

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Circular or the action you should take, you are recommended to seek immediately your own personal financial advice from your independent financial adviser, stockbroker, bank manager, solicitor, accountant or from an appropriately qualified and duly authorised independent adviser.

This Circular is not being sent to Shareholders with registered addresses in the United States, Canada, Australia or Japan and is not an offer of securities for sale in any of these jurisdictions.

Accordingly copies of this Circular are not being mailed and must not be, directly or indirectly, mailed or otherwise distributed, forwarded or transmitted into the United States, Canada, Australia or Japan and all persons receiving such documents (including, without limitation, custodians, nominees and trustees) should observe these restrictions and must not mail or otherwise distribute, forward or transmit them in, into or from the United States, Canada, Australia or Japan.

If you have sold or otherwise transferred all of your Shares in the Company, please send this Circular at once to the purchaser or transferee or to the stockbroker, bank or other person through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted in or into the United States, Canada, Australia or Japan or into any other jurisdiction if to do so would constitute a violation of the relevant laws and regulations in such other jurisdiction.

NB GLOBAL FLOATING RATE INCOME FUND LIMITED

(a non-cellular company limited by shares incorporated under the laws of Guernsey with registration number 53155)

Proposals for a change to the Company's Investment Policy

Proposed change of the Company's name

Proposed adoption of New Articles of Incorporation

Proposed Cash Exit Offer

Notice convening an Extraordinary General Meeting

The Proposals described in this Circular are conditional on the approval of the Shareholders at an extraordinary general meeting ("**Extraordinary General Meeting**" or "**EGM**"). The Notice of the Extraordinary General Meeting to be held at the offices of Praxis Fund Services Limited at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR at 2 p.m. on 8 September 2020 is set out at the end of this Circular.

Shareholders are requested to return a Proxy Appointment by one of the following methods: (i) in hard copy form by post, by courier or by hand to Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU; (ii) online via www.signalshares.com ("**Signal Shares**"); or (iii) in the case of CREST members, by utilising the CREST electronic proxy appointment service, in each case so as to be received by Link Asset Services as soon as possible and, in any event, not less than 48 hours before the time at which the EGM (or any adjournment thereof) is to begin. In calculating such 48 hour period, no account shall be taken of any part of a day that is not a Business Day. Completion of a Proxy Appointment will not preclude a Shareholder from attending, speaking and voting in person at the EGM.

Shareholders should note that they will not receive a paper Proxy Appointment form, but instead are encouraged to appoint a proxy online via Signal Shares. If you have not previously registered, you can do so by using your Investor Code ("**IVC**"), which can be found on your share certificate, or which can be obtained from our registrar, Link Asset Services, by calling their helpline on +44 (0) 371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Shareholders who wish to return a hard copy Proxy Appointment can obtain a paper form from Link Asset Services on request.

Shareholders who hold their Shares in certificated form (that is, not in CREST) who wish to redeem their Shares in the Cash Exit Offer are also requested to return a Redemption Notice (available on the Company's website at www.nbgfrif.com) for use in connection with the Cash Exit Offer. The completed Redemption Notice and share certificate(s) should be returned in hard copy form by post, by courier or by hand to Link Asset Services, Corporate Actions, 34 Beckenham Road, Beckenham, Kent BR3 4TU, in each case to be received before 1 p.m. on 4 September 2020.

Shareholders who hold their Shares in uncertificated form (that is, in CREST) who wish to redeem their Shares in the Cash Exit Offer should follow the procedure set out in paragraph 1 in Part II of this Circular, which can be found on pages 13 to 14 and should ensure that their TTE Instruction(s) are submitted by 1 p.m. on 4 September 2020.

Your attention is drawn to the section entitled "Action to be taken by Shareholders" on page 2 of this Circular. Capitalised terms used in this Circular shall have the meanings set out in the section entitled "Definitions" on page 18 of this Circular.

The Company is a non-cellular company limited by shares incorporated in Guernsey. The Company operates under the Companies (Guernsey) Law 2008, as amended and regulations made under that law. The Company is registered as a registered closed-ended collective investment scheme by the Guernsey Financial Services Commission (the "**GFSC**") and is subject to the Registered Collective Investment Scheme Rules 2018 (the "**RCIS Rules**"). Pursuant to the RCIS Rules the GFSC will be notified of the Proposals.

ACTION TO BE TAKEN BY SHAREHOLDERS

EXTRAORDINARY GENERAL MEETING

IF YOU WISH TO PARTICIPATE IN THE EXTRAORDINARY GENERAL MEETING, YOU SHOULD COMPLETE AND RETURN A PROXY APPOINTMENT AS SOON AS POSSIBLE AND IN ANY EVENT SO THAT IT IS RECEIVED NO LATER THAN 2 P.M. ON 4 SEPTEMBER 2020.

SHAREHOLDERS SHOULD NOTE THAT THE CASH EXIT OFFER IS CONDITIONAL ON OBTAINING SHAREHOLDER APPROVAL FOR THE PROPOSALS IN THEIR ENTIRETY AT THE EXTRAORDINARY GENERAL MEETING. IF THE RESOLUTIONS ARE NOT PASSED AT THE EXTRAORDINARY GENERAL MEETING, THE CASH EXIT OFFER WILL NOT PROCEED.

IN LIGHT OF THE CURRENT UNCERTAINTY CONCERNING THE ONGOING IMPACT OF THE COVID-19 PANDEMIC ON PUBLIC GATHERINGS, THE DIRECTORS ENCOURAGE ALL SHAREHOLDERS TO SUBMIT PROXY VOTES ON THE PROPOSALS TO BE CONSIDERED AT THE EXTRAORDINARY GENERAL MEETING. THE DIRECTORS WILL CONTINUE TO CONSIDER THE LATEST INSTRUCTIONS FROM RELEVANT AUTHORITIES AND IN THE EVENT THAT DISRUPTION BECOMES UNAVOIDABLE, ANY UPDATES IN RELATION TO THE EXTRAORDINARY GENERAL MEETING WILL BE ANNOUNCED BY A REGULATORY INFORMATION SERVICE AND PLACED ON THE COMPANY'S WEBSITE.

CASH EXIT OFFER

IF YOU DO WISH TO REDEEM ANY OF YOUR SHARES PURSUANT TO THE CASH EXIT OFFER, YOU SHOULD COMPLETE AND RETURN A REDEMPTION NOTICE (FOR SHARES HELD IN CERTIFICATED FORM) OR SUBMIT A TTE INSTRUCTION FOR SHARES HELD IN UNCERTIFICATED FORM. FOR FURTHER INFORMATION SEE THE INSTRUCTIONS ON PAGES 13 AND 14.

IF YOU DO NOT WISH TO REDEEM ANY OF YOUR SHARES PURSUANT TO THE CASH EXIT OFFER, DO NOT COMPLETE OR RETURN A REDEMPTION NOTICE OR TTE INSTRUCTION(S).

CONTENTS

	Page
EXPECTED TIMETABLE	4
PART I – LETTER FROM THE CHAIRMAN	5
1. INTRODUCTION AND BACKGROUND	5
2. CHANGE TO THE INVESTMENT POLICY AND OTHER RELATED CHANGES	7
3. TARGET DISTRIBUTION	8
4. DIVIDEND POLICY	8
5. MANAGEMENT FEE	8
6. DISCOUNT MANAGEMENT AND DISCRETIONARY REGULAR CASH EXIT FACILITY	9
7. OTHER OPERATIONAL CHANGES	9
8. CHANGE TO THE COMPANY'S NAME	9
9. ADOPTION OF NEW ARTICLES	9
10. CASH EXIT OFFER	10
11. RISK FACTORS RELATING TO THE CASH EXIT OFFER	11
12. EXTRAORDINARY GENERAL MEETING	11
13. ACTION TO BE TAKEN BY SHAREHOLDERS IN CONNECTION WITH THE MEETING	11
14. DOCUMENTS AVAILABLE FOR INSPECTION	12
15. COVID-19 AND RELATED MEASURES	12
16. RECOMMENDATION	12
PART II – ADDITIONAL INFORMATION ON THE CASH EXIT OFFER	13
PART III – ADDITIONAL INFORMATION ON THE COMPANY	17
DEFINITIONS	18
NOTICE OF EXTRAORDINARY GENERAL MEETING	21

EXPECTED TIMETABLE

EXTRAORDINARY GENERAL MEETING

Circular sent to Shareholders

17 August 2020

Latest time and date of receipt of Proxy Appointments for the Extraordinary General Meeting	2 p.m. on 4 September 2020
Extraordinary General Meeting	2 p.m. on 8 September 2020
Announcement of results of the Extraordinary General Meeting	8 September 2020

CASH EXIT OFFER

Latest time and date for receipt of Redemption Notices and TTE Instructions for the Cash Exit Offer	1 p.m. on 4 September 2020
Record Date	8 p.m. on 4 September 2020
NAV Determination Date	7 September 2020
Announcement of results of the Cash Exit Offer	8 September 2020
Cash Exit Redemption Date	8 September 2020
Payment of the Redemption Price*	Within 10 Business Days of the Registrar receiving the proceeds of the Company's assets realised pursuant to the Cash Exit Offer**

**Certificated Shareholders will be paid by cheque despatched at the latest known address as indicated on the Shareholders' register. Uncertificated Shareholders will be paid via CREST.*

***Absent any unforeseen circumstances and subject to general market conditions, it is currently expected that the Registrar will be in receipt of the proceeds within 10 Business Days of the Cash Exit Redemption Date.*

Each of the times and dates in the above expected timetable may be extended or brought forward without further notice. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement through a Regulatory Information Service. All references are to London time unless otherwise stated.

Part I: Letter from the Chairman

NB Global Floating Rate Income Fund Limited

(a non-cellular company limited by shares incorporated under the laws of Guernsey with registration number 53155)

Registered Office:
Sarnia House
Le Truchot
St Peter Port
Guernsey
GY1 1GR

Rupert Dorey (Chairman)
Sandra Platts
David Staples

17 August 2020

PROPOSALS FOR A CHANGE TO THE COMPANY'S INVESTMENT POLICY
PROPOSED CHANGE OF THE COMPANY'S NAME
PROPOSED ADOPTION OF NEW ARTICLES OF INCORPORATION
PROPOSED CASH EXIT OFFER
NOTICE CONVENING AN EXTRAORDINARY GENERAL MEETING

Dear Shareholder,

1. INTRODUCTION AND BACKGROUND

Following consultation with Shareholders, the Board is proposing to make various changes to the Company's investment policy and operations (the "Proposals"). These changes are outlined below and further details are included in paragraphs 2 to 9 of this Part I of the Circular.

Proposed changes to the Company's investment policy

The Board proposes to amend the Company's investment policy to allow the Company to invest in a wider range of credit assets, including alternative credit, thereby leveraging the breadth of the Investment Manager's global platform and to support a move to pay income to Shareholders on a monthly basis. The recent backdrop of equity dividend cuts and reductions in bond yields has heightened income investors' needs for a portfolio designed to deliver predictable, ongoing monthly income at attractive levels.

The Company will retain its ability to invest in senior secured, floating rate loans but will also be able to invest in a broad range of other credit assets, including but not limited to high yield and investment grade bonds and alternative credit comprising of distressed debt, mezzanine debt and private corporate loans. Protection of capital will remain of paramount importance.

Proposed changes to the Company's discount management policy

The Board is also proposing a change to the existing discount control policy, whereby the current annual redemption offer mechanism will be replaced with a bi-annual tender. Under this facility, the Directors may, at their discretion, offer eligible Shareholders the opportunity to tender up to 25 per cent. of their Shares at a discount of 2 per cent. to NAV per Share on or around the 30 June and 31 December of each year, starting on or around 30 June 2022. The Company will no longer be subject to an annual continuation vote, but the Board intends to propose a wind-up of the Company should its NAV drop beneath £150 million.

Cash Exit Offer

At the same time as seeking approval from the Shareholders for the Proposals, the Company is offering all Shareholders a partial cash exit opportunity by way of a redemption offer (the "Cash Exit Offer"), which is conditional on the Proposals being approved.

Pursuant to the Cash Exit Offer, Shareholders will be entitled to elect to have up to 40 per cent. of their Shares held at the Record Date redeemed (the "Basic Entitlement"). Shareholders will be able to request that Shares in excess of their Basic Entitlement also be redeemed and these excess

requests will be satisfied to the extent that other Shareholders request redemption of Shares in respect of less than the entirety of their Basic Entitlement, pro rata to the amount in excess of the Basic Entitlement which each relevant Shareholder has requested to redeem, rounded down to the nearest whole number of Shares.

The redemption price per Share redeemed pursuant to the Cash Exit Offer will be equal to the Company's published Net Asset Value per Share for the day preceding the Extraordinary General Meeting (the "**NAV Determination Date**"), less 2 per cent.

Benefits of the Proposals

The Board believes that the Proposals will have the following benefits for Shareholders:

- Result in an income focused, credit "best opportunities" Company, leveraging the breadth of the Investment Manager's fixed income platform and track record.
- Maintain exposure to senior secured floating rate loans.
- Provide Shareholders with consistent levels of monthly income, to commence following declaration of the Q3 2020 dividend.
- The Board will announce a target annualised distribution per Share at the commencement of each calendar year, expressed as both an annual percentage yield as well as a monthly distribution amount in Sterling, based on the Net Asset Value per Share as at the end of the preceding calendar year.
- Provide Shareholders with additional exposure to alternative credit which is intended to increase the risk-adjusted return profile of the Company.
- Underpinned by an initial cash exit offer and a new discount control mechanism.
- From end June 2022, the Board intends to propose a wind-up of the Company should its NAV drop beneath £150 million.
- Following realignment of the Company's Portfolio, the Board expects to target an annual yield that is 100 to 200 basis points higher than would have been generated under the current investment policy over the full credit cycle.

Shareholder Approval Required

In connection with the Proposals outlined above, the Board has posted this Circular to Shareholders to convene the Extraordinary General Meeting to seek approval to adopt a proposed new investment policy (the "**New Investment Policy**") and to make related changes to the Company's name and adopt New Articles.

The Proposals are subject to approval by Shareholders at an Extraordinary General Meeting scheduled for 8 September 2020 at 2 p.m.

The following resolutions shall be put to Shareholders at the Extraordinary General Meeting:

1. That the Company adopts the New Investment Policy ("**Resolution 1**").
2. That the Company's name be changed to "NB Global Monthly Income Fund Limited" ("**Resolution 2**").
3. That the Company adopts New Articles reflecting various changes to the Existing Articles including: (i) to remove the requirement for the Company to implement a redemption offer if the Shares trade at an average discount to the Net Asset Value per Share of greater than five per cent. over the last three months of any calendar year; (ii) to remove the requirement to hold an annual vote on the continuation of the Company; (iii) to amend the voting rights of the Shares so that each Share carries one vote on a poll at a general meeting of shareholders; and (iv) various updates to reflect current law and practice applicable to the Company ("**Resolution 3**").

Resolution 1 is being proposed as an Ordinary Resolution. Resolution 2 and Resolution 3 are being proposed as Special Resolutions. Approval of each Resolution will be conditional on the others also being passed.

This Circular sets out details of, and seeks your approval for, the Proposals and explains why the Board is recommending that you vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting to be held on 8 September 2020. The notice in respect of the Extraordinary General Meeting is set out at the end of this Circular.

The Board notes that the U.S. Dollar Ordinary Shares were compulsorily converted into Sterling Ordinary Shares on 3 August 2020 and, as such, no class meetings will be required to effect the Proposals.

If the Proposals are approved, the Board will also implement a number of other changes to the operations of the Company that are described in further detail below.

Timings

The Board shall be entitled to defer any effective date specified in this Circular and the implementation of the Proposals in its absolute discretion to accommodate any legal, regulatory or operational requirements that are not resolved prior to or on the relevant effective date.

2. CHANGE TO THE INVESTMENT POLICY AND OTHER RELATED CHANGES

The Company's existing investment policy reflects its investment objective, which is to invest mainly in non-investment grade floating rate senior secured loans issued in U.S. Dollars, Sterling and Euros by primarily North American and European Union corporations, partnerships and other business issuers.

The Board is seeking Shareholder approval for the New Investment Policy set out below. The adoption by the Company of the New Investment Policy is conditional on Shareholder approval. The proposed New Investment Policy has been approved by the Financial Conduct Authority, subject to Shareholder approval.

The New Investment Policy will be as follows:

"Investment Objective

The Company's investment objective is to provide its shareholders with consistent levels of monthly income, while maintaining or increasing the Net Asset Value per Share over time.

Investment Policy

To pursue its investment objective, the Company will invest in credit assets with the following target portfolio allocations: (i) 50-70% in traditional credit, meaning high yield bonds, floating rate loans and investment grade corporate bonds; and (ii) 30-50% in alternative credit, meaning "special situations" (consisting generally of tradeable but less liquid debt securities, such as stressed credit and CLO debt tranches), mezzanine debt, "club" loan transactions (being syndicated lending opportunities presented through the Company's or Investment Manager's relationship with loan arrangers and/or borrowers) and private corporate loans issued directly to borrowers. Investments in alternative credit will not represent more than 50% of Net Asset Value at the time of investment.

The Company's investments will be issued in U.S. Dollars, Sterling and Euros by corporations, partnerships and other business issuers based primarily in North America, the UK and Europe. At the time of investment these loans, bonds and other debt instruments will often be non-investment grade.

The Company expects that it will typically hold the majority of its assets directly, however where the Investment Manager considers it appropriate the Company may obtain investment exposure to loans, bonds and other debt instruments through investments in other collective investment vehicles. The Company will not invest more than 15 per cent. of its total assets in other listed closed-ended investment funds at any time.

Diversification

The Investment Manager seeks to manage risk through in-depth credit research utilising proprietary analytical processes, diversifying across industries, companies and investment size and adjusting sector weightings based on economic and market analysis.

The Company's portfolio of investments is intended to focus on those industries regarded as defensive. Defensive industries are those the Investment Manager believes are less affected by changes in economic conditions and likely to demonstrate the strongest capital preservation. Typically, no industry will represent more than 15 per cent. of Net Asset Value at the time of investment.

At the time of investment, no more than 5 per cent. of Net Asset Value shall be concentrated in a single issuer.

Gearing and derivatives

The Company may use derivatives for hedging as well as for efficient portfolio management, including managing currency risks between cash flows from its investments and Sterling being the currency of the Shares. The Company is expected to be managed primarily on an ungeared basis, however the Company may, from time to time, be geared tactically through the use of borrowings for investment and short-term liquidity purposes. The Directors will restrict borrowing to an amount not exceeding 20 per cent. of Net Asset Value at the time of drawdown.

Changes to the Company's investment policy

Any material change to the Company's investment policy will be made only with the approval of the Shareholders."

Shareholders should note that under the New Investment Policy the Company will invest to a greater extent in high yield bonds as well as in alternative credit (such as “special situations”) which it does not do under its existing investment policy. Shareholders should note that the credit risk of investing in these types of assets can be greater than the senior secured loans which the Company primarily invests in currently.

3. TARGET DISTRIBUTION

If the Proposals are approved, the Directors intend to publish on or around 1 January of each calendar year a target distribution amount per Share (the “**Target Distribution**”) for that calendar year based on market conditions at the relevant time. The Target Distribution shall be expressed as both an annual percentage yield, based on the Net Asset Value per Share as at 31 December of the preceding calendar year, as well as a monthly distribution amount per Share in Sterling. The Board expects to announce the Target Distribution for the calendar year 2021 (and an expected dividend timetable) on or around 1 January 2021, by which time it is expected that the Company’s Portfolio will have been realigned in accordance with the New Investment Policy. The Directors currently expect that following realignment of the Company’s Portfolio in accordance with the New Investment Policy, the Target Distribution will be 100 to 200 basis points higher than would have been generated under the current investment policy over the full credit cycle.

Shareholders should note that the actual yield generated by the Company in pursuing its investment objective will, however, depend on a wide range of factors including, but not limited to, general economic and market conditions, fluctuations in currency exchange rates, prevailing interest rates and credit spreads, and the terms of the investments made by the Company.

The Target Distribution should not be taken as an indication of the Company’s expected future performance or results over such period. The Target Distribution is a target only and there is no guarantee that it can or will be achieved and it should not be seen as an indication of the Company’s expected or actual return.

4. DIVIDEND POLICY

If the Proposals including the New Investment Policy are approved at the Extraordinary General Meeting, the Company will move from paying dividends quarterly to monthly following payment of the Q3 2020 dividend. With effect from 1 January 2021, the Company will seek in each financial year to distribute amounts to Shareholders by way of monthly dividends equal in aggregate to the Target Distribution for that year. The Board expects that dividends will be paid out of Cash Income and Investment Profits of the Company.

Following the implementation of the Proposals and realignment of the Company’s Portfolio in accordance with the New Investment Policy, it is anticipated that a distribution will be made by way of a dividend with respect to each calendar month (instead of the current quarterly basis) in accordance with the expected dividend timetable published by the Company. It is the intention of the Board that the monthly dividends shall be paid in approximately equal amounts, to the extent that this is possible.

The Company currently operates a dividend re-investment plan (the “DRIP”), pursuant to which Shareholders may elect to re-invest their cash dividends by purchasing further Shares. It is the Board’s intention that the DRIP shall be discontinued following payment of the Q3 2020 dividend and the consequent transition to monthly dividend distributions.

5. MANAGEMENT FEE

The Company and the Investment Manager will enter into an amendment agreement (the “**IMA Amendment Agreement**”) in respect of the amended and restated investment management agreement dated 16 July 2014. Pursuant to the IMA Amendment Agreement, the investment management fee payable to the Investment Manager shall be amended from the current flat rate of 0.65 per cent. of NAV per annum to a tiered management fee as follows:

NAV amounts of the Company	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

The IMA Amendment Agreement shall come into effect on approval of the Proposals by Shareholders at the Extraordinary General Meeting. The increase to the investment management fee reflects the increased complexity of the Portfolio if the Proposals are approved.

6. DISCOUNT MANAGEMENT AND DISCRETIONARY REGULAR CASH EXIT FACILITY

If the Proposals are approved by Shareholders at the Extraordinary General Meeting, the Directors expect that, although the Company will continue to seek annual authority from Shareholders to make market purchases of its own Shares, the extent of market purchases of Shares by the Company will, if made at all, reduce significantly as compared to recent years.

In addition, it is proposed that the current requirements in the Existing Articles that the Company implement a redemption offer if the Shares trade at an average discount to the Net Asset Value per Share of greater than five per cent. over the last three months of any calendar year and to hold an annual vote on the continuation of the Company will be removed. Instead, the Company will operate a regular discretionary cash exit facility (the "**Cash Exit Facility**").

Pursuant to the Cash Exit Facility, the Company may, at the Board's absolute discretion, offer to eligible Shareholders the opportunity to tender up to 25 per cent. of their holdings (a "**Cash Exit Facility Offer**") at a price equal to the prevailing Net Asset Value per Share, less two per cent. If the Board resolves to exercise its discretion (as they expect to do if the Company is trading at a discount to NAV per Ordinary Share of greater than 2 per cent. as at the date of any Cash Exit Facility Offer), the first Cash Exit Facility Offer is expected to close on 30 June 2022 and subsequent Cash Exit Facility Offers every six months thereafter. Further details and the terms and conditions applicable to the first Cash Exit Facility Offer will be published in a Shareholder circular (the "**Cash Exit Facility Circular**"). In connection with any subsequent Cash Exit Facility Offers, the Company will publish an RIS announcement notifying Shareholders of the Board's decision to make a Cash Exit Facility Offer on the basis of the terms and conditions as previously set out in the Cash Exit Facility Circular.

7. OTHER OPERATIONAL CHANGES

If the Proposals are approved and the New Investment Policy is adopted by the Company, the Company will no longer measure its performance against its current benchmark, the S&P/LSTA Leveraged Loan Index. It is not currently intended to replace this benchmark.

8. CHANGE TO THE COMPANY'S NAME

The Company's current name reflects its existing investment policy. Consequently, in connection with the proposed adoption of the New Investment Policy, the Board is proposing that the name of the Company be changed from "NB Global Floating Rate Income Fund Limited" to "NB Global Monthly Income Fund Limited".

The change to the Company's name requires Shareholder approval. Shareholders are, therefore, being asked at the Extraordinary General Meeting to approve the change to the Company's name, subject to Shareholder approval of all other Proposals.

Shareholders who hold their Shares in certificated form (that is, not in CREST) should note that their existing share certificates will remain valid following the change of name and the Company does not intend to issue replacement share certificates in the Company's new name.

9. ADOPTION OF NEW ARTICLES

In connection with the proposed adoption of the New Investment Policy, the Company proposes to adopt the New Articles in place of the Existing Articles. The material amendments proposed to be made in addition to those already outlined above are summarised below:

Votes per Ordinary Share

Following the compulsory conversion of the U.S. Dollar Ordinary Shares into Sterling Ordinary Shares on 3 August 2020, there is no longer any need to distinguish between the voting rights of different classes of Ordinary Shares. Accordingly, it is proposed that the voting rights attached to Ordinary Shares have been standardised so that each Ordinary Share carries one vote on a poll at a general meeting of Shareholders.

Other changes

Other changes reflected in the New Articles generally include recent developments in legal, regulatory and/or market practice such as:

- Provisions relating to the conversion of Ordinary Shares have been removed following the recent compulsory conversion of the U.S. Dollar Ordinary Shares into Sterling Ordinary Shares.
- Provisions pertaining to the transfer and transmission of uncertificated shares have been updated to reflect, amongst other things, the application of The Uncertificated Securities (Guernsey) Regulations 2009.
- Requirements for the Directors to be tax resident outside the United Kingdom have been removed following changes to UK tax legislation and practice.

- Introduction of references to "AML Legislation", "Data Protection Legislation" and "International Tax Compliance Legislation" (as those terms are defined in the New Articles), which legislation is applicable to the Company. These provisions empower the Board to request information and documentation from Shareholders to ensure the Company complies with its obligations under such legislation. Persons who do not comply with such requests for information or whose ownership of shares may result in the Company not being able to satisfy its obligations under AML Legislation or International Tax Compliance Legislation may be designated as "Non-Qualified Holders" with the Board having the remedies against such persons (as are already included in the Existing Articles) including compulsory sale/transfer or forfeiture of shares and suspension of rights.
- New articles providing greater clarity around the use of written resolutions (in lieu of general meetings) and disclosure of directors' interests which reflect the current requirements of the Companies Law have also been included. A new article addressing the procedure for the issue of scrip dividends (in case the Board chooses to offer a scrip dividend alternative to Shareholders when a cash dividend is declared from time to time) has also been included.

These amendments will be effected by substituting the Existing Articles with the New Articles. The adoption of the New Articles requires the approval of Shareholders and is conditional on adoption of all other Proposals.

10. CASH EXIT OFFER

Conditional on obtaining the necessary Shareholder approvals for the Proposals, the Board will provide Shareholders (other than Shareholders in certain jurisdictions as described in paragraph 2 in Part II of this Circular) with the opportunity to realise a proportion of their investment in the Company by way of redemption of a Basic Entitlement of up to 40 per cent. of their Shares through participation in the Cash Exit Offer, with the Company facilitating requests in excess of the Basic Entitlement to the extent other Shareholders have not elected to take up their Basic Entitlement. Further details of how the Cash Exit Offer will operate are set out below.

Shareholders should note that the issued share capital of the Company will be reduced as a result of the Cash Exit Offer to the extent that Shares are redeemed. Consequently, the fixed costs of the Company will be spread over fewer Shares.

Mechanics of the Cash Exit Offer

Pursuant to the Cash Exit Offer, Shareholders will be entitled to elect to have their Basic Entitlement of Shares as at the Record Date (being 8 p.m. on 4 September 2020) redeemed. Shareholders will be able to request that Shares in excess of their Basic Entitlement also be redeemed and these excess requests will be satisfied to the extent that other Shareholders request redemption of Shares in respect of less than the entirety of their Basic Entitlement, pro rata to the amount in excess of the Basic Entitlement which each relevant Shareholder has requested to redeem, rounded down to the nearest whole number of Shares.

A Shareholder who requests the redemption of part of their holding of Shares pursuant to the Cash Exit Offer will need to submit a Redemption Notice for Shares held in certificated form or TTE Instruction(s) for Shares held in uncertificated form for the number of Shares that they wish to offer for redemption by 1 p.m. on 4 September 2020.

Details on submitting Redemption Notices and TTE Instruction(s) are set out in paragraph 1 in Part II of this Circular.

Proceeds of the Cash Exit Offer

Subject to the necessary Shareholder approvals being obtained at the Extraordinary General Meeting, following the receipt of the Redemption Notices and/or TTE Instruction(s) from Shareholders, the Shares to be redeemed pursuant to the Cash Exit Offer will be redeemed on the Cash Exit Redemption Date (being the date of the Extraordinary General Meeting). The redemption price per share that a redeeming Shareholder will receive pursuant to the Cash Exit Offer will be equal to the Company's published Net Asset Value per Share as at the NAV Determination Date, less 2 per cent. (the "**Redemption Price**").

Absent any unforeseen circumstances and subject to general market conditions, the Company expects to realise assets for the purposes of meeting redemption requests under the Cash Exit Offer and to be in receipt of the proceeds of such realisations within 10 Business Days of the Cash Exit Redemption Date. Payment of the Redemption Price to each Shareholder redeeming Shares will be made within 10 Business Days of the Registrar receiving such realisation proceeds from the Company.

The redemption of the Shares pursuant to the Cash Exit Offer will constitute a distribution for the purposes of the Companies Law. Accordingly, the Board will follow the procedure for making a distribution set out at section 303 of the Companies Law and will consider the statutory solvency test set out therein. The redemption of the Shares pursuant to the Cash Exit Offer is therefore subject to the Directors being satisfied that the provisions of section 303 of the Companies Law are satisfied at the relevant time.

Termination of the Cash Exit Offer

If the number of Shares which Shareholders request to redeem pursuant to the Cash Exit Offer is such that the Board is of the view that the continuance of the Company is not in the best interests of Shareholders, it reserves the right to terminate the Cash Exit Offer. In such circumstances, the Cash Exit Offer will not proceed and instead the Company will put forward further proposals to the Shareholders. The Company will make an announcement through an RIS in the event that the Cash Exit Offer is terminated.

Details regarding the tax consequences of the Proposals are set out in paragraph 3 in Part II of this Circular.

11. RISK FACTORS RELATING TO THE CASH EXIT OFFER

Shareholders should, when considering participating in the Cash Exit Offer, have regard to the following risk factors.

- Once a Redemption Notice has been served on the Company or a TTE Instruction(s) has been submitted, the relevant Shareholder will be unable to access or otherwise deal in those Shares pending completion of the Cash Exit Offer. Shares will be held in escrow subject to the completion of the Cash Exit Offer. In the case of Shareholders who hold their Shares in certificated form (that is, not in CREST), the restriction on dealing shall also apply in respect of all Shares to which any surrendered share certificates relate, whether or not the relevant Shareholder has requested their redemption pursuant to the Cash Exit Offer. In the case of Shareholders who hold their Shares in uncertificated form (that is, in CREST), the restriction on dealing shall also apply to any Shares transferred to escrow in excess of the relevant Shareholder's Basic Entitlement, which as a result may ultimately not be eligible for redemption. A Redemption Notice or TTE Instruction(s), once submitted, may only be withdrawn with the consent of the Company.
- Securities laws in certain jurisdictions, in particular the United States, Canada, Australia and Japan, may prevent certain Shareholders from participating in the Cash Exit Offer. For more information, please refer to paragraph 2 in Part II of this Circular below.

12. EXTRAORDINARY GENERAL MEETING

The Proposals are subject to Shareholder approval. A Notice convening the Extraordinary General Meeting, to be held on 8 September 2020 at 2 p.m. at the offices of Praxis Fund Services Limited at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR, is set out at the end of this Circular. The Notice includes the full text of the Resolutions.

In order to become effective, Resolution 1, which is being tabled at the Extraordinary General Meeting as an Ordinary Resolution, must be approved by a simple majority of the votes cast by Shareholders present in person or by proxy at the Extraordinary General Meeting. Resolution 2 and Resolution 3, which are being tabled at the Extraordinary General Meeting as Special Resolutions, shall require approval by a majority of not less than seventy five per cent. of the votes cast by Shareholders present in person or by proxy at the Extraordinary General Meeting. Each Resolution will be conditional on the approval of all other Resolutions.

The quorum for the Extraordinary General Meeting shall be two or more Shareholders present in person or represented by proxy and entitled to vote at the Meeting. If within half an hour after the time appointed for the Extraordinary General Meeting a quorum is not present, the meeting shall stand adjourned for five Business Days at the same time and place or to such other day and at such other time as the Board may determine, whereupon those Shareholders then present in person, by their representative or by proxy, shall form the quorum. No notice need be given in the event of any such adjournment.

13. ACTION TO BE TAKEN BY SHAREHOLDERS IN CONNECTION WITH THE MEETING

Whether or not you intend to be present at the Extraordinary General Meeting, you are requested to return a Proxy Appointment by one of the following methods: (i) in hard copy form by post, by courier or by hand to Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU; (ii) by logging on to Signal Shares (www.signalshares.com) and following the instructions; or (iii) in the case of CREST members, by utilising the CREST electronic proxy appointment service.

The completion and return of a Proxy Appointment will not preclude you from attending the Extraordinary General Meeting and voting in person if you wish to do so.

Shareholders are requested to consider and vote on the Resolutions set out in the Notice of the Extraordinary General Meeting set out at the end of this Circular in person or by proxy, at or before the Extraordinary General Meeting to be held at the offices of Praxis Fund Services Limited at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR on 8 September 2020 at 2 p.m.

If the Resolutions are not approved at the Extraordinary General Meeting, the Company will continue to be managed in accordance with its existing investment policy and the Cash Exit Offer will not proceed.

Shareholders should note that, if they wish to participate in the Cash Exit Offer, further action is required to be taken by them. Information on such action to be taken by Shareholders seeking to participate in the Cash Exit Offer is set out in Part II of this Circular.

14. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Existing Articles and the New Articles will be available for inspection at the offices of Herbert Smith Freehills LLP, Exchange House, Primrose Street, London EC2A 2EG and at the registered office of the Company during normal business hours on any Business Day (Saturdays and public holidays excepted) from the date of this Circular until the conclusion of the Extraordinary General Meeting and at the place of the Extraordinary General Meeting for at least 15 minutes prior to, and during, the Extraordinary General Meeting. A copy of the Existing Articles and the New Articles will also be available on the Company's website: <https://www.nbgfrif.com>.

A copy of this Circular has been submitted to the National Storage Mechanism and will shortly be available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>. This Circular will also be available on the Company's website: <https://www.nbgfrif.com>.

15. COVID-19 AND RELATED MEASURES

The Board notes that due to the impact of COVID-19, it will be challenging to hold the Extraordinary General Meeting in the format typically expected by Shareholders. The location of the Extraordinary General Meeting may need to be reconsidered closer to the time and the Company will update Shareholders of any changes via a Regulatory Information Service announcement and details on the Company's website.

The States of Guernsey introduced measures with effect from 25 March 2020 prohibiting travel and gatherings of people subject to certain limited exceptions. Many of those restrictions were relaxed with effect from 30 May 2020, and further relaxed from 20 June 2020, but it remains the case as of the date of this Circular that any person travelling to Guernsey would be required by law to self-isolate for 7 to 14 days following their arrival (depending on the country from which they are travelling). Further, it remains possible that restrictions on gatherings within Guernsey will be reinstated if there is a resurgence of COVID-19 cases in the Bailiwick.

In light of the travel restrictions in place as at the date of this letter and the possibility that restrictions on gatherings within Guernsey will be reinstated if there is a resurgence of COVID-19 cases in the Bailiwick, Shareholders are asked not to attempt to attend the Extraordinary General Meeting in person and instead appoint the chairman of the Extraordinary General Meeting to act as their proxy in casting votes in accordance with the Shareholder's instruction.

Shareholders are invited to participate in the Extraordinary General Meeting by submitting any questions in advance and/or joining via the telephone conference dial-in facilities being established. Any specific questions on the business of the Extraordinary General Meeting can be submitted (with details of the shareholding) by no later than 2 p.m. on 4 September 2020 (or any adjournment thereof) by email to NBGlobal@PraxisIFM.com. Details of how to access the dial-in facilities will be provided to Shareholders on application to the same email address.

16. RECOMMENDATION

The Board considers that the Proposals are in the best interests of the Company and of Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting. The Directors intend to vote (or, as the case may be, procure the voting of) their beneficial holdings in favour of the Resolutions in respect of their aggregate holding, including persons closely associated, of 135,740 Shares. The Directors do not intend to participate in the Cash Exit Offer in respect of those Shares held by them.

Yours faithfully

Rupert Dorey
Chairman

17 August 2020

PART II – ADDITIONAL INFORMATION ON THE CASH EXIT OFFER

1. ACTION TO BE TAKEN IN CONNECTION WITH THE CASH EXIT OFFER

Certificated Shareholders

If you hold your Shares in certificated form (that is, not in CREST) (a “**Certificated Shareholder**”) (and are not an Overseas Shareholder excluded from participating in the Cash Exit Offer - please see paragraph 2 of this Part II below for full details) and you wish to redeem Shares in the Cash Exit Offer, you should read the Redemption Notice carefully, complete it and return it with the share certificate(s) in respect of the total number of Shares you wish to redeem and such other evidence as the Directors may reasonably require to prove your title and the due execution by you of the Redemption Notice or, if the Redemption Notice is executed by someone other than you, the authority of that other person to do so, in hard copy form by post, by courier or by hand to Link Asset Services, Corporate Actions, 34 Beckenham Road, Beckenham, Kent BR3 4TU, in each case to be received **before 1 p.m. on 4 September 2020**.

You are entitled to request to have your Basic Entitlement of up to 40 per cent. of your Shares redeemed in the Cash Exit Offer. You will be able to request that Shares in excess of your Basic Entitlement also be redeemed and these excess requests will be satisfied to the extent that other Shareholders request redemption of Shares in respect of less than the entirety of their Basic Entitlement, pro rata to the amount in excess of the Basic Entitlement which each relevant Shareholder has requested to redeem, rounded down to the nearest whole number of Shares.

A Redemption Notice may only be submitted in respect of a number or a percentage holding of Shares, rather than in respect of a certain value of Shares.

CREST Shareholders

If you hold your Shares in uncertificated form (that is, in CREST) (a “**CREST Shareholder**”) (and are not an Overseas Shareholder excluded from participating in the Cash Exit Offer) and you wish to redeem your Shares in the Cash Exit Offer, you do not need to complete or return a Redemption Notice. You should, however, take (or procure to be taken) the action set out below to transfer (by means of TTE Instruction(s)) the total number of Shares of which you are making a request for redemption in the Cash Exit Offer to an escrow balance, specifying Link Market Services Limited in its capacity as escrow receiving agent under its participant ID referred to below, as soon as possible, and in any event so that the transfer to escrow settles **not later than 1 p.m. on 4 September 2020**.

You should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear UK & Ireland Limited for the Shares that you wish to redeem which must be properly authenticated in accordance with its specifications. The TTE Instruction(s) must contain, in addition to the other information that is required for the TTE Instruction(s) to settle in CREST, the following details:

- the number of Shares to be transferred to an escrow balance;
- your CREST participant ID;
- your CREST member account ID;
- the participant ID RA10 of the escrow receiving agent (Link Market Services Limited) in its capacity as a CREST receiving agent;
- the member account ID for the relevant Shares of the escrow receiving agent (Link Market Services Limited), which for the purposes of the Cash Exit Offer is NBGREDM;
- the ISIN for the Shares which is GG00B3KX4Q34;
- the corporate action number for the Cash Exit Offer, which is allocated by Euroclear UK & Ireland Limited and can be found by viewing the relevant corporate actions details in CREST;
- contact name and number to be inserted in the shared note field;
- the intended settlement date for the transfer to escrow which should be as soon as practicable and in any event no later than 1 p.m. on 4 September 2020; and
- input with the standard delivery instruction priority of 80.

You are entitled to request to have your Basic Entitlement of up to 40 per cent. of your Shares redeemed in the Cash Exit Offer. You will be able to request that Shares in excess of your Basic Entitlement also be redeemed and these excess requests will be satisfied to the extent that other

Shareholders request redemption of Shares in respect of less than the entirety of their Basic Entitlement, pro rata to the amount in excess of the Basic Entitlement which each relevant Shareholder has requested to redeem, rounded down to the nearest whole number of Shares.

A Redemption Notice or TTE Instruction (as appropriate) may only be submitted in respect of a number of Shares, rather than in respect of a certain value of Shares.

General

The Company, in its absolute discretion, reserves the right to accept Redemption Notices or TTE Instructions received after 1 p.m. on 4 September 2020.

Shareholders should note that once a Redemption Notice has been served on the Company or a TTE Instruction(s) has been submitted, they will be unable to access or otherwise deal in those Shares pending completion of the Cash Exit Offer. In the case of Shareholders who hold their Shares in certificated form (that is, not in CREST), such restriction shall also apply in respect of all Shares to which any surrendered share certificates relate, whether or not the relevant Shareholder has requested their redemption pursuant to the Cash Exit Offer. In the case of Shareholders who hold their Shares in uncertificated form (that is, in CREST), such restriction shall also apply to any Shares transferred to escrow in excess of the relevant Shareholder's Basic Entitlement, which as a result may ultimately not be eligible for redemption.

The acceptance of a Redemption Notice or TTE Instruction(s) by the Company is conditional on obtaining the relevant Shareholder approvals at the Extraordinary General Meeting to be held on 8 September 2020. If the Proposals are not approved by Shareholders then any Redemption Notice or TTE Instruction(s) submitted will be deemed to have no effect and no Shares will be accepted for redemption. Payment of the proceeds of the Cash Exit Offer shall be subject to any requisite official consents first having been obtained.

Shareholders who have acquired their Shares in the secondary market (or who are otherwise not known to the Registrar) may be required to satisfy the Registrar's anti-money laundering procedures before the Registrar is able to settle any payments due to that Shareholder pursuant to the Cash Exit Offer.

Shareholders who wish to remain invested in the Company in respect of their entire holding of Shares should not complete or return a Redemption Notice or arrange for a TTE Instruction to be submitted.

2. CASH EXIT OFFER RESTRICTED FOR OVERSEAS SHAREHOLDERS

Overseas laws and regulations may restrict the making of the Cash Exit Offer to Shareholders in certain jurisdictions outside the United Kingdom, the Channel Islands and the Isle of Man without compliance by the Company with any unfulfilled filing, reporting or other requirements. It is the responsibility of each Overseas Shareholder to satisfy himself that the Cash Exit Offer may be made to him and that, if relevant, he may accept such Cash Exit Offer, and that in accepting the Cash Exit Offer, he has complied with all relevant overseas filing, exchange control and other requirements and paid all taxes and fees which may be payable.

The Cash Exit Offer is not being made in or into, or to any Shareholder resident in, the United States, Canada, Australia or Japan.

3. TAXATION

The following comments are intended only as a general guide to certain aspects of current United Kingdom and Guernsey tax law and published practice, both of which are subject to change, possibly with retrospective effect. The comments are not exhaustive, are of a general nature and do not constitute tax advice and apply only to Shareholders who (except where indicated) are resident for tax purposes in the United Kingdom or Guernsey who hold their Shares beneficially as an investment. They are not intended to be nor should they be construed to be legal or tax advice. They do not address the position of certain classes of Shareholders such as dealers in securities, insurance companies, collective investment schemes, or persons who have, or who are deemed to have, acquired their shares by reason of or in connection with an office or employment.

Shareholders who are in any doubt as to their tax position should consult an independent professional adviser.

United Kingdom Taxation

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 should not be resident in the UK for UK tax purposes. Accordingly, and provided that the Company does not carry on a trade in the UK (whether or not through a branch, agency or permanent establishment situated therein), the Company will not be subject to UK income tax or corporation tax other than on any UK source income and on certain direct and indirect disposals of UK real estate (in which case special rules apply).

Offshore Fund Rules

The Directors consider that, assuming the Proposals are passed, the Company will become an "offshore fund" for the purposes of the UK's offshore fund rules. The Company intends to apply to HMRC for approval to treat the Company as a "reporting fund" for these purposes. Assuming such approval is obtained, the Company will be treated as a reporting fund from the beginning of its current accounting period on 1 January 2020 and will be required to calculate its income in accordance with the relevant rules applicable to offshore reporting funds and report the same to investors (as described further below).

Given the nature of its investments, the Company is also considered to be a "bond fund" for the purposes of UK taxation. In this regard, Shareholders are referred to Chapter 3 Part 6 of the UK Corporation Tax Act 2009 and Section 378A Income Tax (Trading and other Income) Act 2005.

Broadly, an offshore fund is treated as a bond fund if, at any time in an accounting period, more than 60 per cent. of the assets attributable to it are "qualifying investments". For these purposes "qualifying investments" include securities and certain other interest-bearing or economically similar investments.

The statements below assume that the Company constitutes an offshore fund approved by HMRC as a reporting fund. The statements also assume that the Company will be treated as a bond fund. It cannot be guaranteed that this treatment will be obtained or, as the case may be, maintained. Any Shareholder who has any doubt as to the effect of the Company being treated (or not being treated) as such should consult an appropriate professional adviser.

Any Shareholder who is in any doubt as to the tax consequences of holding an interest in a reporting offshore fund which constitutes a bond fund, including the tax treatment of reported income, should consult their own professional advisers without delay.

Income tax

Individual Shareholders

As the holder of an interest in a reporting offshore fund, UK Shareholders who are individuals will be subject to UK tax on income by reference to both:

- (i) distributions actually received from the Company in respect of the Shares; and
- (ii) if the Shareholder is treated as holding Shares at the end of a relevant reporting period, the amount (if any) by which the reported income attributable to their Shares exceeds the amount actually distributed in respect of the Shares for that period (the "excess reporting income amount").

Accordingly, such a Shareholder may be subject to tax on more income than they receive in respect of such Shares.

On the basis that the Company will be treated as a bond fund, distributions received and any relevant excess reporting income amount will be taxed as if they were payments of interest at the applicable marginal rate of tax for the individual.

The Company will provide details of any excess reporting income amount per Share to Shareholders who hold an investment in the Company at the end of the relevant reporting period.

Reporting periods will generally be the same as the Company's accounting periods.

Shareholders should note that the income tax treatment described above will apply with effect from 1 January 2020, being the date the Company will be deemed to have become a reporting fund, and so distributions already received from the Company with respect to the part period prior to the EGM will be taken into account in the application of such tax treatment.

Corporate Shareholders

For Shareholders within the charge to UK corporation tax, the Shares would (for each accounting period of the Shareholder during which the Shares have at any time been a bond fund) be treated as if they were a creditor relationship under the "loan relationships regime". For these purposes, the credits and debits to be brought into account would fall to be determined on the basis of fair value accounting, and the Shareholder would be taxed (or obtain relief from tax) in accordance with such accounting treatment. Accordingly, such persons may be subject to corporation tax on an unrealised increase in the value of their Shares or, as the case may be, obtain relief against corporation tax by reference to an unrealised reduction in the value of their Shares.

Capital gains tax and redemption of Shares under Cash Exit Offer

Individual Shareholders

A disposal of Shares (which for these purposes will include a redemption of such Shares for example under the Cash Exit Offer) by a Shareholder who is an individual should (assuming the Shares constitute an interest in a reporting fund) generally be treated as a disposal of a capital asset subject to

capital gains tax and may, depending on the Shareholder's individual circumstances (including the availability of exemptions, reliefs and allowable losses), give rise to a liability to capital gains tax. Shareholders should note that if Shares held by the Shareholder are not, or have ceased to be, treated as a reporting fund, a disposal (including a redemption) of such Shares may be subject to UK tax on income, rather than capital gains tax.

UK resident companies

For Shareholders within the charge to United Kingdom corporation tax, on the basis that the Company is a bond fund, the holding of Shares will be deemed to be a loan relationship for corporation tax purposes and taxed accordingly.

Transactions in Securities

The attention of Shareholders is drawn to section 684 of the Income Tax Act 2007 (for individuals) and section 731 of the Corporation Tax Act 2010 (for companies), and associated provisions, pursuant to which in certain circumstances HM Revenue & Customs may seek to cancel tax advantages from certain transactions in securities. In the event that such rules were successfully applied, Shareholders may be assessed to tax on a basis different from that set out above, including being taxed on an income basis as opposed to a chargeable gains basis in respect of their disposal of Shares.

Guernsey Taxation

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 require presentation of such a Grant).

No stamp duty or similar tax is chargeable in Guernsey on the issue, transfer or redemption of shares in the Company, including a redemption of Shares pursuant to the Cash Exit Offer.

PART III – ADDITIONAL INFORMATION ON THE COMPANY

1. DIRECTORS' AND OTHER INTERESTS

As at 13 August 2020 (being the latest practicable date prior to the publication of this Circular), the Directors had a beneficial interest in the following number of Shares:

Name	Number of Shares	Percentage of Ordinary Share capital (excluding shares held in treasury)
Rupert Dorey (and spouse)	100,671	0.02
Sandra Platts	10,069	0.00
David Staples	25,000	0.00
Total	135,740	0.03

2. MAJOR SHAREHOLDERS' INTERESTS

As at 13 August 2020 (being the latest practicable date prior to the publication of this Circular), insofar as is known to the Company, the following persons were interested, directly or indirectly, in five per cent. or more of the issued share capital of the Company:

Name	Number of Shares	Percentage of Ordinary Share capital (excluding shares held in treasury)
Fidelity International	39,907,711	9.69
Bailie Gifford	35,775,510	8.68
Neuberger Berman	27,339,855	6.64
Total	103,023,076	25.01

3. WARRANTS AND OPTIONS

As at 13 August 2020 (being the latest practicable date prior to the publication of this Circular), there are no warrants or options outstanding to subscribe for equity shares in the Company.

4. NO SIGNIFICANT CHANGE IN FINANCIAL POSITION

Save for the changes outlined in this paragraph, there has been no significant change in the financial or trading position of the Company since 31 December 2019 (being the end of the last financial period of the Company for which audited annual financial information has been published).

As at 31 December 2019	As at 31 December 2018
Audited NAV per Share £0.9594/\$0.9872	Audited NAV per Share £0.9215/\$0.9468

17 August 2020

DEFINITIONS

The following definitions apply throughout this Circular as well as the Proxy Appointment form and Redemption Notice, unless the context otherwise requires:

"Articles"	the articles of incorporation of the Company in force from time to time
"Basic Entitlement"	40 per cent. of the Shares held by a Shareholder at the Record Date
"Board" or "Directors"	the board of directors of the Company whose names are set out on page 5 of this Circular
"Business Day"	a day on which the London Stock Exchange and banks in Guernsey are normally open for business
"Cash Exit Facility"	has the meaning given in paragraph 6 in Part I of this Circular
"Cash Exit Facility Circular"	has the meaning given in paragraph 6 in Part I of this Circular
"Cash Exit Facility Offer"	has the meaning given in paragraph 6 in Part I of this Circular
"Cash Exit Offer"	the offer by the Company to Shareholders to redeem up to their Basic Entitlement of Shares held at the Record Date and to request redemption of Shares in excess of the Basic Entitlement to the extent other Shareholders do not elect to take up their Basic Entitlement
"Cash Exit Redemption Date"	the date on which Shares to be redeemed pursuant to the Cash Exit Offer will be redeemed, being the date of the Extraordinary General Meeting
"Cash Income"	cash received by the Company attributable to the running yield of the Portfolio and the income, if any, arising from cash held by the Company 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 Company expenses
"Certificated Shareholder"	has the meaning given in paragraph 1 in Part II of this Circular
"Circular"	this document
"Companies Law"	the Companies (Guernsey) Law, 2008, as amended from time to time
"Company"	NB Global Floating Rate Income Fund Limited
"CREST"	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear
"CREST Shareholder"	has the meaning given in paragraph 1 in Part II of this Circular
"DRIP"	Has the meaning given in paragraph 4 in Part I of this Circular
"Existing Articles"	the existing articles of incorporation of the Company, as amended by Special Resolution on 5 April 2017
"Extraordinary General Meeting"	extraordinary general meeting of the Shareholders convened for 8 September 2020 at 2 p.m. (or any adjournment thereof)
"GFSC"	the Guernsey Financial Services Commission
"IMA Amendment Agreement"	has the meaning given in paragraph 5 in Part I of this Circular
"Investment Profits"	means realised capital gains (net of realised capital losses) on the disposal of assets and investments in the Company's Portfolio
"NAV Determination Date"	has the meaning given in paragraph 1 in Part I of this Circular

"Net Asset Value" or "NAV"	the total assets of the Company less its total liabilities (including accrued but unpaid fees) or, where relevant, the total assets attributable to the Shares less the total liabilities attributable the Shares (including the relevant proportion of accrued but unpaid fees) in each case valued in accordance with the Company's accounting policies adopted by the Company from time to time
"New Articles"	the proposed new articles of incorporation of the Company to be adopted upon the passing of Resolution 3 at the Extraordinary General Meeting, subject to the adoption of all the other Resolutions.
"New Investment Policy"	the new investment policy proposed to be adopted by the Company
"Notice"	the notice convening the Extraordinary General Meeting, as set out at the end of this Circular
"Ordinary Resolution"	a resolution of the Company passed at a duly convened meeting by a show of hands or on a poll by a simple majority of the votes cast
"Portfolio"	means at any time, the portfolio of assets and investments in which the funds of the Company are invested
"Proposals"	the proposals described in paragraph 1 in Part I of this Circular
"Proxy Appointment"	the appointment of a proxy on behalf of a Shareholder in accordance with the procedures described in this Circular
"RCIS Rules"	the Registered Collective Investment Schemes Rules 2018
"Record Date"	8 p.m. on 4 September 2020
"Redemption Notice"	the Redemption Notice for use by Shareholders holding Shares in certificated form who wish to participate in the Cash Exit Offer
"Redemption Price"	has the meaning given in paragraph 10 in Part I of this Circular
"Regulatory Information Service" or "RIS"	means a primary information provider service approved to disseminate regulatory information to the market by the United Kingdom Financial Conduct Authority
"Registrar"	Link Asset Services
"Resolution 1"	the resolution being put forward at the Extraordinary General Meeting relating to the change of the Company's Investment Policy
"Resolution 2"	the resolution being put forward at the Extraordinary General Meeting relating to the change of the Company's name
"Resolution 3"	the resolution being put forward at the Extraordinary General Meeting relating to the Company's adoption of the New Articles
"Resolutions"	the resolutions being put forward at the Extraordinary General Meeting, being Resolution 1, Resolution 2 and Resolution 3
"Shareholders"	holders of Shares
"Shares"	the ordinary shares of no par value in the capital of the Company, consisting of the Sterling-denominated class
"Signal Shares"	the online service accessible via www.signalshares.com
"Special Resolution"	a resolution of the Company passed at a duly convened meeting by a show of hands or on a poll by a majority of not less than 75 per cent. of the votes cast

“Sterling” or “£”

United Kingdom pounds sterling

“Target Distribution”

has the meaning given in paragraph 3 in Part I of this Circular

“TTE Instruction”

a transfer to escrow instruction (as described in the CREST manual issued by Euroclear) containing the details set out on pages 13 and 14 of this Circular

NB Global Floating Rate Income Fund Limited

(a non-cellular company limited by shares incorporated under the laws of Guernsey with registration number 53155)

Notice of Extraordinary General Meeting

Notice is hereby given that an extraordinary general meeting (the "Extraordinary General Meeting") of the shareholders of NB Global Floating Rate Income Fund Limited (the "Company") will be held at the offices of Praxis Fund Services Limited at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR, Channel Islands on 8 September 2020 at 2 p.m. to consider and, if thought fit, pass the following resolutions.

ORDINARY RESOLUTIONS

1. **THAT**, subject to all other Resolutions being passed, the New Investment Policy of the Company be and is hereby approved;

SPECIAL RESOLUTIONS

2. **THAT**, subject to all other Resolutions being passed, the Company's name be changed from "NB Global Floating Rate Income Fund Limited" to "NB Global Monthly Income Fund Limited"; and
3. **THAT**, subject to all other Resolutions being passed, the New Articles produced to the Extraordinary General Meeting and, for the purposes of identification, initialed by the Chairman, be and are hereby adopted as the new articles of incorporation of the Company in substitution for and to the exclusion of, in their entirety, the Existing Articles.

Terms defined in the Circular shall have the same meanings in these Resolutions and this Notice, save where the context otherwise requires.

By order of the Board

For and on behalf of

Praxis Fund Services Limited

Company Secretary

Registered Office:
Sarnia House, Le Truchot
St Peter Port
Guernsey, GY1 1GR

Dated: 17 August 2020

Notes:

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one or more proxies to speak and vote instead of them. A proxy need not be a member of the Company. Completion and return of a Proxy Appointment will not preclude members from attending or voting at the Extraordinary General Meeting if they so wish.
2. More than one proxy may be appointed provided each proxy is appointed to exercise the rights attached to different shares.
3. It should be noted that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of the votes for and against the Resolutions.
4. A Proxy Appointment should be completed in accordance with the instructions set out therein and returned by one of the following methods: (i) in hard copy form by post, by courier or by hand to Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU; (ii) by logging on to Signal Shares and following the instructions; or (iii) in the case of CREST members, by utilising the CREST electronic proxy appointment service, in each case not less than 48 hours (excluding weekends and any bank holiday) before the time for holding the Extraordinary General Meeting.
5. All persons recorded on the register of shareholders as holding shares in the Company as at close of business on 4 September 2020 or, if the Extraordinary General Meeting is adjourned, as at 48 hours before the time of any adjourned Extraordinary General Meeting, shall be entitled to attend and vote (either in person or by proxy) at the Extraordinary General Meeting and, on a poll, shall be entitled to 1.6 votes in respect of each Share held.
6. The quorum of the Extraordinary General Meeting shall be two or more Shareholders present in person or represented by proxy.
7. If within half an hour after the time appointed for the Extraordinary General Meeting a quorum is not present, the meeting shall stand adjourned for five Business Days at the same time and place or to such other day and at such other time as the Board may determine, whereupon those Shareholders then present in person, by their representative or by proxy, shall form the quorum. No notice need be given in the event of any such adjournment.
8. Where there are joint registered holders of any shares such persons shall not have the right of voting individually in respect of such shares but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election the person whose name stands first on the register of shareholders shall alone be entitled to vote.
9. On a poll votes may be given either personally or by proxy and a shareholder entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
10. Any corporation which is a shareholder may by resolution of its board of directors or other governing body authorise such person as it thinks fit to act as its representative at the Extraordinary General Meeting. Any person so authorised shall be entitled to exercise on behalf of the corporation which he represents the same powers (other than to appoint a proxy) as that corporation could exercise if it were an individual shareholder.
11. A special resolution requires a majority of not less than 75 per cent. of the votes cast to be in favour of it to be passed.
12. To allow effective constitution of the Extraordinary General Meeting, if it is apparent to the chairman that no Shareholders will be present in person or by proxy, other than by proxy in the chairman's favour, the chairman may appoint a substitute to act as proxy in his stead for any Shareholder, provided that such substitute proxy shall vote on the same basis as the chairman.

