

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO SECURED INCOME FUND PLC (THE "COMPANY") ON WHICH YOU ARE BEING ASKED TO VOTE.** If you are in any doubt about the contents of this document or as to the action you should take, you are recommended immediately to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other appropriately qualified independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") or, if you are in a country outside the United Kingdom, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all your ordinary shares of £0.01 each in the Company (the "**Ordinary Shares**"), please send this document as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, neither this document nor any accompanying document(s) should be forwarded or transmitted to or in any jurisdiction outside the United Kingdom where to do so may violate any legal or regulatory requirement. If you are an existing holder of Ordinary Shares and you have sold or transferred part only of your registered holding of Ordinary Shares, please contact the stockbroker, bank or other agent through whom the sale or transfer was effected.

---

## Secured Income Fund Plc

*(Incorporated in England and Wales with registered number 09682883)  
(Registered as an investment company under section 833 of the Companies Act 2006)*

### Notice of General Meeting

#### **Recommended Proposals for a Managed Wind-Down of the Company and associated amendments to the Investment Policy and Investment Objective**

#### **Proposed amendments to the Articles of Association**

---

Notice of a general meeting of the Company to be held at the offices of Dickson Minto W.S., 17 Charlotte Square, Edinburgh EH2 4DF at 3.00 p.m on 17 September 2020 (the "**General Meeting**") is set out at the end of this document.

On account of the Coronavirus pandemic and associated Government guidance, including the rules on physical distancing and limitations on public gatherings, **Shareholders are strongly discouraged from attending the General Meeting and indeed entry will be refused if the law and/or Government guidance so requires.** Arrangements will be made by the Company to ensure that a minimum number of Shareholders required to form a quorum will attend the General Meeting in order that the meeting may proceed.

All Shareholders are encouraged to vote in favour of the resolutions to be proposed at the General Meeting and if the Ordinary Shares are not held directly, to arrange for their nominee to vote on their behalf. A Form of Proxy for use in conjunction with the General Meeting is enclosed. **Given they are unlikely to be able to attend the General Meeting in person, Shareholders are strongly encouraged to appoint the Chairman of the General Meeting as their proxy to vote on their behalf.** To be valid, Forms of Proxy must be completed and returned in accordance with the instructions printed thereon to the Company's Registrar, Link Asset Services Limited, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and, in any event, so as to be received by no later than 3.00 p.m. on 15 September 2020. If you hold your Ordinary Shares in uncertificated form (i.e. in CREST) you may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the General Meeting set out on pages 11 and 12 of this document). Proxies submitted via CREST for the General Meeting must be transmitted so as to be received by Link Asset Services Limited by no later than 3.00 p.m. on 15 September 2020.

20 August 2020

PART 1

LETTER FROM THE CHAIRMAN

# Secured Income Fund Plc

*(Incorporated in England and Wales with registered number 09682883)  
(Registered as an investment company under section 833 of the Companies Act 2006)*

**Directors**

David Stevenson (*Chairman*)  
Susan Gaynor Coley  
Brett Miller

**Registered Office**

Level 13  
Broadgate Tower  
20 Primrose Street  
London  
EC2A 2EW

20 August 2020

Dear Shareholder,

**Notice of General Meeting and recommended Proposals for (i) a Managed Wind-Down of the Company and associated amendments to the Investment Policy and Investment Objective; and (ii) proposed amendments to the Articles of Association**

**Introduction**

The Company is a closed-ended UK investment trust whose Ordinary Shares are admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange. It was launched in September 2015 and from April 2017 until June 2020 was managed by companies within the SQN Group. Dawn Kendall joined the SQN Group in 2017 and was appointed as the lead manager responsible for the Company's Portfolio in April 2017. On 6 June 2020, KKV Investment Management Ltd ("**KKV**") was appointed as the Company's investment manager and SQN's appointment was terminated. The Portfolio continues to be managed by Dawn Kendall, supported by the wider KKV team.

The Company's current investment objective is to provide Shareholders with attractive risk adjusted returns, principally in the form of regular, sustainable dividends, through investment predominantly in a range of secured loans and other secured loan-based instruments originated through a variety of channels and diversified by way of asset class, geography and duration. As at 30 June 2020, the Company's unaudited estimated NAV (cum income) was £45,532,414.

On 19 June 2020, the Company held a continuation vote (the "**June 2020 Continuation Vote**") which, in line with the Directors' recommendation, did not pass. This vote was required under the Articles as the Company did not have a Net Asset Value of at least £250 million as at 31 December 2019. As this vote did not pass, the Directors are required under the Articles to convene a further general meeting of the Company to be held within 90 days of the date of the failed vote to consider a special resolution to approve the voluntary winding up or other reconstruction of the Company.

The purpose of this document is therefore to set out details of the Board's recommended proposals in relation to the future of the Company and to convene a general meeting as required under the Articles. In particular, this document sets out details of, and seeks Shareholders' approval of, the proposals relating to:

1. the Managed Wind-Down of the Company and associated amendments to the Company's Investment Policy and Investment Objective; and
2. the amendment of the Articles to remove the discount continuation vote provision,

(together, the "**Proposals**").

Further details of the Proposals and the relevant Resolutions which will be put to Shareholders at the General Meeting are set out below. The notice of General Meeting is set out on pages 11 and 12 of this document.

## **Background to and reasons for the Proposals**

As indicated above, the June 2020 Continuation Vote did not pass. This was in line with the Directors' recommendation to vote against the Company's continuation. In the explanatory circular published on 26 May 2020 in connection with the June 2020 Continuation Vote, the Directors explained that in the preceding months, the Board had been considering, and consulting with Shareholders on, the future of the Company and in particular the available viable options for addressing the challenges the Company faces, including size, scalability, liquidity and the discount to NAV at which the Ordinary Shares trade. The Board indicated that as a result of these considerations, the Board did not believe the Company could continue in its current form indefinitely and therefore recommended that Shareholders vote against continuation of the Company. The Board further noted that regardless of the outcome of the June 2020 Continuation Vote, the Board intended to undertake a strategic review into the future of the Company and in particular intended to examine the likely returns to Shareholders and timing of any managed wind-down of the Portfolio compared to other options to return capital to Shareholders or the creation of a more liquid investment in a larger vehicle that would be listed on the London Stock Exchange.

As announced on 13 July 2020, the Board has concluded its strategic review and having consulted with Shareholders representing a significant proportion of the Ordinary Shares and having considered the various strategic options open to the Company with a view to maximising Shareholder value, the Board determined that the Company should be put into Managed Wind-Down, with cash returned to Shareholders in a timely and efficient manner.

In order to do this, the Company is seeking Shareholder approval to replace the Investment Objective and Investment Policy with the New Investment Policy set out in Part 2 of this document and to approve the Managed Wind-Down in accordance with the continuation vote provisions of the Articles. If approved, the Board will endeavour to realise all of the Company's investments in a manner that achieves a balance between maximising the net value received from those investments and making timely returns to Shareholders.

Shareholders should note that, if the Company enters a Managed Wind-Down of its Portfolio, the Company is unlikely to be able to realise the full value of its Portfolio and return the proceeds to Shareholders for at least a period of between two and four years, and possibly longer, given the illiquid nature of the Company's investments.

The weighted average maturity of the Company's loan book is 2.89 years, with the longest maturity being 5.65 years. The Company cannot demand early repayment of these loans (except in the event of a borrower default) and has to await the repayment of the loans in accordance with their terms. Further, the Board is aware that one of the effects of the Coronavirus pandemic will be that many borrowers seek to extend the maturities, or amortisation periods, on their loans and/or request additional facilities as borrowers respond to the impact of the pandemic on their operations. The Company will need to consider providing such facilities, even during a Managed Wind-Down, to preserve the value of loans already advanced. Accordingly, there can be no certainty as to the value or timing of the returns Shareholders will receive as a result of any Managed Wind-Down process or other form of reconstruction.

The Board is also seeking Shareholder approval to amend the Articles to remove the discount continuation vote provision. Further details of the proposed amendments are set out below.

The Board considers that the Proposals are in the best interests of Shareholders as a whole and recommends that Shareholders vote in favour of all Resolutions.

## **Overview of the Managed Wind-Down and proposed change to the Company's Investment Objective and Investment Policy**

### *Mechanics for returning cash to Shareholders*

The Board has carefully considered the potential mechanics for returning cash to Shareholders and the Company's ability to do so. The Board believes it is in the best interests of Shareholders as a whole to make distributions to Shareholders without a significant delay following realisations of a material part of the Portfolio (whether in a single transaction or through multiple, smaller transactions concluded on similar timing). In the Board's view, making distributions by way of a declaration of dividends has the benefit of being faster, providing a more regular return (as opposed to simply waiting to return all available amounts on a liquidation) and being more cost effective to administer than other mechanisms, such as a tender offer or B share scheme, although the Board notes that returning investment principal by way of a declaration of dividends may not be the most tax efficient method of returning

monies to investors who are UK tax resident individuals. However, the Board may consider making tender offers for Shares in the future although Shareholders should have no expectation that this will be the case.

The Board intends to move to making quarterly dividend payments (as opposed to monthly dividend payments) for the time being but will keep this under review. It may become more appropriate in future as the size of the Company declines to instead make payments by way of ad-hoc special dividends, when appropriate, during the course of the Managed Wind-Down process so that the Company is able to return available cash to Shareholders as soon as reasonably practicable after cash becomes available in the Portfolio. The Company will also look to structure its dividend payments to maintain investment trust status for so long as it remains listed.

#### *Amendments to the Investment Objective and Investment Policy*

The Proposals involve amending the Company's Investment Objective and Investment Policy to reflect a realisation strategy and the Company's ceasing to make any new investments except in very limited circumstances as detailed in Part 2 of this document. The proposed amendments to the Company's Investment Objective and Investment Policy are considered a material change. Although the Company is admitted to trading on the Specialist Fund Segment of the London Stock Exchange and is therefore not required to comply with the FCA's Listing Rules, the Company has indicated it will voluntarily comply with Listing Rule 15.4.8(2). Accordingly, given the proposed amendments are considered to be material, the consent of Shareholders to the proposed amendments to the Investment Objective and Investment Policy are being sought.

The Directors believe that being prescriptive as regards the timeframe for realising the Company's investments could prove detrimental to the value achieved on realisation. Therefore, it is the Board's view that the strategy for the realisation of the Company's investments will need to be flexible and may need to be altered to reflect changes in the circumstances of a particular investment or in the prevailing market conditions. In seeking to realise the Company's investments in an orderly manner, the Directors will aim to achieve a balance between maximising their net value and progressively returning cash to Shareholders. In so doing, the Board will take account of the continued costs of operating the Company. The capacity to trade in the Ordinary Shares will be maintained for as long as the Directors believe it to be practicable and cost-effective during the Managed Wind-Down period.

Once all, or substantially all, of the Company's investments have been realised, the Company will, at an appropriate time, seek Shareholders' approval for it to be placed into members' voluntary liquidation.

Part 2 of this document sets out the New Investment Policy in full.

#### **Shareholder approval under the Articles**

As stated above, as the June 2020 Continuation Vote did not pass, the Directors are required under the Articles to convene a general meeting of the Company to be held within 90 days of the date of such vote to consider a special resolution to approve the voluntary winding up or other reconstruction of the Company. The Directors are therefore seeking Shareholder approval for the Managed Wind-Down proposals in accordance with Article 190.3 of the Articles.

#### **Revised Management Fee Arrangements and Term**

The Board has agreed the following amendments to the Investment Management Agreement between the Company and KKV.

1. A reduction in the base management fee payable to KKV by the Company. The current base fee payable to KKV under the Investment Management Agreement is one per cent. per annum of the Net Asset Value of the Company. The base fee payable to KKV under the Investment Management Agreement will reduce:
  - a. for the 12 month period following the Amendment Date, to 0.75 per cent. per annum of the Company's Net Asset Value; and
  - b. thereafter, to 0.55 per cent. per annum of the Company's Net Asset Value.
2. The introduction of a performance fee. The performance fee will be calculated using the most recent NAV prior to the Company failing the June 2020 Continuation Vote (being the NAV as at 31 May 2020) as the benchmark (the "**Benchmark NAV**"). If 99 per cent. of the Benchmark NAV is returned (or takes the form of cash available for

return) to Shareholders by way of dividend, share buy backs or other methods of return of capital (such sums being "Funds Returned") within 12 months from the Amendment Date then a performance fee of 0.6 per cent. of the Funds Returned would be payable to KKV. The relevant percentage (0.6 per cent.) will be reduced by 0.1 per cent. for every one per cent. less than 99 per cent. of Benchmark NAV that is returned to Shareholders. For example, if only 98 per cent. of the Benchmark NAV is returned to Shareholders within 12 months from the Amendment Date, then the performance fee would amount to 0.5 per cent. of the Funds Returned and so on. Should the time taken to realise the Portfolio exceed 12 months from the Amendment Date, then for the period from the first to second anniversary of the Amendment Date, the relevant percentage at which a performance fee is calculated will reduce by 33 per cent. (so that, for example, if 99 per cent. of Benchmark NAV is returned to shareholders by month 17, the performance fee would be 0.4 per cent. (two thirds of 0.6 per cent.) of the Funds Returned). If a performance fee is paid in respect of the 12 months following the Amendment Date, then a performance fee will only be payable in the following year in respect of any additional Funds Returned during that second year.

3. The introduction of an outperformance fee. Under the terms of the amended Investment Management Agreement, KKV will be entitled to an 'outperformance fee' equal to 10 per cent. of all Funds Returned to Shareholders in excess of the Benchmark NAV within the 12 month period from the Amendment Date, such sum reducing to 5 per cent. in respect of Funds Returned within 12 to 24 months following the Amendment Date.
4. Effective from the first anniversary of the Amendment Date, there will be a reduction in the notice period applicable to termination of the Investment Management Agreement by either party from 12 months to 4 months.

#### **Amendment to the Articles of Association**

The Articles contain provisions which require the Board to put a continuation resolution to Shareholders in circumstances where the Ordinary Shares have been trading at a daily discount to Net Asset Value of greater than ten per cent. for a period of three consecutive months. This provision is set out in full below.

*"190.2 In the event that the Ordinary Shares of the Company have been trading at a daily discount to the Net Asset Value of greater than 10 per cent. for a period of three consecutive months, the Directors shall convene a general meeting to propose to Shareholders the Discount Continuation Resolution. If the Discount Continuation Resolution is not passed, the Directors shall draw up proposals for the voluntary winding-up of the Company or for the other reconstruction of the Company with a view to realising the Company's assets for submission to Shareholders as a Special Resolution at a further general meeting, such general meeting to be convened by the Directors for a date not more than 90 days after the general meeting at which the Discount Continuation Resolution was not passed."*

It is proposed that current Article 190.2 is removed in its entirety. The Board believes that removing this provision will avoid unnecessary cost being incurred by the Company while the Managed Wind-Down is being implemented. It is probable that should the Company enter a Managed Wind-Down, the Ordinary Shares will trade at a sustained discount such that the continuation vote trigger under the Articles may be triggered at regular intervals during the Managed Wind-Down period. If Shareholders vote in favour of the adoption of the New Investment Policy (which will effectively culminate in the discontinuation of the Company) there is little justification to hold periodic continuation votes. The Board believes the adoption of the New Investment Policy effectively renders Article 190.2 redundant and therefore the Board proposes that it is removed from the Articles of Association.

#### **Benefits of the Proposals**

The Directors believe, having taken into account the views of a number of Shareholders, that the Proposals are in the best interests of Shareholders as a whole and should yield the following principal benefits:

- implementing a managed and orderly disposal of investments should maximise the value to be realised on the sale of the Company's assets and, therefore, returns to Shareholders; and
- the Proposals will allow cash to be returned to Shareholders in a cost-effective and timely manner (by way of such mechanisms as the Directors consider, in their discretion, are in the best interests of Shareholders as a whole from time to time).

Accordingly, the Directors are recommending that Shareholders vote in favour of the Proposals.

## **Resolutions**

The Proposals are subject to the approval of Shareholders, and the Notice of General Meeting at which Resolutions to approve the Proposals will be considered is set out on pages 11 and 12 of this document.

Resolution 1, which will be proposed as an ordinary resolution, seeks authority to adopt the New Investment Policy.

Resolution 2, which will be proposed as a special resolution, seeks the approval of Shareholders, in accordance with Article 190.3 of the Articles of Association, for the Managed Wind-Down to be implemented.

Resolution 3, which will be proposed as a special resolution, seeks authority to amend the Articles of Association.

As an ordinary resolution, for Resolution 1 to pass, more than half of the votes cast must be in favour. As special resolutions, Resolutions 2 and 3 will only pass if at least 75 per cent. of the votes cast are in favour.

## **General Meeting**

The General Meeting has been convened for 3.00 p.m. on 17 September 2020 to be held at the offices of Dickson Minto W.S., 17 Charlotte Square, Edinburgh EH2 4DF. All Shareholders are entitled to attend, speak and vote at the General Meeting. In accordance with the Articles, all Shareholders entitled to vote and present in person or by proxy at the General Meeting shall upon a show of hands have one vote and upon a poll shall have one vote in respect of every Ordinary Share held.

In the light of the Coronavirus pandemic and associated Government guidance, including the rules on physical distancing and limitations on public gatherings, Shareholders are strongly discouraged from attending the General Meeting and indeed entry will be refused if the law and/or Government guidance so requires. Arrangements will be made by the Company to ensure that a minimum number of Shareholders required to form a quorum will attend the General Meeting in order that the meeting may proceed. The Board considers these revised arrangements to be in the best interests of Shareholders in the current circumstances.

Shareholders are strongly encouraged to appoint the Chairman of the General Meeting as their proxy to vote on their behalf as it is unlikely that third party proxies will be able to attend the General Meeting. This should ensure that your votes are registered.

## **Action to be taken**

Shareholders will find enclosed with this document a Form of Proxy for use at the General Meeting. Shareholders are asked to complete and return the Form of Proxy in accordance with the instructions printed thereon to the Company's Registrar, Link Asset Services Limited, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and, in any event, so as to be received by no later than 3.00 p.m. on 15 September 2020. Shareholders who hold their shares electronically may submit their votes through CREST. CREST members should read the notes to the notice of the General Meeting set out on pages 11 and 12 of this document for further details.

## **Recommendation**

The Board considers that the Proposals are in the best interests of the Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

The Directors, who in aggregate have an interest in 22,395 Ordinary Shares, representing approximately 0.04 per cent. of the issued share capital of the Company as at 18 August 2020 (being the latest practicable date prior to the publication of this document), intend to vote their entire beneficial holdings in favour of the Resolutions to be proposed at the General Meeting.

Yours faithfully

**David Stevenson**  
Chairman

## PART 2

### THE COMPANY'S PROPOSED NEW INVESTMENT POLICY

#### **Proposed changes to the Investment Objective and Investment Policy of the Company**

It is proposed that, if the Proposals are approved, the existing Investment Objective and Investment Policy of the Company will each be deleted in their entirety and replaced with the New Investment Policy set out below.

#### *New Investment Policy*

The Company will be managed with the intention of realising all remaining assets in the Portfolio in a prudent manner consistent with the principles of good investment management and with a view to returning cash to Shareholders in an orderly manner.

The Company will pursue its investment objective by effecting an orderly realisation of its assets in a manner that seeks to achieve a balance between maximising the value received from those assets and making timely returns of capital to Shareholders. This process might include sales of individual assets, mainly structured as loans, or running off the Portfolio in accordance with the existing terms of the assets, or a combination of both.

As part of the realisation process, the Company may also exchange existing debt instruments for equity securities where, in the opinion of the Board, the Company is unlikely to be able to otherwise realise such debt instruments or will only be able to realise them at a material discount to the outstanding principal balance of that debt instrument.

The Company will cease to make any new investments or to undertake capital expenditure except where, in the opinion of both the Board and the Investment Manager (or, where relevant, the Investment Manager's successors):

- the investment is a follow-on investment made in connection with an existing asset in order to comply with the Company's pre-existing obligations; or
- failure to make the follow-on investment may result in a breach of contract or applicable law or regulation by the Company; or
- the investment is considered necessary to protect or enhance the value of any existing investments or to facilitate orderly disposals.

Any cash received by the Company as part of the realisation process prior to its distribution to Shareholders will be held by the Company as cash on deposit and/or as cash equivalents.

The Company will not undertake new borrowing.

Any material change to the investment policy will require Shareholder approval.

## PART 3

### RISKS ASSOCIATED WITH THE PROPOSALS

In considering your decision in relation to the Proposals, you are referred to the risks set out below.

**Shareholders should read this document carefully and in its entirety and, if you are in any doubt about the contents of this document or the action you should take, you are recommended to seek immediately your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 or, if you are in a territory outside the United Kingdom, from an appropriately authorised independent financial adviser.**

Only those risks which are material and currently known to the Company have been disclosed. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems to be immaterial, may also have an adverse effect on the Company.

- In a Managed Wind-Down, the value of the Portfolio will be reduced as investments are realised and concentrated in fewer holdings, and the mix of asset exposure will be affected accordingly.
- The Company might experience increased volatility in its Net Asset Value and/or its share price as a result of possible changes to the Portfolio structure following the approval of the Proposals.
- The Company's assets may not be realised at their carrying value, and it is possible that the Company may not be able to realise some assets at any value.
- Sales commissions, liquidation costs, taxes and other costs associated with the realisation of the Company's assets together with the usual operating costs of the Company will reduce the cash available for distribution to Shareholders.
- It should also be noted that there may be other matters or factors which affect the availability, amount or timing of receipt of the proceeds of realisation of some or all of the Company's investments. In particular, ongoing returns of value to Shareholders will decrease the size of the Company's assets, thereby increasing the impact of fixed costs incurred by the Company on the remaining assets. In determining the size of any distributions, the Directors will take into account the Company's ongoing running costs, and the eventual liquidation costs of the Company. However, should these costs be greater than expected or should cash receipts for the realisations of investments be less than expected, this will reduce the amount available for Shareholders in future distributions.



## DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

<b>Amendment Date</b>	the date of the General Meeting
<b>Articles or Articles of Association</b>	the articles of association of the Company, as amended from time to time
<b>Benchmark NAV</b>	the NAV of the Company as at 31 May 2020
<b>Board or Directors</b>	the board of Directors of the Company
<b>Company</b>	Secured Income Fund Plc, a public limited company incorporated in England & Wales with registered number 09682883 and whose registered office is at Level 13 Broadgate Tower, 20 Primrose Street, London EC2A 2EW
<b>CREST</b>	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form
<b>Euroclear</b>	Euroclear UK & Ireland Limited
<b>FCA</b>	the Financial Conduct Authority of the United Kingdom or any successor entity or entities
<b>Form of Proxy</b>	the form of proxy for use by Shareholders in connection with the General Meeting which accompanies this document
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended
<b>General Meeting</b>	the general meeting of the Company convened for 3.00 p.m. on 17 September 2020, or any adjournment of that meeting the notice for which is set out at the end of this document
<b>Investment Management Agreement</b>	the investment management agreement between the Company, KKV and Kvika Securities Ltd
<b>Investment Objective</b>	the existing investment objective of the Company
<b>Investment Policy</b>	the existing investment policy of the Company
<b>June 2020 Continuation Vote</b>	the resolution relating to the continuation of the Company that was put to Shareholders on 19 June 2020 and which, in line with the Directors' recommendation, was not passed
<b>KKV</b>	KKV Investment Management Ltd, a company incorporated in England and Wales with registered number 12475228 and having its registered office at 25 Upper Brook Street, London W1K 7QD
<b>Listing Rules</b>	the listing rules made by the FCA under section 73A of FSMA
<b>London Stock Exchange</b>	London Stock Exchange plc
<b>Main Market</b>	the main Market for listed securities operated by the London Stock Exchange
<b>Managed Wind-Down</b>	the proposed wind-down of the Portfolio to effect the disposal of the Company's investments, as described in this document
<b>NAV or Net Asset Value</b>	the value of the assets of the Company less its liabilities, determined in accordance with the accounting principles adopted by the Company from time to time

<b>New Investment Policy</b>	the proposed new investment objective and policy of the Company, as set out in Part 2 of this document
<b>Ordinary Shares or Shares</b>	ordinary shares of £0.01 each in the capital of the Company
<b>Portfolio</b>	the Company's portfolio of investments from time to time
<b>Proposals</b>	the proposals set out in Part 1 of this document, in respect of which the Resolutions will be proposed at the General Meeting
<b>Registrar</b>	Link Asset Services
<b>Resolutions</b>	the resolutions as set out in the Notice of General Meeting
<b>Shareholder</b>	a holder of Ordinary Shares
<b>SQN Group or SQN</b>	together, SQN Capital Management, LLC, SQN Asset Management Limited and SQN Capital Management (UK) Limited
<b>UK or United Kingdom</b>	the United Kingdom of Great Britain and Northern Ireland
<b>uncertificated or in uncertificated form</b>	a Share recorded on the Company's register of members 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

# Secured Income Fund Plc

(Incorporated in England and Wales with registered number 09682883)  
(Registered as an investment company under section 833 of the Companies Act 2006)

## NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting of Secured Income Fund Plc (the “**Company**”) will be held at the offices of Dickson Minto W.S., 17 Charlotte Square, Edinburgh EH2 4DF at 3.00 p.m. on 17 September 2020 to consider and, if thought fit, pass the following resolutions, of which Resolution 1 will be proposed as an ordinary resolution and Resolutions 2 and 3 will each be proposed as a special resolution.

### ORDINARY RESOLUTION

1. **THAT** the Company adopt the New Investment Policy, as set out in Part 2 of the circular to Shareholders of the Company dated 20 August 2020 which contains this Notice of General Meeting (the “**Circular**”), in substitution for the existing Investment Objective and Investment Policy (both as defined in the Circular) of the Company.

### SPECIAL RESOLUTIONS

2. **THAT**, with effect from the date of passing of this resolution and in accordance with Article 190.3 of the Articles of Association of the Company, the Managed Wind-Down shall be approved.
3. **THAT** the Articles of Association of the Company be altered by the deletion of Article 190.2 in its entirety.

Save where the context requires otherwise, the definitions contained in the Circular shall have the same meanings where used in these Resolutions.

**By order of the Board**

20 August 2020

Elysium Fund Management Limited  
Company Secretary

Level 13  
Broadgate Tower  
20 Primrose Street  
London  
EC2A 2EW

### Notes:

1. A member entitled to attend and vote at the General Meeting may appoint a proxy or proxies to attend, speak and vote instead of him or her. A proxy need not be a member of the Company. A Form of Proxy is enclosed which, if used, must be lodged with the Company’s Registrar, Link Asset Services Limited, 34 Beckenham Road, Beckenham, Kent BR3 4TU not less than 48 hours before the General Meeting (ignoring any part of a day that is not a working day). To appoint more than one proxy you may photocopy the Form of Proxy. You may appoint a person other than the Chairman as your proxy. However, please note that, in the light of the Coronavirus pandemic and associated Government guidance, including the rules on physical distancing and avoiding public gatherings of more than two people, it is unlikely that your vote will be counted where a proxy other than the Chairman of the Meeting is appointed as additional third parties are unlikely to be permitted entry to the meeting. Please indicate the proxy holder’s name and the number of Ordinary Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Ordinary Shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
2. The vote “Withheld” is provided to enable you to abstain on a resolution. However, it should be noted that a “Withheld” vote is not a vote in law and will not be counted in the calculation of the proportion of the votes “For” and “Against” a resolution.
3. The completion and return of the Form of Proxy will not preclude a Member from attending the General Meeting and voting in person.
4. Only those Shareholders having their names entered on the Company’s share register not later than 3.00 p.m. on 15 September 2020 or, if the meeting is adjourned, 3.00 p.m. on the day which is two days (excluding non-working days) prior to the date of the adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to the entries on the Company’s share register after that time shall be disregarded in determining the rights of any Shareholder to attend, speak and vote at the meeting, notwithstanding any provision in any enactment, the Articles of Association of the Company or other instrument to the contrary.
5. As at 18 August 2020 (being the latest practicable date prior to the publication of this notice), the Company’s issued share capital consisted of 52,660,350 Ordinary Shares, carrying one vote each. There are no shares held in treasury. Therefore as at 18 August 2020, the total number of voting rights in the Company is 52,660,350.

6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual, and by logging on to the website [www.euroclear.com](http://www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company's registrar, Link Asset Services (ID RA10), by no later than 3.00 p.m. on 15 September 2020. No such message received through the CREST network after this time will be accepted. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST application host) from which the Company's Registrar is able to retrieve the message by inquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that her or his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

7. Any person to whom this notice of general meeting is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.
8. Corporate representatives are entitled to attend and vote on behalf of the corporate member in accordance with section 323 of the Companies Act 2006. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporate member) the same powers as the corporate member could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.
9. Any person holding three per cent. or more of the total voting rights in the Company who appoints a person other than the Chairman as his/her proxy will need to ensure that both he/she and such third party complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.
10. If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure Guidance and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Conduct Authority. As a result, any member holding three per cent. or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and the Financial Conduct Authority.
11. Members have a right under section 319A of the Companies Act 2006 to require the Company to answer any question raised by a member at the General Meeting, which relates to the business being dealt with at the meeting, although no answer need be given: (a) if to do so would interfere unduly with the preparation of the meeting or involve disclosure of confidential information; (b) if the answer has already been given on the Company's website; or (c) it is undesirable in the best interests of the Company or the good order of the meeting.
12. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act 2006) provided in this notice (or in any related documents including the proxy form) to communicate with the Company for any purposes other than those expressly stated.
13. A copy of this notice of general meeting and other information required by section 311A of the Companies Act 2006, can be found at [www.kvim.com/secured-income-fund](http://www.kvim.com/secured-income-fund).
14. Given the risks posed by the spread of Covid-19 and in accordance with the provisions of the Articles of Association and Government guidance, including the rules on physical distancing and limitations on public gatherings in place as at the date of this Notice, attendance at the General Meeting is unlikely to be possible. If law or Government guidance so requires at the time of the meeting, the Chairman of the Meeting will limit, in his sole discretion, the number of individuals in attendance at the meeting. If the current Government guidance is in place at the time of the meeting, such attendance will be limited to two persons. Should the Government guidance change and the restrictions on public gatherings be relaxed by the time of the meeting, the Company may still impose entry restrictions on certain persons wishing to attend the meeting in order to ensure the safety of those attending the meeting.

