

Fees and Dividends

Fees

The Investment Manager is entitled to a management fee, which accrues daily and is payable quarterly in arrears, calculated at the percentage rates per annum of the Net Asset Value of the Fund as set out below. The management fee is calculated and accrued daily. No performance fee will be payable by the Fund to the Investment Manager.

NAV amounts of the Fund	Applicable rate of management fee to such NAV amount
Up to £500 million	0.75 per cent. of NAV per annum
Between £500 million and up to £750 million	0.70 per cent. of NAV per annum
Between £750 million and up to £1 billion	0.65 per cent. of NAV per annum
Above £1 billion	0.60 per cent. of NAV per annum

Dividends

The Board's and Investment Manager's objective is to provide shareholders with regular dividends, at levels that are sustainable. Following payment of a final quarterly dividend with respect to Q3 2020, the Fund will move to paying dividends on a monthly basis. With effect from 1 January 2021, the Fund will seek in each financial year to distribute amounts to shareholders by way of monthly dividends equal in aggregate to a target annual percentage yield based on the Net Asset Value per Share as at 31 December of the previous year and following a monthly payment timetable published for that year. Dividends will be paid out of cash income and investment profits of the Fund less running costs and subject to the solvency test prescribed by the Companies (Guernsey) Law, 2008. Cash income will comprise cash received by the Fund attributable to the running yield of its portfolio and the income, if any, arising from cash held by the Fund pending investment or distribution (including all fees generated by the portfolio, such as arrangement fees from primary loans) net of management fees and all other fund expenses. Investment profits will comprise realised capital gains (net of realised capital losses) on the disposal of assets and investments in the Fund's portfolio.