each tranche of C Shares can be identified.

(C) **Dividends**

The C Shareholders of any tranche of C Shares will be entitled to receive such dividends as the Board may resolve to pay to such C Shareholders out of the assets attributable to such C Shareholders.

The New Shares shall rank in full for all dividends and other distributions declared after the Conversion Date save that, in relation to any tranches of C Shares, the Directors may determine, as part of the terms of issue of such tranche, that the New Shares arising on the Conversion of such tranche will not rank for any dividend declared by reference to a record date falling on or before the Conversion Date.

(D) **Rights as to capital**

The capital and assets of the Company shall on a winding up or on a return of capital prior, in each case, to Conversion be applied as follows:

a) first, the Share Surplus shall be divided amongst the holders of the Ordinary Shares *pro rata* according to their holdings of Ordinary Shares; and

b) secondly, the C Share Surplus attributable to each tranche of C Shares shall be divided amongst the holders of the C Shares of such tranche *pro rata* according to their holdings of C Shares.

(E) **Voting rights**

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 those applying to holders of Ordinary Shares as set out in the Articles as if the C Shares and Ordinary Shares were a single class.

(F) **Class consents and variation of rights**

Until Conversion, the consent of: (i) the holders of each tranche of C Shares as a class; and (ii) the holders of the Ordinary Shares as a class shall be required to:

a) make any alteration to the Memorandum or the Articles; or

b) pass any resolution to wind up the Company,

and accordingly the special rights attached to the C Shares of such tranche and the Ordinary Shares shall be deemed to be varied.

5.2.20 **Pre-emption rights**

(A) The Company shall not allot and issue shares, nor sell them from treasury, for cash on any terms to a person unless:

(1) it has made an offer to each person who holds shares of the same class in the Company to allot and issue to him on the same or more favourable terms a proportion of those shares which is as nearly as practicable equal to the proportion in number held by him of the share capital of the Company of that class; and

(2) the period during which any such offer may be accepted by the relevant current holders has expired or the Company has received a notice of the acceptance or refusal of every offer so made from such holders,

provided that the Directors may impose such exclusions and/or make such other arrangements as they deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical problems.

(B) An offer pursuant to the provision in sub-paragraph 5.2.20(A) should be made by a notice and must state a period of not less than 14 days beginning on the date on which such offer is deemed to be delivered or received pursuant to the Articles during which it may be accepted and the offer shall not be withdrawn before the end of that period.

(C) The Directors may be given, by virtue of a special resolution, the power to issue, or sell from treasury, shares either generally, or in respect of a specific issue or sale from treasury, such that the provision in sub-paragraph 5.2.20(A) shall not apply, or shall only apply with such modifications as the Directors may determine. The special resolution must state the number of shares in respect of which the provision in sub-paragraph 5.2.20(A) is excluded or modified, and specify the date on which such exclusion or modification will expire, which must not be more than five years from the date on which the resolution is passed.

(D) The provision in sub-paragraph 5.2.20(A) shall not apply to the issue of: bonus shares or shares issued in lieu of dividend or distribution, or a particular issue of shares if they are, or are to be, wholly or partially paid otherwise than in cash; or shares in connection with a rights issue, open offer or other offer of shares in favour of the holders of shares or a class of shares at such record date as the Directors may determine, where the shares attributable to the interests of those holders are proportionate to the respective numbers of shares of that class held by them on such record date.

5.2.21 **Notice or other communication sent by electronic means**

Shareholders are deemed to have agreed to the sending of documents by electronic means in any particular electronic form and to the sending of documents by means of a website to the extent permitted under the Companies Law.

6. THE CITY CODE ON TAKEOVERS AND MERGERS

6.1 Mandatory bid

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

(a) any person acquires, whether by a series of transactions over a period of time or otherwise, an interest in shares which, when taken together with shares in which

they and persons acting in concert with them are interested, carry 30 per cent. or more of the voting rights in the Company; or

(b) any person, together with persons acting in concert with them, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of the Company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with them, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which they are interested,

such person would be required (except with the consent of the UK Panel on Takeovers and Mergers) to make a cash or cash alternative offer for the outstanding shares at a price not less than the highest price paid for any interests in the shares by them or their concert parties during the previous 12 months. Such an offer must only be conditional on the person having received acceptances in respect of shares which (together with shares already acquired or agreed to be acquired) will result in the person and any person acting in concert with them holding shares carrying more than 50 per cent. of the voting rights.

SBA Florida expects to invest in the Placing up to the lower of US$200 million and 40 per cent. of the Ordinary Shares issued under the Placing. The precise shareholding of SBA Florida will depend on the outcome of the Placing as a whole. If the Company raises gross proceeds under the Placing of between US$250 million to US$600 million (being the minimum and maximum gross proceeds pursuant to the terms of the Placing) and SBA Florida subscribes for the lower of: (i) Ordinary Shares worth, in aggregate, US$200 million; and (ii) 40 per cent of the Ordinary Shares issued under the Placing, then SBA Florida would hold 40 per cent. of the total issued capital of the Company on Admission.

The Takeover Panel has confirmed to the Company that no mandatory offer for the Company need be made as a result of SBA Florida acquiring 30 per cent. or more of the voting rights attached to the issued share capital of the Company as a result of the Placing on the basis that the Takeover Code will apply to the Company from Admission and the subscription by SBA Florida for up to 40 per cent. of the total issued share capital of the Company pursuant to Placing is disclosed in this Prospectus.

6.2 **Share buy-backs**

When a company redeems or purchases its own voting shares, under Rule 37 of the Takeover Code, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 of the Takeover Code. Rule 37 of the Takeover Code provides that, subject to prior consultation, the Takeover Panel will normally waive any resulting obligation to make a general offer if there is a vote of independent shareholders and a procedure along the lines of that set out in Appendix 1 to the Takeover Code is followed. Appendix 1 to the Takeover Code sets out the procedure which should be followed in obtaining that consent of independent shareholders.

Under Note 1 on Rule 37.1 of the Takeover Code, a person who comes to exceed the limits in Rule 9.1 in consequence of a company's purchase or redemption of its own shares will not normally incur an obligation to make a mandatory offer unless that person is a director, or the relationship of the person with any one or more of the directors is such that the person is, or is presumed to, acting in concert with any of the directors. The investment manager of an investment company is treated for these purposes as if it were a director. Furthermore, where a Shareholder has acquired Ordinary Shares at a time when it had reason to believe that a purchase by the Company of the Ordinary Shares would take place, then an obligation to make a mandatory bid under Rule 9 may arise.

Subject to certain limits, the Company will have the authority to make market purchases of shares under the terms of the shareholder resolution summarised in paragraph 4.6 of this Part VI (Additional Information on the Company) of this Prospectus (the "**Market Purchases Resolution**"). This authority is for the period between the date of the resolution and the first annual general meeting of the Company subject to a limit of 10 per cent. of the total shares in issue immediately following Admission.

On Admission, if SBA Florida holds 30 per cent. or more but less than 50 per cent. of the voting rights of the Company, any subsequent increase in the percentage of shares held by SBA Florida as a result of the Company exercising its authority to make market purchases of shares pursuant to the Market Purchases Resolution could trigger a requirement to make a mandatory offer under Rule 9 of the Takeover Code (as illustrated below) if no exception under the Takeover Code is available.

In relation to the above, by way of illustration, if:

(a) the percentage shareholding in the Company of SBA Florida immediately following Admission were 40 per cent. (being the maximum percentage shareholding that SBA Florida will acquire under the Placing under any circumstances);

(b) the Company were to exercise its authority to make market purchases of shares pursuant to the Market Purchases Resolution in full; and

(c) none of the shares which SBA Florida holds are purchased by the Company under that authority,

then the shareholding of SBA Florida would increase to approximately 44.4 per cent. of the issued share capital of the Company.

Notwithstanding the provisions of Rule 37 of the Takeover Code, the Takeover Panel has confirmed to the Company that it would not require SBA Florida to make a mandatory offer under Rule 9 of the Takeover Code on the grounds that its interest in the shares has increased only as a result of the purchase by the Company of its own shares pursuant to the Market Purchases Resolution for the period up to the Company's first AGM. This confirmation has been given on the basis that the consequences of such a purchase by the Company of its own shares have been fully disclosed to prospective investors in this Prospectus.

If, however, the shareholding of SBA Florida and any concert party in the Company increases for any reason other than as a consequence of the purchase by the Company of its own shares pursuant to the Market Purchases Resolution, then SBA Florida would normally be required to make a mandatory offer under Rule 9 of the Takeover Code.

6.3 Compulsory acquisition

The Companies Law provides that if an offer is made for the shares or any class of shares in the capital of a company and, within four months after the date of the offer, the offer is approved by shareholders comprising 90 per cent. in value of the shares affected (excluding any shares held as treasury shares), then the offeror may, within a period of two months immediately after the last day on which the offer can be approved or accepted, give notice to any dissenting shareholders informing them that it wishes to acquire their shares (an "**Acquisition Notice**"). Where an Acquisition Notice is given, the offeror is then entitled and bound to acquire the dissenting shareholders' shares on the terms of the offer approved by the shareholders comprising 90 per cent. in value of the shares affected; and where the terms of the offer provided a choice of consideration, the Acquisition Notice must give particulars of the choice and state (a) the period within which, and the manner in which, the dissenting shareholder must notify the offeror of his choice, and (b) which consideration specified in the offer will apply if he does not so notify the offeror.

7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

7.1 Directors' interests

7.1.1 As at the date of this Prospectus:

(A) none of the Directors or any person connected with any of the Directors has a shareholding or any other interest in the share capital of the Company; and

(B) none of the Directors has any conflicts of interest or potential conflicts of interest between any duties owed to the Company of any of the Directors and his or her private interests or any other duties.

7.1.2 Immediately following Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

7.2 **Directors' contracts with the Company**

7.2.1 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.

7.2.2 The Directors' appointments can be terminated in accordance with the Articles and without compensation or in accordance with the Companies Law or common law. The Directors shall retire from office at each AGM, in accordance with the Articles.

7.2.3 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 may be terminated by, among other things: (i) resignation; (ii) unauthorised absences from board meetings for six consecutive months or more; or (iii) the written request of all Directors other than that whose appointment is being terminated.

7.2.4 The Directors' current level of remuneration is £30,000 per annum for each Director other than the Chairperson, who receives an additional £15,000 per annum, and the chairperson of the Audit Committee, who receives an additional £5,000 per annum.

7.2.5 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. No amounts have been set aside or accrued by the Company to provide pension, retirement or similar benefits.

7.3 **Directors' other interests**

7.3.1 As at the date of this Prospectus, the Directors are, or have been during the five years preceding the date of this Prospectus, director, member of the administrative, management or supervisory body or partner of the following companies and partnerships (other than the Company):

Name	***Current***	***Previous***
Dr Linda Yueh	Coutts Charitable Foundation	-
	Malaria No More United Kingdom	
	Nexus Global Ltd	
	Rentokil Initial plc	
	Royal Commonwealth Society	
	St Edmund Hall, University of Oxford	

Trudi Clark	ABERDEEN Sapphire IV Limited	121 Robinson Road LLC
	ADP II GP Limited	BVS Centre Management Limited
	ADP II Holding 3 Ltd	BVS Outlet Villages SPV1 Ltd
	ADP II Holding 5 Ltd	David Rubin & Partners (C.I.) Limited
	ADP II Holding 12 Limited	F&C Commercial Property Finance Limited
	ADP III Equity GP Limited	Goldbridge Fund Management Company (Guernsey) Ltd
	ADP IIII GP Limited	Mentone Advisors Ltd
	Alcentra European Floating Rate Income Fund Limited	Mentone Trustees Ltd
	Beaumont Consulting Ltd	Mint Consultants Limited
	Cirrius Holdings Limited	The Oakleigh Park Management Corp
	Emerge Procurement Solutions Limited	
	F&C Commercial Property Trust Limited	
	F&C Commercial Property Holdings Limited	
	FCPT Holdings Limited	
	Guernsey Women's Refuge Limited	
	Leonardo Crawley Limited	
	Newhaven Investments Ltd	
	NB Private Equity Partners Ltd	
	NB PEP Holdings Limited	
	NB PEP Investments Limited	
	NB PEP Investments LP Limited	
	P123 (C.I.) Limited (in voluntary liquidation)	
	P123 (C.I.) Investments Limited (in voluntary liquidation)	
	P123 (Investments) Limited (in voluntary liquidation)	
	P123 Limited (in voluntary liquidation)	
	P1234 Investments Limited	
	P1234 Limited	
	Prime Four Limited	
	Riseley International Limited	
	River and Mercantile UK Micro Cap Investment Company Limited	
	Robinson Investments Limited	
	SAFER LBG	
	Sapphire (Investments) II Limited	
	Sapphire IV (Investments) Ltd	

	Sapphire PCC Limited	
	SCP Estate Holdings Limited	
	SCP Estate Limited	
	Transcontinental Alternative Investment Fund Ltd	
	Transcontinental Growth Fund Ltd	
	Transcontinental International Theme Fund Ltd	
	Transcontinental Investment Services Limited	
	Transcontinental US Equity Fund Ltd	
	Trans Continental Investment Services Bahamas Limited	
	Winchester Burma Limited	
John Mackie CBE	Amadeus and Angels Seed Fund	Baronsmead VCT plc
	Amadeus IV Early Stage Fund	Mithras Investment Trust plc (in voluntary liquidation)
	Mithras Capital Partners LLP	

7.3.2 Save as disclosed in this Prospectus, in the five years before the date of this Prospectus, the Directors:

(A) do not have any convictions in relation to fraudulent offences;

(B) 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

(C) have not been subject to 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.

7.4 **Major Shareholders**

7.4.1 The Investment Manager and the Portfolio Manager together hold all voting rights in the Company as at the date of this Prospectus. Pending the allotment of Ordinary Shares pursuant to the Placing, the Company is owned by the Investment Manager and the Portfolio Manager.

7.4.2 As at the date of this Prospectus and insofar as is known to the Company, assuming Gross Placing Proceeds of US$450 million, it is expected that the following persons will, immediately following the Placing, be directly or indirectly interested in five per cent. or more of the Company's share capital:

Shareholder	**Notifiable interests / voting rights**
SBA Florida	40.0%
Baillie Gifford & Co (acting as discretionary investment manager for an underlying client)	10.0%

RBC Canadian Master Trust	10.0%[1]
Winnipeg Civic Employees' Pension Fund	9.4%
Textron Inc. Master Trust	7.8%
NAV CANADA Pension Plan	5.6%

The precise percentage of voting rights which will be held by the above persons immediately following the Placing is not yet known, but will depend on the outcome of the Placing.

7.4.3 Except as described in paragraph 5.2.6 of this Part VI (Additional Information on the Company) of this Prospectus, none of the Shareholders has or will have voting rights attached to the Ordinary Shares held by them which are different from the voting rights attached to any other Ordinary Shares in the same class in the Company. So far as is known to the Company as at the date of this Prospectus, the Company will not, immediately following the Placing, be directly or indirectly owned or controlled by any single person or entity and there are no arrangements known to the Company the operation of which may subsequently result in a change of control of the Company.

7.4.4 Except as described in paragraph 5.2.6 of this Part VI (Additional Information on the Company) of this Prospectus, all Shareholders have the same voting rights in respect of the share capital of the Company.

7.5 **Related party transactions**

Save as disclosed in paragraph 10 below, the Company has not entered into any related party transaction at any time during the period from incorporation to 15 March 2019 (being the latest practicable date before publication of this Prospectus).

7.6 **Other material interests**

7.6.1 The Investment Manager, the Portfolio Manager, other Baillie Gifford entities, any of their respective 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, may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company.

7.6.2 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, the Investment Manager, the Portfolio Manager, other Baillie Gifford entities, any of their respective 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 may (subject in the case of the Investment Manager to the restrictions contained in the Investment Management Agreement) acquire on behalf of a client an investment in which the Company may invest.

8. SHARE OPTIONS AND SHARE SCHEME ARRANGEMENTS

No share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

[1] It is expected that RBC Canadian Master Trust will be subject to certain restrictions under the BHCA. Under the Articles, the voting rights of each Shareholder that confirms that such restrictions apply to them at the time of a general meeting will be subject to certain restrictions and adjustments, as summarised in paragraph 5.2.6 of this Part VI (Additional Information on the Company) of this Prospectus.

9. OTHER INVESTMENT RESTRICTIONS

9.1 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 I (Information on the Company) of this Prospectus.

9.2 In the event of material breach of these investment restrictions applicable to the Company, Shareholders will be informed of the actions to be taken by the Investment Manager via an RIS announcement.

10. MATERIAL CONTRACTS

Save as described below, the Company has not: (i) entered into any material contracts (other than contracts in the ordinary course of business) since its incorporation; or (ii) entered into any contracts that contain provisions under which the Company has any obligation or entitlement that is material to the Company as at the date of this Prospectus.

10.1 **Investment Management Agreement**

10.1.1 The Company and the Investment Manager have entered into the Investment Management Agreement dated 18 March 2019, pursuant to which the Investment Manager is appointed to act as investment manager of the Company, with responsibility for the discretionary portfolio management and risk management functions for the Company, and to advise the Company on a day-to-day basis, in accordance with the investment policy of the Company, subject to the overall policies, supervision, review and control of the Board.

10.1.2 The Company has consented to the Investment Manager delegating portfolio management and certain administrative and ancillary functions to the Portfolio Manager, and, subject to prior notice to the Company, to the Portfolio Manager sub-delegating certain administrative and ancillary functions to other Baillie Gifford entities.

10.1.3 Under the terms of the Investment Management Agreement and subject always to the investment guidelines contained in the Investment Management Agreement, the Investment Manager has discretion to (amongst other things): (i) subscribe for, buy or otherwise acquire and sell or otherwise dispose of investment assets for the account of the Company; (ii) participate in issues or offers of investment assets; (iii) provide any undertaking in relation to offers, placings or rights conferred by a particular investment asset; (iv) exercise any governance or ownership right conferred by a particular investment asset; (v) negotiate borrowings; (vi) manage, operate and develop any property of the Company; (vii) deal in foreign currencies; and (viii) take such other action which it reasonably considers to be necessary, desirable or incidental to the performance of its obligations under the Investment Management Agreement.

10.1.4 The Investment Manager is also required to comply with such regulatory requirements as may apply to it from time to time as the AIFM of the Company.

Fees and expenses

10.1.5 With effect from Admission, the Investment Manager will be entitled to a fee (exclusive of VAT, which shall be added where applicable) payable quarterly in arrears, calculated as at the close of business on the relevant Valuation Date at the rate of: (a) on the Net Asset Value excluding cash or cash equivalent assets up to and including US$650 million, at a rate of 0.225 per cent.; (b) on the Net Asset Value excluding cash or cash equivalent assets exceeding US$650 million up to and including US$1.3 billion, at a rate of 0.2 per cent.; and (c) on the Net Asset Value excluding cash or cash equivalent assets exceeding US$1.3 billion, at a rate of 0.175 per cent. (the "**Investment Management Fee**"). "**Valuation Date**" means 31 January, 30 April, 31 July and 31 October (as the case may be).

Service standard

10.1.6 The Investment Manager has agreed to perform its obligations under the Investment Management Agreement at all times in accordance with the following standard of care:

(A) with such skill and care as would be reasonably expected of a professional discretionary investment manager of equivalent standing to the Investment Manager managing in good faith an investment company of comparable size and complexity to the Company and having a materially similar investment objective and investment policy; and

(B) ensuring that its obligations under the Investment Management Agreement are performed by a team of appropriately qualified, trained and experienced professionals reasonably acceptable to the Board. The Investment Manager shall keep the Board informed as to who has responsibilities on a day-to-day basis for the performance of the Investment Manager's obligations under this Agreement,

(the "**Service Standard**").

Termination

10.1.7 Unless otherwise agreed by the Company and the Investment Manager, the Investment Management Agreement may be terminated by either the Company or the Investment Manager on not less than six months' notice to the other party.

10.1.8 In addition, the Company may terminate the Investment Management Agreement with immediate effect if:

(A) the Investment Manager is subject to any of certain insolvency situations;

(B) the Investment Manager ceases, or takes steps to cease, to carry on its business or substantially the whole of its business, or makes or threatens to make any material alteration to the nature of its business as carried on at the date of the Investment Management Agreement;

(C) the Investment Manager has committed fraud, wilful default or a breach of its obligations under the Investment Management Agreement (other than a breach of the Service Standard) that is material in the context of the Investment Management Agreement and, where such breach is capable of remedy, fails to remedy such breach within 30 days after receiving notice from the Company requiring the same to be remedied;

(D) the Investment Manager has committed a breach of the Service Standard and fails to remedy such breach within 90 days after receiving notice from the Company requiring the same to be remedied;

(E) the Investment Manager ceases to maintain its permission from the FCA to act as AIFM of the Company, or such permission is suspended;

(F) the Investment Manager ceases to hold any other authorisation required in order to perform its obligations under the Investment Management Agreement and fails to remedy the situation without any material adverse implications for the Company within such period as the Company may specify and which is reasonable in the circumstances;

(G) the scope of the Investment Manager's permission from the FCA to act as AIFM of the Company is restricted to the extent that, in the opinion of the Company, acting reasonably, it impairs the Investment Manager's ability to perform its obligations under the Investment Management Agreement; or

(H) the Company is required by any relevant regulatory authority to terminate the Investment Manager's appointment.

10.1.9 In addition, the Investment Manager may terminate the Investment Management Agreement:

(A) with immediate effect if an order has been made or an effective resolution passed for the winding-up or liquidation of the Company (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously consented to in writing by the Investment Manager);

(B) if the Board proposes to make a material change to the investment objective, policy and restrictions of the Company which, in the Investment Manager's opinion, is of such significance that the Investment Manager would no longer be able to meet the requirements of the Service Standard, on the earlier of (i) the date of appointment of a replacement AIFM, and (ii) the business day before the proposed changes are intended to take effect;

(C) if the Company breaches certain provisions of the Investment Management Agreement and, where such breach is capable of remedy, fails to remedy such breach within 30 days after receiving notice from the Manager requiring the same to be remedied; or

(D) if the Investment Manager is required by any relevant regulatory authority to do so (in which case the Investment Manager will provide the Company with written notice of such requirement immediately).

Liability and indemnity

10.1.10 The Investment Manager shall not be liable to the Company for any loss, claim, costs, charges and expenses, liabilities or damages arising out of the proper performance by the Investment Manager, its associates (within the meaning of the FCA Rules), delegates or agents, or the officers, directors or employees of the Investment Manager or its associates, delegates or agents (each, an "**Investment Manager Indemnified Person**") of its obligations under the Investment Management Agreement, unless resulting from the negligence, wilful default, fraud or bad faith of any Investment Manager Indemnified Person or a breach of the Investment Management Agreement or any applicable laws and regulations by any Investment Manager Indemnified Person.

10.1.11 The Investment Manager shall not be liable in any circumstances for any loss, claim, costs, charges and expenses, liabilities or damages that constitute indirect, special or consequential loss, or loss of profits, opportunity, goodwill or reputation arising out of or in connection with the Investment Management Agreement.

10.1.12 The Company shall indemnify each Investment Manager Indemnified Person against all claims by third parties which may be made against such Investment Manager Indemnified Person in connection with the provision of services under the Investment Management Agreement except to the extent that the claim is due to the negligence, wilful default, fraud or bad faith of any Investment Manager Indemnified Person or a breach of the Investment Management Agreement or any applicable laws and regulations by any Investment Manager Indemnified Person.

Governing law

10.1.13 The Investment Management Agreement is governed by the laws of England and Wales.

10.2 **Depositary Agreement**

10.2.1 The Company and the Investment Manager have entered into the Depositary Agreement with The Bank of New York Mellon (International) Limited dated 18 March 2019, pursuant to which The Bank of New York Mellon (International) Limited is appointed as depositary to the Company.

Fees and expenses

10.2.2 The Depositary is entitled to receive a fee in respect of UK depositary services of 0.01275 per cent. of the total assets of the Company, subject to a minimum annual fee of £10,000 (exclusive of VAT). A custody fee in respect of global custodian services is also payable, the level of which will depend upon the assets held and the country or countries in which those assets are held, subject to a minimum annual fee of £33,600 (exclusive of VAT).

10.2.3 The Depositary is also entitled to be refunded for all reasonable and properly incurred expenses incurred in the performance of its duties in connection with the Depositary Agreement.

Term and termination

10.2.4 Any party may terminate the Depositary Agreement upon at least 90 days' notice to the other parties. The termination of the Depositary's appointment may not take effect until a new depositary has been appointed.

10.2.5 A party may terminate the Depositary Agreement immediately upon notice if at any time another party:

(A) becomes subject to bankruptcy, insolvency or similar procedures;

(B) ceases to be licensed for its activity under the Depositary Agreement or ceases to have approval(s) by applicable governmental institutions that are required for its activities; or

(C) materially defaults on its obligations under the Depositary Agreement and such default is not remedied within two weeks upon notice from another party.

Liability and indemnity

10.2.6 The Company will indemnify and hold harmless the Depositary and its delegates, employees, officers and directors from any and all taxes, charges, expenses (including reasonable legal fees), assessments, claims or liabilities in connection with the performance of this Agreement, except: (i) such as may arise from their or any agent's, delegate's or sub-custodian's (or any of their respective employees, officers and directors') negligence, failure to exercise reasonable care when performing their duties under the Depositary Agreement, recklessness, bad faith, fraud or intentional failure to perform their obligations; (ii) as imposed by mandatory law; and (iii) in respect of something for which the Depositary is otherwise liable under the Depositary Agreement.

Re-use

10.2.7 The Depositary must not re-use any financial instruments of the Company or assets, other than financial instruments or cash, which are held in custody by the Depositary (or a delegate) for the Company, except with the prior consent of the Company or the Investment Manager on its behalf and provided all applicable English laws, rules and regulations (other than the AIFM Directive and the UK Alternative Investment Fund Managers Regulations 2013) are complied with.

Delegation

10.2.8 The Depositary may delegate to third parties any of its functions under the Depositary Agreement. The Depositary may delegate to third parties its safe-keeping functions (a "**Safekeeping Delegation**"), in accordance with the FCA Rules and certain other requirements.

10.2.9 A Safekeeping Delegation must not be made with the intention of avoiding the requirements of the FCA Rules and there must be an objective reason for the making it (as determined by the Depositary in its reasonable discretion and in conformity with the AIFM Directive and UK market practice).

Governing law

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

10.3 **Administration Agreement**

10.3.1 The Company and Alter Domus (Guernsey) Limited have entered into the Administration Agreement dated 18 March 2019, pursuant to which Alter Domus (Guernsey) Limited has been appointed as administrator, secretary and designated manager of the Company.

Fees and expenses

10.3.2 Under the terms of the Administration Agreement, the Administrator is entitled to receive a fixed one-off fee of £14,000 and a fixed annual fee of £64,000 (exclusive of goods and services tax), payable quarterly in arrears. The Administrator is also entitled to reimbursement of reasonable costs, expenses and disbursements properly incurred in accordance with the Administration Agreement.

Termination

10.3.3 The Administration Agreement shall continue until terminated by either party giving to the other party at least 90 days' notice in writing.

10.3.4 Further, either party may terminate the Administration Agreement immediately upon notice if the other party:

(A) is in material or substantial breach of the Administration Agreement which is not capable of remedy or, if such breach is capable of remedy, is not remedied within 30 days after notice of the breach and a request for remedy;

(B) is subject to certain insolvency situations;

(C) ceases to be authorised and regulated by the GFSC (or such other regulator as may be applicable) to carry out their respective regulated activities or to have the licences or permissions required to perform its obligations under the Administration Agreement; or

(D) has provided representations or warranties which have become materially false or inaccurate.

Liability and indemnity

10.3.5 In respect of any liability arising out of the Administrator's obligations under the Administration Agreement, the Administrator shall have no liability towards the Company except on account of negligence, wilful default, fraud, material breach of the Administration Agreement, breach of any applicable Guernsey law or failure to act with reasonable care and diligence.

10.3.6 The total liability of the Administrator in respect of each claim arising out of or in connection with the Administration Agreement in any calendar year is limited to the greater of: (i) 1.5 x the total fees paid and payable to the Administrator under the Administration Agreement in that calendar year (the "**Fee Multiple**"), and (ii) any amount paid by the Administrator's insurers in respect of the claim.

10.3.7 The Company shall indemnify and hold harmless the Administrator and its officers, directors and employees, agents or delegates against any liabilities, costs, expenses, damages and losses (including properly incurred reasonable fees and expenses) suffered or incurred by the Administrator when acting in accordance with proper instructions, or as authorised under the Administration Agreement, except if such liabilities, costs, expenses, damages and losses arise from negligence, wilful default, fraud, material breach of the Administration Agreement, breach of any applicable Guernsey law, or failure to act with

reasonable care and diligence, in each case on the part of any one or more of the Administrator or its officers, directors and employees, agents or delegates.

Governing law

10.3.8 The Administration Agreement is governed by the laws of Guernsey.

10.4 **Registrar Services Agreement**

10.4.1 The Company and Computershare Investor Services (Guernsey) Limited have entered into the Registrar Services Agreement dated 18 March 2019, pursuant to which Computershare Investor Services (Guernsey) Limited has been appointed as Registrar to the Company.

Fees and expenses

10.4.2 Under the terms of the Registrar Services Agreement, the Registrar is entitled to receive a one-off set up fee of £2,000 and a fixed global fee of £18,000 per annum, payable monthly in arrears for up to 1,000 Shareholders (both exclusive of VAT).

10.4.3 The Registrar is also entitled to levy certain charges on a per item basis, and to reimbursement of all reasonable out of pocket expenses incurred in connection with the provision of services under the Registrar Services Agreement.

Term and termination

10.4.4 The Registrar Services Agreement shall continue for an initial period of three years and shall continue thereafter until terminated by either party giving to the other party not less than six months' notice, such notice not to expire before the end of the initial three year period.

10.4.5 Further, either party may terminate the Registrar Services Agreement (including during the initial three year period) immediately upon notice if the other party:

(A) is in persistent or material breach of any term of the Registrar Services Agreement and has not remedied such breach (if capable of being remedied) within 21 days of receiving notice of the breach and a request for remedy;

(B) is subject to any of certain insolvency situations; or

(C) ceases to have the appropriate authorisations which permit it lawfully to perform its obligations under the Registrar Services Agreement at any time.

Liability and indemnity

10.4.6 The Registrar will indemnify and keep indemnified the Company and its officers and employees from and against any damages, loss, costs, claims or expenses (excluding any indirect, special or consequential damages, loss costs, claims or expenses of any kind) which any of them may incur, to the extent arising as a result of, or in connection with, the fraud, negligence or wilful default of the Registrar (or its officers, employees, agents or sub-contractors). The Registrar's aggregate liability over any 12 month period is limited to two times the total amount of fees payable in any 12 month period under the Registrar Services Agreement in respect of a single claim or in the aggregate.

10.4.7 The Company will indemnify and keep indemnified the Registrar from and against all damages, loss, costs, claims or expenses (including any indirect, special or consequential damages, loss costs, claims or expenses of any kind) suffered or incurred by the Registrar as a result of, or in connection with, the performance by the Registrar of its obligations under the Registrar Services Agreement.

10.4.8 No party will be liable to the other for: (i) any loss of profit, revenue, use, goodwill or data, loss due to interruption of business, or loss of anticipated savings; (ii) any loss that is an indirect consequence of the act or omission of the other party; (iii)

any indirect, special or consequential damages, loss, costs, claims or expenses of any kind; or (iv) any *ex gratia* payment or sum paid in settlement of a claim paid by one party without the prior written approval of the other.

Governing law

10.4.9 The Registrar Services Agreement is governed by the laws of Guernsey.

10.5 **Receiving Agent Services Agreement**

10.5.1 The Company and Computershare Investor Services PLC have entered into the Receiving Agent Services Agreement dated 18 March 2019, pursuant to which Computershare Investor Services PLC has been appointed as Receiving Agent to the Company.

Fees and expenses

10.5.2 Under the terms of the Receiving Agent Services Agreement, the Receiving Agent is entitled a management fee of £4,000 (exclusive of VAT). Disbursements and out-of-pocket expenses are included in the management fee.

10.5.3 If the Placing is cancelled after it opens but before Admission, the Receiving Agent will be entitled to invoice the Company for the work that it has done to the date of cancellation.

Liability and indemnity

10.5.4 The Receiving Agent will indemnify and hold the Company harmless from and against any actions, proceedings, liability, claims, damages, costs, losses and expenses (excluding any indirect, special or consequential damages, loss, costs, claims or expenses of any kind) which the Company may incur as a result of or in connection with the fraud, negligence or wilful default of the Receiving Agent relating to the services provided under the Receiving Agent Services Agreement. The Receiving Agent's aggregate liability over a 12 month period under the Receiving Agent Services Agreement is limited to two times the total amount of fees payable under the Receiving Agent Services Agreement in respect of a single claim or in the aggregate.

10.5.5 The Company will indemnify the Receiving Agent all actions, proceedings, liability, claims, damages, costs, losses and expenses (excluding any indirect, special or consequential damages, loss, costs, claims or expenses of any kind) whether brought by the Company or any third party in relation to the Receiving Agent acting upon instructions purporting, in the Receiving Agent's reasonable judgement, to be from the Company or its advisers in relation to the Placing, unless such claims arise out of or are attributable to the Receiving Agent's fraud, wilful default, negligence or breach of the Receiving Agent Services Agreement.

10.5.6 No party will be liable to the other for: (i) any loss of profit, revenue, use, goodwill or data, loss due to interruption of business, or loss of anticipated savings; (ii) any loss that is an indirect consequence of the act or omission of the other party; or (iii) any *ex gratia* payment or sum paid in settlement of a claim paid by one party without the prior written approval of the other.

Governing law

10.5.7 The Receiving Agent Services Agreement is governed by the laws of England and Wales.

11. LITIGATION

There have been no governmental, legal or arbitration proceedings since the Company's incorporation, and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened, nor of any such proceedings having been pending or threatened at any time preceding the date of this Prospectus which may have, or have had in the recent past, a significant effect on its financial position or profitability.

12. SIGNIFICANT CHANGE

As at the date of this Prospectus, there has been no significant change in the financial or trading position of the Company since its incorporation.

13. WORKING CAPITAL

The Company is of the opinion that, taking into account the minimum Net Placing Proceeds, the working capital available to it is sufficient for the present requirements of the Company, that is for at least 12 months from the date of this Prospectus.

14. CAPITALISATION AND INDEBTEDNESS

As at the date of this Prospectus, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness and the Company's issued share capital consists of two Ordinary Shares with no legal reserve or other reserves.

15. THIRD PARTY INFORMATION AND CONSENTS

15.1 Where third party information has been referenced in this Prospectus, the source of that third party information has been disclosed. Where information contained in this Prospectus has been so sourced, the Company confirms that such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

15.2 SBA Florida has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which it appears.

15.3 The Investment Manager and the Portfolio Manager have given and not withdrawn their written consent to the inclusion in this Prospectus of references to their respective names in the form and context in which they appear. The Investment Manager and the Portfolio Manager have given and not withdrawn their written consent to the inclusion in this Prospectus of the information and opinions contained in Part I (Information on the Company), Part II (Investment Opportunity and Strategy) and Part III (Directors, Management and Administration) of this Prospectus and any other information or opinion related to, or attributed to, them or other Baillie Gifford entities and the references to them in the form and context in which they appear, and have authorised such information and opinions.

16. GENERAL

16.1 The Company is not dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes which are material to the Company's business or profitability.

16.2 In accordance with the Prospectus Rules, the Company will file with the FCA, and make available for inspection by the public, details of the number of Ordinary Shares issued under this Prospectus. The Company will also notify the issue of the Ordinary Shares through a Regulatory Information Service.

16.3 The effect of the Placing will be to increase the net assets of the Company. On the assumption that the Placing is subscribed as to 250 million Ordinary Shares, the fund raising is expected to increase the net assets of the Company by approximately US$248.75 million. The Placing is expected to be earnings enhancing.

17. ADDITIONAL AIFM DIRECTIVE DISCLOSURES

17.1 AIFM Directive leverage limits

For the purposes of the AIFM Directive, leverage is required to be calculated using two prescribed methods: (i) the gross method; and (ii) the commitment method, and expressed as the ratio between a fund's total exposure and its net asset value.

As measured using the gross method, the level of leverage to be incurred by the Investment Manager on behalf of the Company is not to exceed 120 per cent. of NAV (which is the equivalent of a ratio of 1.2:1).

As measured using the commitment method, the level of leverage to be incurred by the Investment Manager on behalf of the Company is not to exceed 110 per cent. of NAV (which is the equivalent of a ratio of 1.1:1).

17.2 **Liquidity risk management**

There is no right or entitlement attaching to Ordinary Shares that allows them to be redeemed or repurchased by the Company at the option of the Shareholder.

Liquidity risk is therefore the risk that a position held by the Company cannot be realised at a reasonable value sufficiently quickly to meet the obligations (primarily, repayment of any debt and the fees payable to the Company's service providers) of the Company as they fall due.

In managing the Company's assets, therefore, the Investment Manager will seek to ensure that the Company holds at all times a Portfolio of assets that is sufficiently liquid to enable it to discharge its payment obligations.

17.3 **Fair treatment of Shareholders**

The Company will ensure that it treats all holders of the same class of its shares that are in the same position equally in respect of the rights attaching to those shares. For reasons relating to US securities laws, US Persons who are holders of Ordinary Shares will have their voting rights in relation to the appointment and removal of Directors capped, in accordance with the Articles (details of which are set out in paragraph 5.2 of Part VI (Additional Information on the Company)).

Baillie Gifford will on or prior to Admission enter into side letters or similar arrangements with certain institutional, governmental or regulated Shareholders to provide, to the extent permitted by any applicable law, such Shareholders with assistance with due diligence reviews, and with information and reporting that is in the possession of Baillie Gifford and which is required by such Shareholders to meet specific tax, regulatory or legal or administrative requirements applicable to them.

The Company will not be party to or participate in the performance of any side letter or arrangement with any Shareholder.

17.4 **Investors' rights**

The Company is reliant on the performance of third party service providers, including the Investment Manager, the Depositary, the Receiving Agent, the Administrator and the Registrar. Without prejudice to any potential right of action in tort that a Shareholder may have to bring a claim against a service provider, each Shareholder's contractual relationship in respect of its investment in Ordinary Shares is with the Company only. Accordingly, no Shareholder will have any contractual claim against any service provider with respect to such service provider's default.

If a Shareholder considers that it may have a claim against a third party service provider in connection with such Shareholder's investment in the Company, such Shareholder should consult its own legal advisers.

The above is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised service provider under section 138D of FSMA (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 138D of FSMA, or in tort, against any service provider in connection with their investment in the Company, should consult their legal adviser.

17.5 **Professional liability risks**

The Investment Manager is authorised under the AIFM Directive and is therefore subject to the detailed requirements set out therein in relation to liability risks arising from

professional negligence. The Investment Manager will maintain such additional own funds as are sufficient at all times to satisfy the requirements under the AIFM Directive.

18. DOCUMENTS AVAILABLE FOR INSPECTION

18.1 Copies of this Prospectus and of the Articles will be available for inspection during usual business hours on any day (other than Saturdays, Sundays and public holidays) at the registered office of the Company and the offices of Herbert Smith Freehills LLP, Exchange House, Primrose Street, London, EC2A 2EG until the date of Admission.

18.2 In addition, copies of this Prospectus are available, for inspection only, from the National Storage Mechanism at www.morningstar.co.uk/uk/NSM and the Company's website at www.schiehallionfund.com.

18.3 Further copies of this Prospectus and the constitutional documents of the Company may be obtained, free of charge, from the registered office of the Company as set out in paragraph 1.2 above and the registered office of the Investment Manager as set out in paragraph 2.1 above.

PART VII – TERMS AND CONDITIONS OF THE PLACING

1. INTRODUCTION

1.1 Each Placee which confirms its agreement (whether orally or in writing) to the Company to subscribe for Ordinary Shares under the Placing will be bound by these terms and conditions and will be deemed to have accepted them.

1.2 Each Placee must execute a separate letter (the "**Placing Letter**"). The terms of this Part VII (Terms and Conditions of the Placing) of this Prospectus will, where applicable, be deemed to be incorporated into such Placing Letter. The Company may also require any Placee to agree to such further terms and conditions and/or give such additional warranties and representations as it (in its absolute discretion) sees fit.

2. AGREEMENT TO SUBSCRIBE FOR SHARES

2.1 Conditional on:

(i) Admission occurring by 8.00 a.m. (London time) on 27 March 2019 (or such other date, not being later than the Long Stop Date, as the Company may determine);

(ii) the Net Placing Proceeds being at least US$248.75 million; and

(iii) the Company confirming to the Placees their allocation of Ordinary Shares,

a Placee agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares allocated to it by the Company at the Placing Price in respect of the Ordinary Shares allocated to the Placee.

2.2 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 SHARES

3.1 Each Placee must pay the Placing Price for the Ordinary Shares allocated to the Placee in the manner and by the time directed by the Company. If any Placee fails to pay as so directed and by the time required, the relevant Placee's application for Ordinary Shares may, at the discretion of the Company, either be rejected or accepted. In the case of acceptance, 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 Placing Price for the Ordinary Shares allocated to it in accordance with paragraph 3.1 of these terms and conditions and the Company elects to accept that Placee's application, the Company may sell all or any of the Ordinary Shares allocated to the Placee on such Placee's behalf and retain from the proceeds, for the Company'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 Ordinary Shares on such Placee's behalf.

4. REPRESENTATIONS AND WARRANTIES

By agreeing to subscribe for Ordinary Shares, each Placee which enters into a commitment to subscribe for Ordinary Shares will (for itself and any person(s) procured by it to subscribe for Ordinary Shares and any nominee(s) for any such person(s)) be deemed to agree, represent and warrant to each of the Company, the Investment Manager, the Portfolio Manager, the Receiving Agent and the Registrar that:

(i) in agreeing to subscribe for Ordinary Shares, it is relying solely on this Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus and prior to Admission and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the Ordinary Shares or the Placing. It agrees that none of the

Company, the Registrar or, to the fullest extent permissible under law, the Investment Manager, nor any of their respective Affiliates, officers, agents or employees, will have any liability for any other information or representation. To the fullest extent permissible under law, it irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;

(ii) the content of this Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus and prior to Admission is exclusively the responsibility of the Company and the Directors (and other persons that accept liability for the whole or part of this Prospectus and any such supplementary prospectus);

(iii) either: (a) it is located outside the US, it is not a US Person, it is acquiring the Ordinary Shares in an "offshore transaction" meeting the requirements of Regulation S, and it is not acquiring the Ordinary Shares for the account or benefit of a US Person; or (b) it is both a Qualified Purchaser and an Accredited Investor who has delivered to the Company a signed US representation letter in form and substance acceptable to the Company and is acquiring the Ordinary Shares pursuant to an exemption from the registration requirements of the Securities Act;

(iv) unless otherwise expressly agreed with the Company, neither it, nor any person having a "beneficial interest" (as such term is defined in FINRA rule 5130) in it, is: (a) a "restricted person" pursuant to FINRA rule 5130; or (b) a "covered person" pursuant to FINRA rule 5131 (a "**covered person**" as used in this sub-clause means an executive officer or director of a "public company" or a "covered non-public company", or a person receiving "material support" from such an executive officer or director, where the "public company" or "covered non-public company" (1) is currently an investment banking services client of a FINRA member or has paid compensation to a FINRA member for investment banking services in the past twelve months, (2) expects to retain a FINRA member for investment banking services within the next three months, or (3) has entered into an express or implied obligation, directly or indirectly through such executive officer or director, to retain a FINRA member for the performance of future investment banking services as described under FINRA rule 5131(b)), or a person otherwise voluntarily restricted under FINRA rule 5131(b). It acknowledges and agrees that the Company, the Investment Manager and the Portfolio Manager will rely on the representations in sub-clause (a) and (b) above in connection with any representations the Company (or the Investment Manager or Portfolio Manager, on behalf of the Company) is required to make under FINRA rule 5130 or FINRA rule 5131 to purchase "new issues" (as such term is defined in FINRA rule 5130) and it will promptly notify the Company, the Investment Manager and the Portfolio Manager and provide corrected information upon the occurrence of any change with respect to the representations in sub-clause (a) or (b) above;

(v) it is aware and acknowledges that the Company reserves the right to make inquiries of any holder of the Ordinary Shares or interests therein at any time as to such person's status under relevant laws and regulations (including, without limitation, such person's status in connection with any relevant provision under the Securities Act, Investment Company Act, Exchange Act, FINRA rules or any other relevant laws or regulations) and to require any such person that has not satisfied the Company that the holding by such person will not violate, require registration under or cause the Company to lose an exemption or a status under relevant laws or regulations to transfer such Ordinary Shares or interests in accordance with the Articles;

(vi) it acknowledges the representations, warranties, undertakings, agreements and acknowledgements set out in this Prospectus, including those set out in the section entitled "*United States Transfer Restrictions*" and "*Representations, Warranties and Undertakings*" in Part IV (Placing Arrangements) of this Prospectus;

(vii) it acknowledges that the representations, warranties, undertakings, agreements and acknowledgements contained in this Prospectus and in any Placing Letter, where relevant, are irrevocable, and that the Company and its Affiliates will rely upon the truth and accuracy of such representations, warranties, undertakings, agreements and acknowledgements. It agrees that if any of the representations, warranties, undertakings, agreements or acknowledgements made or deemed to have been made by it in connection with its subscription for the Ordinary Shares are no longer accurate, it shall promptly notify the Company;

(viii) it agrees that, having had the opportunity to read this Prospectus, it shall be deemed to have had notice of all information and representations contained in this Prospectus, that it is acquiring Ordinary Shares solely on the basis of this Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus and prior to Admission and no other information, and that in accepting a participation in the Placing it has had access to all information it believes necessary or appropriate in connection with its decision to subscribe for the Ordinary Shares;

(ix) 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 Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus and prior to Admission and, if given or made, any information or representation must not be relied upon as having been authorised, verified or approved by the Company, the Investment Manager, the Portfolio Manager or the Registrar or any of their respective Affiliates;

(x) 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 UK Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (depository receipts and clearance services) of the UK Finance Act 1986;

(xi) if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Ordinary Shares, 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;

(xii) 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 Ordinary Shares and it is not acting on a non-discretionary basis for any such person;

(xiii) it accepts that none of the Ordinary Shares have been or will be registered under the laws of any jurisdiction and, accordingly, the Ordinary Shares may not be offered, sold, issued or delivered, directly or indirectly, within any jurisdiction outside the UK unless an exemption from any registration requirement is available;

(xiv) if it is outside the United Kingdom, neither this Prospectus 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 Ordinary 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 Ordinary Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;

(xv) if it is a resident in the EEA, it is a "Qualified Investor" within the meaning of the law in the Relevant Member State implementing Article 2(1)e(i), (ii) or (iii) of the Prospectus Directive;

(xvi) if it is a "professional investor" (as defined in the AIFM Directive) resident, domiciled or with a registered office in the EEA: (a) the Ordinary Shares have only been promoted, offered, placed or otherwise marketed to it, and the subscription

will be made from, (1) the United Kingdom, (2) an EEA State, provided that the Investment Manager has confirmed that it has made the relevant notification or applications and is lawfully able to market the Ordinary Shares to professional investors in that EEA State, or (3) a country outside the EEA; or (b) it has received the Prospectus on the basis of an enquiry made at its own initiative;

(xvii) if it is located in Canada, it confirms, warrants and agrees that it is a person or entity that is an "accredited investor" (as such term is defined in National Instrument 45-106 or the Securities Act (Ontario)) and a "permitted client" (as such term is defined in National Instrument 31-103 and Multilateral Instrument 32-102);

(xviii) if it is located in Australia: (a) it confirms, warrants and agrees that it is a person to whom an offer of securities may be made under sections 708(8) or 708(11) of the Australian Corporations Act 2001 (the "**Corporations Act**"), such that any offer of securities to it does not require a prospectus, product disclosure statement or other form of disclosure document under the Corporations Act; (b) it acknowledges that for a period of 12 months from the date of issue of the Ordinary Shares, it will not be able to transfer any interest in the Ordinary Shares to any person in Australia except to sophisticated or professional investors within the meaning of sections 708(8) and (11) of the Corporations Act or otherwise in accordance with section 707(3) of the Corporations Act; (c) it confirms, warrants and agrees that it is not a related party of the Company within the meaning of section 228 of the Corporations Act; and (d) it acknowledges and agrees that the settlement of the Placing is not covered by the national guarantee fund;

(xix) it has not and will not offer or sell any Ordinary Shares to persons in the United Kingdom, except to persons whose ordinary activities involve them acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 102B of FSMA;

(xx) it is subscribing for or purchasing the Ordinary Shares for investment only and not for resale or distribution;

(xxi) it irrevocably appoints any Director to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Ordinary Shares for which it has given a commitment under the Placing, in the event of its own failure to do so;

(xxii) it accepts that if the Placing does not proceed or the Ordinary Shares are not admitted to trading on the Specialist Fund Segment for any reason whatsoever, then the Company, its Affiliates, persons controlling, controlled by or under common control with the Company or any of its Affiliates, and their respective employees, agents, officers, members, stockholders, partners and representatives, shall not have any liability whatsoever to it or any other person;

(xxiii) it has not taken any action or omitted to take any action which will or may result in the Company, the Investment Manager, the Portfolio Manager or the Registrar, or any of their respective Affiliates, directors, officers, agents, employees or advisers, being in breach, directly or indirectly, of the legal or regulatory requirements of any territory in connection with the Placing or its subscription of Ordinary Shares pursuant to the Placing;

(xxiv) in connection with its participation in the Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and countering terrorist financing, and its application is only made on the basis that it accepts full responsibility for any requirement to identify and verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is: (a) subject to and compliant with the Money Laundering Regulations, the Money Laundering Directive or the Guernsey

AML Requirements; and/or (b) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and are based or incorporated in or formed under the law of a country which is a member of the Financial Action Task Force;

(xxv) due to anti-money laundering and the countering of terrorist financing requirements, the Company may require proof of identity of the Placee and its related parties 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 Placee to produce any information required for verification purposes, the Company may refuse to accept the application and the subscription monies relating thereto. It holds harmless and will indemnify the Company and its Affiliates against any liability, loss or cost ensuing due to the failure to process the application, if such information as has been required was not provided by it or was not provided on a timely basis;

(xxvi) it and each person or body (including, without limitation, any local authority or the managers of any pension fund) on whose behalf it accepts Ordinary Shares pursuant to the Placing or to whom it allocates such Ordinary Shares have the capacity and authority to enter into and to perform their obligations as a Placee of the Ordinary Shares and will honour those obligations;

(xxvii) as far as it is aware, save as otherwise disclosed in this Prospectus, it is not acting in concert (within the meaning given in the Takeover Code) with any other person in relation to the Company;

(xxviii) it confirms that it is not, and at Admission will not be, an Affiliate of the Company or a person acting on behalf of such Affiliate, and it is not acquiring Ordinary Shares for the account or benefit of an Affiliate of the Company or of a person acting on behalf of such an Affiliate;

(xxix) it will (or will procure that its nominee will) if applicable, make notification to the Company of the interest in its Ordinary Shares in accordance with Rule 5 of the Disclosure Guidance and Transparency Rules issued by the FCA and made under Part VI of FSMA as they apply to the Company;

(xxx) it accepts that the allocation of Ordinary Shares shall be determined by the Company and Baillie Gifford, and that the Company and Baillie Gifford may scale back any applications for this purpose on such basis as they may determine; and

(xxxi) time shall be of the essence as regards its obligations to settle payment for the Ordinary Shares and to comply with its other obligations under the Placing.

5. SUPPLY AND DISCLOSURE OF INFORMATION

If the Company, the Investment Manager or the Registrar, or any of their agents, request any information in connection with a Placee's agreement to subscribe for Ordinary Shares under the Placing or to comply with any relevant legislation, such Placee must promptly disclose it to them.

6. DATA PROTECTION

Each Placee acknowledges that it has been informed of the privacy notices that are available for review at www.bailliegifford.com/en/uk/about-us/important-disclosures/privacy-policy and www.bailliegifford.com/en/uk/about-us/important-disclosures/privacy-policy/individual-investors (the "**Privacy Notices**") and that the Company and Baillie Gifford will process personal data at all times in compliance with DP Legislation and the Privacy Notices.

6.1 The Placee represents and warrants that either: (i) it does not act as controller of personal data of any data subject in the EU or Guernsey (in which case paragraphs 6.2 and 6.3 below shall not apply), or (ii) if and insofar as it acts as controller in respect of any personal data of any data subject in the EU or Guernsey, it shall comply with its obligations under DP Legislation.

6.2 Each Placee acknowledges that, by submitting personal data to the Registrar (acting for and on behalf of the Company), it represents and warrants that:

6.2.1 it has notified any underlying data subject of the Purposes (as defined on page 43 of this Prospectus) for which personal data will be used and by which parties it will be used; and

6.2.2 it has brought the Privacy Notices to the attention of any underlying data subjects on whose behalf or account the Placee may act or whose personal data will be disclosed to the Company and Baillie Gifford as a result of the Placee agreeing to subscribe for Ordinary Shares under a Placing.

6.3 Where the Placee acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, the Placee shall, in respect of the personal data it processes in relation to or arising in relation to a Placing:

6.3.1 comply with all applicable DP Legislation;

6.3.2 take appropriate technical and organisational measures against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of, or damage to the personal data;

6.3.3 if required, agree with the Company, Baillie Gifford and the Registrar (as applicable), the responsibilities of each such entity as regards relevant data subjects' rights and notice requirements; and

6.3.4 immediately on demand, fully indemnify the Company, Baillie Gifford and the Registrar (as applicable) and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), losses (including indirect losses and loss of profits, business and reputation), actions, proceedings and liabilities of whatsoever nature arising from or incurred by the Company, Baillie Gifford and/or the Registrar in connection with any failure by the Placee to comply with the provisions set out above.

7. MISCELLANEOUS

7.1 The rights and remedies of the Company, the Investment Manager, the Portfolio Manager 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.

7.2 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.

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

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

7.5 The Company expressly reserves the right to modify the Placing (including, without limitation, its timetable and settlement) at any time before allocations are determined.

PART VIII – DEFINITIONS

"Accredited Investor"	an "accredited investor" as defined in Regulation D under the Securities Act
"Administration Agreement"	the agreement dated 18 March 2019, between the Company and the Administrator summarised in paragraph 10.3 of Part VI (Additional Information on the Company) of this Prospectus
"Administrator"	Alter Domus (Guernsey) Limited, a company incorporated in Guernsey with registered number 49294, whose registered office is First Floor, Albert House, South Esplanade, St Peter Port, Guernsey, Channel Islands, GY1 1AJ
"Admission"	the admission of the Ordinary Shares issued pursuant to the Placing to trading on the Specialist Fund Segment
"Advisers Act"	the US Investment Advisers Act of 1940, as amended
"Affiliate"	an affiliate of, or person affiliated with, a specified person, including a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified
"AGM"	annual general meeting
"AIC"	the Association of Investment Companies
"AIC Code"	the 2019 AIC Code of Corporate Governance, as revised or updated from time to time
"AIFM"	an alternative investment fund manager, within the meaning of the AIFM Directive
"AIFM Directive"	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No. 1095/2010; the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision
"Articles"	the articles of incorporation of the Company as at the date of this Prospectus
"Audit Committee"	the committee of this name established by the Board and having the duties described in the section entitled "*Audit Committee*" in Part III (Directors, Management and Administration) of this Prospectus
"Baillie Gifford"	Baillie Gifford & Co, the Investment Manager, the Portfolio Manager and other direct or indirect subsidiary undertakings of Baillie Gifford & Co from time to time, or any one or more of them, as the context requires

"Benefit Plan Investor"	as defined on page 2 of this Prospectus
"BHCA"	the US Bank Holding Company Act of 1956, as amended
"BHCA Restricted Holder"	as defined in paragraph 5.2.6(K) of Part VI (Additional Information on the Company) of this Prospectus
"BG Client"	a client of Baillie Gifford
"Board"	the board of Directors of the Company, including any duly constituted committee thereof
"C Share"	a redeemable ordinary share of no par value in the capital of the Company issued and designated as a "C Share" of such class (denominated in such currency) as the Board may determine in accordance with the Articles, and having such rights and being subject to such restrictions as are contained in the Articles and which will convert into an Ordinary Share in accordance with the terms of the Articles
"Canadian Pension Plan"	a pension plan governed by the laws of Canada (or a jurisdiction thereof) that is subject to section 11 of Schedule III to the Pension Benefits Standards Regulations, 1985 (Canada) or a substantially similar restriction contained in the legislation governing such pension plan
"certificated" or **"in certificated form"**	not in uncertificated form
"Certifying Shareholder"	as defined in paragraph 5.2.6(C) of Part VI (Additional Information on the Company) of this Prospectus
"Chairperson"	the chairperson of the Company
"Common Reporting Standard" or **"CRS"**	the global standard for the automatic exchange of financial information between tax authorities developed by the Organisation for Economic Co-operation and Development
"Companies Law"	the Companies (Guernsey) Law, 2008, as amended
"Company"	The Schiehallion Fund Limited, an investment company incorporated in Guernsey under the Companies Law on 4 January 2019 with registration number 65915, whose registered office is at First Floor, Albert House, South Esplanade, St Peter Port, Guernsey, Channel Islands GY1 1AJ
"CPP Certifying Shareholder"	as defined in paragraph 5.2.6(F) of Part VI (Additional Information on the Company) of this Prospectus
"CREST"	the relevant system as defined in the CREST Regulations in respect of which Euroclear is operator (as defined in the CREST Regulations), in accordance with which securities may be held in uncertificated form
"CREST Account"	an account in CREST
"CREST Regulations"	the UK Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended

"Depositary"	The Bank of New York Mellon (International) Limited, a limited liability company incorporated in England and Wales with registered number 03236121, whose registered office is at 1 Canada Square, London, E14 5AL
"Depositary Agreement"	the agreement dated 18 March 2019, between the Company, the Investment Manager and the Depositary summarised in paragraph 10.2 of Part VI (Additional Information on the Company) of this Prospectus
"Directors"	the directors of the Company
"Disclosure Guidance and Transparency Rules"	the UK disclosure guidance and transparency rules made by the FCA under Part VI of FSMA
"DP Legislation"	the GDPR, the Data Protection (Bailiwick of Guernsey) Law 2017 (as amended) and, to the extent applicable, the data protection or privacy laws of any other country
"EEA"	the European Economic Area
"EEA State"	any state within the EEA
"ERISA"	the US Employment Retirement Income Security Act of 1974, as amended from time to time, and the applicable regulations thereunder
"EU"	the European Union
"Euroclear"	Euroclear UK & Ireland Limited, the operator of CREST
"Exchange Act"	the US Securities Exchange Act of 1934, as amended
"FATCA"	Sections 1471 to 1474 of the US Tax Code, known as the US Foreign Account Tax Compliance Act (together with any regulations, rules and other guidance implementing such US Tax Code sections and any applicable IGA or information exchange agreement and related statutes, regulations, rules and other guidance thereunder)
"FCA" or **"Financial Conduct Authority"**	the Financial Conduct Authority of the United Kingdom and any organisation which may replace it or take over the conduct of its affairs
"FCA Rules"	the rules and guidance set out in the FCA Handbook of Rules and Guidance from time to time
"FINRA"	the US Financial Industry Regulatory Authority
"FSMA"	the UK Financial Services and Markets Act 2000, as amended
"GDPR"	the EU General Data Protection Regulation (EU) 2016/679 of the European Parliament and of the Council
"GFSC"	the Guernsey Financial Services Commission and any organisation which may replace it or take over the conduct of its affairs
"Gross Placing Proceeds"	the gross proceeds of the Placing, being the number of Ordinary

	Shares issued under the Placing multiplied by the Placing Price
"Guernsey AML Requirements"	the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999 (as amended or replaced from time to time), ordinances, rules and regulations made thereunder, and the GFSC's Handbook for Financial Services Businesses on Countering Financial Crime and Terrorist Financing (as amended, supplemented and/or replaced from time to time)
"HMRC"	HM Revenue & Customs
"IFRS"	International Financial Reporting Standards
"IGA"	intergovernmental agreement
"Initial Expenses"	the expenses of the Company that are necessary for the establishment of the Company, the Placing and Admission
"Initial Investment Period"	the period of two years from the date of Admission
"Investee Company"	a Public Investee Company or a Private Investee Company
"Investment Company Act"	the US Investment Company Act of 1940, as amended
"Investment Management Agreement"	the agreement dated 18 March 2019, between the Company and the Investment Manager summarised in paragraph 10.1 of Part VI (Additional Information on the Company) of this Prospectus
"Investment Management Fee"	as defined in paragraph 10.1 of Part III (Directors, Management and Administration) of this Prospectus
"Investment Manager"	Baillie Gifford & Co Limited, a limited liability company incorporated in Scotland with registered number SC069524, whose registered office is at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, United Kingdom
"IPO"	initial public offering
"IRS"	the US Internal Revenue Service
"ISA"	an individual savings account approved in the UK by HMRC
"London Stock Exchange"	London Stock Exchange plc, a limited liability company registered in England and Wales with registered number 02075721, whose registered office is at 10 Paternoster Square, London, EC4M 7LS
"Long Stop Date"	30 April 2019
"LTGG"	long-term global growth
"Market Abuse Regulation"	the Market Abuse Regulation (2014/596/EU) and its implementing and delegated acts
"Memorandum"	the memorandum of incorporation of the Company
"Money Laundering Directive"	Directive 2015/849/EU of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing

"Money Laundering Regulations"	the UK Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017
"NAV" or **"Net Asset Value"**	the value of all assets of the Company less liabilities to creditors (including provisions for such liabilities) determined in accordance with the valuation policy of the Company from time to time
"Net Placing Proceeds"	the net proceeds of the Placing, being the Gross Placing Proceeds less the Initial Expenses
"Nomination Committee"	the committee of this name established by the Board and having the duties described in the section entitled "*Nomination Committee*" in Part III (Directors, Management and Administration) of this Prospectus
"Non-Certifying Shareholder"	as defined in paragraph 5.2.6(C) of Part VI (Additional Information on the Company) of this Prospectus
"Non-Qualified Holder"	as defined in paragraph 5.2.11(G) of Part VI (Additional Information on the Company) of this Prospectus
"Ordinary Shares"	ordinary shares of no par value in the capital of the Company
"Overseas Persons"	persons who are resident in, or who are citizens of, or who have registered addresses in, territories other than the UK
"PD Amending Directive"	Directive 2010/73/EU of 24 November 2010 amending Directives 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading and 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market
"Placee"	a person subscribing for Ordinary Shares under the Placing
"Placing"	the conditional placing of Ordinary Shares described in this Prospectus, on the terms and subject to the conditions set out in this Prospectus
"Placing Letter"	as defined in paragraph 1.2 of Part VII (Terms and Conditions of the Placing) of this Prospectus
"Placing Price"	US$1.00 per Ordinary Share
"Portfolio"	the portfolio of investments in which the funds of the Company are invested from time to time
"Portfolio Manager"	Baillie Gifford Overseas Limited, a limited liability company incorporated in Scotland with registered number SC084807, whose registered office is at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, United Kingdom
"PRA"	the Prudential Regulation Authority of the United Kingdom
"PRIIPs Regulation"	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) and its implementing and delegated acts

"Private Investee Company"	a business, established in any legal form, in which the Company invests and which is not admitted to trading on any public stock exchange
"Prospectus"	this document
"Prospectus Directive"	Directive 2003/71/EC of the European Parliament and of the Council of the EU and any relevant implementing measure in each Relevant Member State (as amended, supplemented and/or replaced by the PD Amending Directive and the Prospectus Regulation)
"Prospectus Regulation"	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
"Prospectus Rules"	the rules and regulations made by the FCA under Part VI of FSMA
"Public Investee Company"	a business, established in any legal form, in which the Company invests and which is admitted to trading on at least one public stock exchange
"Qualified Purchaser"	a "qualified purchaser" as defined in the Investment Company Act
"Receiving Agent"	Computershare Investor Services PLC, a limited liability company incorporated in England and Wales with registered number 03498808, whose registered office is at The Pavilions, Bridgwater Road, Bristol, BS13 8AE
"Receiving Agent Services Agreement"	the agreement dated 18 March 2019, between the Company and the Receiving Agent summarised in paragraph 10.5 of Part VI (Additional Information on the Company) of this Prospectus
"Register"	the register of members of the Company
"Registrar"	Computershare Investor Services (Guernsey) Limited, a limited liability company incorporated in Guernsey with registered number 50855, whose registered office is at 1st Floor, Tudor House, Le Bordage, St Peter Port, Guernsey, Channel Islands, GY1 1DB
"Registrar Services Agreement"	the agreement dated 18 March 2019, between the Company and the Registrar summarised in paragraph 10.4 of Part VI (Additional Information on the Company) of this Prospectus
"Regulation S"	Regulation S under the Securities Act
"Regulatory Information Service" or **"RIS"**	a service authorised by the FCA to release regulatory announcements to the London Stock Exchange
"Relevant Member State"	each EEA State which has implemented the Prospectus Directive or where the Prospectus Directive is applied by the regulator
"SBA Florida"	the State Board of Administration of Florida, acting on behalf of the Florida Retirement System Trust Fund
"SDRT"	stamp duty reserve tax
"SEC"	the US Securities and Exchange Commission and any

	organisation which may replace it or take over the conduct of its affairs
"Securities Act"	the US Securities Act of 1933, as amended
"Shareholder"	a holder of shares in the capital of the Company
"SIPP"	a self-invested personal pension as defined in Regulation 3 of the UK Retirement Benefits Schemes (Restriction on Discretion to Approve) (Permitted Investments) Regulations 2001
"Specialist Fund Segment"	the Specialist Fund Segment of the Main Market of the London Stock Exchange
"SSAS"	a small self-administered scheme
"Sterling" or **"£"**	pounds sterling, the lawful currency of the UK
"Takeover Code"	the City Code on Takeovers and Mergers
"UK" or **"United Kingdom"**	the United Kingdom of Great Britain and Northern Ireland
"UK Corporate Governance Code"	the United Kingdom Corporate Governance Code as published by the UK Financial Reporting Council, as revised or updated from time to time
"uncertificated" or **"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
"Uncertificated Securities Regulations"	Uncertificated Securities (Guernsey) Regulations, 2009 as amended from time to time
"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
"US Dollars" or **"US$"**	United States dollars, the lawful currency of the United States
"US Person"	a "U.S. person" as such term is defined under Regulation S, and references to "**US Persons**" shall be construed accordingly
"US Plan Assets Regulations"	the regulations promulgated by the US Department of Labor at 29 CFR 2510.3-101, as modified under section 3(42) of ERISA
"US Tax Code"	the US Internal Revenue Code of 1986, as amended
"Volcker Rule"	Section 13 of the US Bank Holding Company Act of 1956, as amended, and Regulation VV (12 C.F.R. Section 248) promulgated thereunder by the Board of Governors of the Federal Reserve System
"Winnipeg Civic Employees' Pension Fund"	The Board of Trustees of the Winnipeg Civic Employees' Benefits Program (Pension Fund), acting on behalf of Winnipeg Civic Employees' Pension Fund