



AVIVA INVESTORS SECURE
INCOME REIT plc

IPO Prospectus 2017

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. This document is a prospectus (the “Prospectus”) relating to Aviva Investors Secure Income REIT plc (the “Company”) prepared in accordance with the Prospectus Rules of the Financial Conduct Authority (the “FCA”) made under section 73A of the Financial Services and Markets Act 2000 (“FSMA”) and approved by the FCA under section 87A of FSMA. The Prospectus has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules. If you are in any doubt about the contents of this Prospectus you should consult your accountant, legal or professional adviser, financial adviser or a person authorised for the purposes of FSMA who specialises in advising on the acquisition of shares and other securities if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

The Ordinary Shares are only suitable for investors (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in the Ordinary Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment programme. Investors in the Company are expected to be institutional investors and professionally-advised private investors. The Ordinary Shares may also be suitable for investors who are financially sophisticated, non-advised private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment. Such investors may wish to consult their stockbroker, bank manager, solicitor, accountant or other independent financial advisor before making an investment in the Company. The attention of potential investors is drawn to the Risk Factors beginning on page 20 of this Prospectus.

Applications will be made (i) to the FCA for all of the Ordinary Shares issued and to be issued in connection with the Aviva Subscription, the Placing and the Intermediaries Offer (together the “**Issue**”) to be admitted to the premium listing segment of the Official List of the UK Listing Authority (the “**Official List**”) and (ii) to the London Stock Exchange for all such Ordinary Shares to be admitted to trading on its main market for listed securities. It is not intended that any class of shares in the Company be admitted to listing in any other jurisdiction. It is expected that admission will become effective and that dealings in the Ordinary Shares will commence at 8.00 a.m. (London time) on 8 December 2017 (“**Admission**”).

The Company and its Directors, whose names appear on page 48 of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect the import of such information.

You should read this Prospectus in its entirety and in particular the risk factors set out in the section of this Prospectus headed “*Risk Factors*”.

Aviva Investors Secure Income REIT plc

(a company incorporated in England and Wales under the Companies Act 2006, with company no. 10985117 and an investment company within the meaning of section 833 of the Companies Act 2006)

Issue of Ordinary Shares at an Issue Price of 100 pence per Ordinary Share pursuant to the Aviva Subscription, a Placing and an Intermediaries Offer

and

Admission of the Ordinary Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange’s main market for listed securities

Sole Sponsor, Global Coordinator, Bookrunner and Financial Adviser

Jefferies

Investment Manager of the Company

Aviva Investors UK Fund Services Limited

The FCA has approved the Investment Manager’s notification of its intention to market the Ordinary Shares in the UK, Ireland and the Netherlands in accordance with regulation 54 of the UK Alternative Investment Fund Managers Regulations 2013, which implements article 32 of the European Alternative Investment Fund Managers Directive, and the FCA has notified the Investment Manager that the FCA has transmitted the marketing notification to the competent authorities of Ireland and the Netherlands.

Jefferies, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and no one else in connection with the Issue and Admission and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, for the contents of this Prospectus or for providing any advice in relation to the Issue, Admission, the contents of this Prospectus or any matters referred to herein.

Apart from the responsibilities and liabilities, if any, which may be imposed by the FCA or the FSMA or the regulatory regime established thereunder, neither Jefferies nor any person affiliated with it, accepts any responsibility whatsoever nor makes any representation or warranty, express or implied, in respect of the contents of this Prospectus including its accuracy or completeness or for any other statement made or purported to be made by any of them, or on behalf of them, in connection with the Company, the Issue and Admission and nothing in this Prospectus is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. Jefferies accordingly disclaims all and any liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have to any person, other than the Company, in respect of this Prospectus.

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

Intermediaries Offer

The Company consents to the use of this Prospectus in connection with any subsequent resale or final placement of securities by Intermediaries in the United Kingdom, the Channel Islands and the Isle of Man on the following terms: (i) in respect of Intermediaries who are appointed by the Company prior to the date of this Prospectus, from the date of this Prospectus; and (ii) in respect of Intermediaries who are appointed by the Company after the date of this Prospectus, from the date on which they are appointed to participate in the Intermediaries Offer and agree to adhere to and be bound by the Intermediaries Terms and Conditions, in each case until the closing of the Intermediaries Offer. The offer period within which any subsequent resale or final placement of securities by Intermediaries can be made and for which consent to use this Prospectus is given commences on 14 November 2017 and closes at 11.00 a.m. on 5 December 2017, unless closed prior to that date (any such prior closure to be announced via a Regulatory Information Service). The Company and the Directors accept responsibility for the information contained in this Prospectus with respect to any purchaser of Ordinary Shares pursuant to the Intermediaries Offer. **Any Intermediary that uses this Prospectus must state on its website that it uses this document in accordance with the Company's consent and the conditions attached thereto. Intermediaries are required to provide, at the time of such offer, the terms and conditions of the Intermediaries Offer to any prospective investor who has expressed an interest in participating in the Intermediaries Offer to such Intermediary. Any application made by investors to any Intermediary is also subject to the terms and conditions imposed by such Intermediary.**

Notice to Overseas Investors

The distribution of this Prospectus and issue of Ordinary Shares in certain jurisdictions other than the United Kingdom may be restricted by law. No action has been taken by the Company to permit a public offering of Ordinary Shares or possession or distribution of this Prospectus (or any other offering or publicity materials relating to Ordinary Shares) in any other jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this Prospectus nor any advertisement may be distributed or published in any other jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes are required by the Company and Jefferies to inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Neither this Prospectus nor any other related documents will be distributed in or into the United States or any of the other Excluded Territories. This Prospectus does not constitute or form part of an offer to sell, or the solicitation of an offer to buy or subscribe for, Ordinary Shares to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful.

The Ordinary Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the “**US Securities Act**”), or under the securities laws of any state or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the US Securities Act (“**Regulation S**”)). The Ordinary Shares may only be offered and sold to persons outside of the United States who are not US Persons (as defined in Regulation S) in offshore transactions in reliance on Regulation S. The Company has not been, and will not be, registered under the US Investment Company Act of 1940, as amended (the “**US Investment Company Act**”), and investors will not be entitled to the benefits of that Act. No offer, purchase, sale or transfer of the Ordinary Shares may be made except under circumstances which will not result in the Company being required to register as an investment company under the US Investment Company Act.

The Ordinary Shares have not been and will not be registered under the applicable securities laws of Australia, Canada, Japan or the Republic of South Africa. Accordingly, subject to certain exceptions (noted below), the Ordinary Shares may not be offered or sold in Australia, Canada, Japan or the Republic of South Africa or to, or for the account or benefit of, any resident of Australia, Canada, Japan or the Republic of South Africa.

Prospective purchasers should read the restrictions on offers, sales and transfers of the Ordinary Shares and the distribution of this Prospectus set out in Part IX (*Restrictions on Sales*) of this Prospectus. Each purchaser of the Ordinary Shares will be deemed to have made the relevant representations described therein and in Part VI (*The Issue*) of this Prospectus.

Other Important Notices

Jefferies and/or any of its affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services for, the Company, the Investment Manager, the Portfolio Manager and other funds or investments managed by the Investment Manager, the Portfolio Manager or their respective affiliates for which they would have received customary fees. Jefferies and/or any of its affiliates may provide such services to the Company, the Investment Manager, the Portfolio Manager and/or any of their respective affiliates in the future.

In connection with the Issue, Jefferies and/or any of its affiliates acting as an investor for its or their own account(s), may acquire Ordinary Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or other related investments in connection with the Issue or otherwise. Accordingly, references in this Prospectus to the Ordinary Shares being issued, offered, acquired, subscribed or otherwise dealt with, should be read as including any issue or offer to, acquisition of, or subscription or dealing by Jefferies and any of its affiliates acting as an investor for its or their own account(s). Neither Jefferies nor any of its affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. In addition, in connection with the Issue, Jefferies may enter into financing arrangements with investors, such as share swap arrangements or lending arrangements where Ordinary Shares are used as collateral, that could result in Jefferies acquiring shareholdings in the Company.

No person has been authorised to give any information or make any representations other than those contained in this Prospectus or any supplementary prospectus published by the Company prior to Admission and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Investment Manager or Jefferies. Neither the publication of this Prospectus nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company or the Investment Manager since the date of this Prospectus or that the information in this Prospectus is correct as at any time subsequent to its date.

The contents of this Prospectus should not be construed as legal, financial, business, investment or tax advice. Each prospective investor should consult his, her or its legal adviser, independent financial adviser or tax adviser for legal, financial, business, investment or tax advice. Prospective investors must inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of the Ordinary Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of the Ordinary Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer, redemption or other disposal of the Ordinary Shares.

In making an investment decision, each investor must rely on their own examination, analysis and enquiry of the Company, the Investment Manager and the terms of the Issue, including the merits and risks involved. Each investor also acknowledges that: (i) it has not relied on Jefferies or any person affiliated with Jefferies in

connection with any investigation of the accuracy of any information contained in this Prospectus or its investment decision; and (ii) it has relied only on the information contained in this Prospectus and any supplementary prospectus published by the Company prior to Admission, and that no person has been authorised to give any information or to make any representation concerning the Company, the Investment Manager or any of their respective subsidiaries or the Ordinary Shares (other than as contained in this Prospectus and any supplementary prospectus published by the Company prior to Admission) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company, the Investment Manager or Jefferies or any of their respective affiliates.

This Prospectus should be read in its entirety before making any application for Ordinary Shares.

Capitalised terms contained in this Prospectus shall have the meaning given to such terms in Part XII (*Definitions and Glossary*) of this Prospectus.

Dated 14 November 2017

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SUMMARY

Summaries are made up of disclosure requirements known as ‘Elements’. These Elements are numbered in Sections A—E (A.1—E.7) below.

This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of ‘not applicable’.

| Section A—Introduction and Warnings | | |
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| A.1 | Warning | <p>This summary should be read as an introduction to this Prospectus. Any decision to invest in the Ordinary Shares should be based on consideration of this Prospectus as a whole by the investor. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Union, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p> |
| A.2 | Subsequent resale of securities or final placement of securities through financial intermediaries | <p>The Company consents to the use of this Prospectus by financial intermediaries appointed by the Company in connection with the subsequent resale or final placement of securities by financial intermediaries. The offer period within which any subsequent resale or final placement of securities by the Intermediaries can be made and for which consent to use this Prospectus is given commences on 14 November 2017 and closes at 11.00 a.m. on 5 December 2017, unless closed prior to that date.</p> <p>Prospective investors interested in participating in the Intermediaries Offer should apply for Ordinary Shares through the Intermediaries by following their relevant application procedures by no later than at 11.00 a.m. on 5 December 2017.</p> <p>Intermediaries are required to provide the terms and conditions of the Intermediaries Offer to any prospective investor who has expressed an interest in participating in the Intermediaries Offer to such Intermediary. Any application made by investors to any Intermediary is also subject to the terms and conditions imposed by each Intermediary.</p> |

| Section B—Issuer | | |
|-------------------------|----------------------------------|---|
| B-33, B.1 | Legal and commercial name | Aviva Investors Secure Income REIT plc |
| B-33, B.2 | Domicile and legal form | <p>The Company was incorporated in England and Wales on 27 September 2017 with company number 10985117 as a public company limited by shares under the Companies Act 2006. The Company is an investment company within the meaning of section 833 of the Companies Act 2006 and is domiciled in the United Kingdom.</p> |

| B-33, B.5 | Group description | Not applicable. The Company is not part of a group and does not have any subsidiaries. | | | | | | |
|---------------------------|---|---|--------------------|---|---|---------------------------|------------|----------------|
| B-33, B.6 | Major shareholders | <p>As at the date of this Prospectus, the Company is controlled by Aviva Investors Real Estate as the sole shareholder of the Company.</p> <p>As at the date of this Prospectus and insofar as is known to the Company, the Company anticipates that immediately following the Issue, the following persons will be directly or indirectly interested in three per cent or more of the Company's issued share capital:</p> <table border="1"> <thead> <tr> <th><u>Shareholder</u></th> <th><u>Number of Ordinary Shares to be acquired under the Issue⁽¹⁾</u></th> <th><u>Percentage of issued share capital immediately following Admission⁽¹⁾</u></th> </tr> </thead> <tbody> <tr> <td>Aviva Life Fund</td> <td>39,980,000</td> <td>19.99 per cent</td> </tr> </tbody> </table> <p>Note:</p> <p>(1) Assuming a total issue size of 200 million Ordinary Shares and that Aviva Life Fund does not elect to increase the size of its subscription pursuant to the Aviva Subscription Agreement.</p> <p>The Company and the Directors are not aware of any other person who directly or indirectly, jointly or severally exercises or could exercise control over the Company.</p> <p>All Shareholders have the same voting rights in respect of the share capital of the Company.</p> | <u>Shareholder</u> | <u>Number of Ordinary Shares to be acquired under the Issue⁽¹⁾</u> | <u>Percentage of issued share capital immediately following Admission⁽¹⁾</u> | Aviva Life Fund | 39,980,000 | 19.99 per cent |
| <u>Shareholder</u> | <u>Number of Ordinary Shares to be acquired under the Issue⁽¹⁾</u> | <u>Percentage of issued share capital immediately following Admission⁽¹⁾</u> | | | | | | |
| Aviva Life Fund | 39,980,000 | 19.99 per cent | | | | | | |
| B-33, B.7 | Key financial information | Not applicable. As at the date of this Prospectus, the Company has not commenced operations since its incorporation on 27 September 2017 and no financial statements of the Company have been prepared. | | | | | | |
| B-33, B.8 | Key pro forma financial information | Not applicable. This Prospectus does not contain pro forma financial information. | | | | | | |
| B-33, B.9 | Profit forecast | Not applicable. There are no profit forecasts or estimates made in this Prospectus. | | | | | | |
| B-33, B.10 | Qualifications on audit report | Not applicable. The Company is recently incorporated and has no historical financial information. | | | | | | |
| B.11 | Working capital qualifications | Not applicable. The Company is of the opinion, taking into account the Minimum Net Proceeds, that the working capital available to it is sufficient for its present requirements, that is for at least the next 12 months from the date of this Prospectus. | | | | | | |
| B.34 | Investment objective and description of the investment policy | <p>Investment Objective</p> <p>The Company's investment objective is to deliver a secure and growing income return, together with capital stability and the potential for capital growth, through investment in a diversified portfolio of high-quality long-lease commercial real estate assets in the UK. Properties will be leased to predominantly investment grade tenants. Rent reviews will typically be upward only and linked to inflation or subject to fixed uplifts.</p> <p>Investment Policy</p> <p>The Company intends to achieve its investment objective by investing in a diversified portfolio of high quality, long-lease commercial real estate assets</p> | | | | | | |

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| | | <p>in the UK. Investments will be located within the UK and diversified across a range of traditional and alternative real estate sectors including, but not limited to, the following:</p> <ul style="list-style-type: none"> • Industrial/Logistics; • Offices; • Supermarkets; • GP Surgery/Clinics; • University Assets; • Hotels; and • Car Showrooms. <p>The Company will target high quality assets with intrinsic qualities including location, alternative use and strategic importance. The Company will invest in these assets directly or through holdings in special purpose vehicles. The Company will aim to deliver a secure and growing rental income stream by investing in assets let or pre-let on long-term fully repairing and insuring leases (or equivalent) to financially strong tenants with low risk of default, as assessed by the Investment Manager (acting through the Portfolio Manager). Tenants will be predominantly investment grade, meaning they have a minimum credit rating of BBB–, either from an external credit rating agency or, where an external rating is not available, as internally rated by Aviva Investors’ credit rating team. Lease lengths will typically be a minimum of 10 years to expiry or first break at the time of acquisition, with a target weighted average lease length at the portfolio level of 15 years to expiry. Properties with leases of shorter than 10 years to expiry or first break may be acquired in certain circumstances, in particular where a lease re-gear opportunity is perceived to exist by the Investment Manager (acting through the Portfolio Manager).</p> <p>The Company will also seek to deliver security of rental growth with rent reviews being typically upward only and linked to an inflation index, such as RPI or CPI (with potentially a minimum and a maximum level) or subject to fixed uplifts.</p> <p>The Investment Manager (acting through the Portfolio Manager) will also seek to add additional value to the Company through asset management, including identifying opportunities to extend lease terms. As well as the lease characteristics of term, tenant covenant strength and review mechanism, the Investment Manager (acting through the Portfolio Manager) will also assess the underlying real estate fundamentals of investments in order to protect capital values and ensure continuity and growth of income. The credit rating of investments will be based on factors relevant to the credit strength of the tenant and whether the rental income is significantly covered by the open-market rent and/or the operating profits of the tenant.</p> <p>The Company may invest through forward funded developments and forward commitments where suitably pre-let to a financially strong tenant. In making forward funded acquisitions or forward commitments, the Company will not take on any speculative development activity or acquire sites without planning approval unless they form part of a larger leased site, allowing for potential future growth. The Company will pay a fixed price for each forward funded acquisition, covering land, construction costs and developer’s profit. All cost overruns will be the responsibility of the developer/contractor and the Company expects there will be performance bonds in place covering at least 10 per cent of the contract value. In addition, the Company expects contractors would be likely to benefit from</p> |
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| | | <p>parent company guarantees. Accordingly, the Company will not assume any direct development risk.</p> <p>It is intended that the Company’s investments will be held on a long-term basis. However, the Company may dispose of investments within a shorter time frame, including where an appropriate opportunity arises where the Investment Manager (acting through the Portfolio Manager) determines the value that could be realised from such a disposal would represent a satisfactory return on the initial investment and/or otherwise enhance the value of the Company, taken as a whole. There is no limit on the number of investments which the Company may dispose of from its portfolio (subject always to complying with the objective of spreading investment risk and the investment restrictions that form part of the Company’s investment policy).</p> <p>The Company will invest its funds in those asset classes in the real estate sector where it sees an opportunity to create value for its Shareholders. The Company may from time to time enter into co-investment agreements with third parties, including other funds managed by Aviva Investors. The Company intends that its portfolio will be appropriately diversified by geography, real estate sector type, asset class and tenant industry. The Investment Manager has been authorised by the Board to exercise its discretion in managing and diversifying the real estate asset classes identified above within the Company’s portfolio for the benefit of Shareholders and ensuring that the funds available to the Company for investment are invested in such real estate assets.</p> <p><i>Asset Diversification</i></p> <p>The Company will invest and manage its properties with the objective of delivering a high quality, diversified portfolio. The following investment restrictions will apply to the Company:</p> <ul style="list-style-type: none"> • The value of no single property asset, calculated at the time of investment, will represent more than 25 per cent of the higher of: (i) the GAV; or (ii) where the Company has not yet become fully geared, the GAV adjusted on the assumption that the Company’s property portfolio is geared at 30 per cent loan to value; • The aggregate maximum exposure to any one tenant (other than individual government, quasi-government and public sector entities), calculated at the time of investment, will be 25 per cent of the higher of: (i) the GAV; or (ii) where the Company has not yet become fully geared, the GAV adjusted on the assumption that the Company’s property portfolio is geared at 30 per cent loan to value; • The aggregate maximum exposure to any one tenant which is a government, quasi-government or public sector entity, calculated at the time of investment, will be 35 per cent of the higher of: (i) the GAV; or (ii) where the Company has not yet become fully geared, the GAV adjusted on the assumption that the Company’s property portfolio is geared at 30 per cent loan to value; • The aggregate maximum exposure to forward funded developments (which shall not, for the avoidance of doubt, apply to forward commitments), calculated at the time of investment, will be 25 per cent of the higher of: (i) the GAV; or (ii) where the Company has not yet become fully geared, the GAV adjusted on the assumption that the Company’s property portfolio is geared at 30 per cent loan to value; • All property assets will be located in the UK; and • The Company will not invest in other UK listed closed-end investment companies. |
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| | | <p>Once the Net Proceeds have been fully deployed, the minimum number of properties comprising the Company's portfolio will be not less than five properties.</p> <p>The Company will also seek to spread investment risk by seeking to achieve a diversified exposure by real estate sector, geographical location and tenant industry.</p> <p>The investment restrictions detailed above apply at the time of the acquisition of the relevant investment. The Company will not be required to dispose of any investment or to rebalance its investment portfolio as a result of a change in the respective valuations of its assets.</p> <p><i>Gearing</i></p> <p>The Company will seek to utilise borrowings to enhance equity returns. The level of borrowing will be determined by the Investment Manager (acting through the Portfolio Manager) based on the characteristics of the relevant property and asset class and the Investment Manager (acting through the Portfolio Manager) will seek to achieve a low cost of funds. The Company expects that it will utilise debt facilities secured at the asset level in the near term and will give consideration to utilising unsecured facilities and capital markets facilities at the corporate level at a later date. The Company may seek to stagger financing maturities to mitigate refinancing risk.</p> <p>The Directors intend that the Company will maintain a conservative level of aggregate borrowings with a medium term target of 30 to 35 per cent of the GAV at the time of borrowing. The Company's aggregate borrowings will be subject to an absolute maximum, calculated at the time of drawdown, of 40 per cent of the GAV.</p> <p><i>Use of derivatives</i></p> <p>The Company may use derivatives for efficient portfolio management. In particular, the Company may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases on borrowings incurred as part of the Company's portfolio management.</p> <p>The Company will only use derivatives for risk management and not for speculative purposes.</p> <p>The Company will only enter into hedging contracts and other derivative contracts when they are available in a timely manner and on terms acceptable to it. The Company reserves the right to terminate any hedging arrangement in its absolute discretion.</p> |
| B.35 | Borrowing limits | <p>The level of borrowing will be determined by the Investment Manager (acting through the Portfolio Manager) based on the characteristics of the relevant property and asset class and the Investment Manager (acting through the Portfolio Manager) will seek to achieve a low cost of funds.</p> <p>The Directors intend that the Company will maintain a conservative level of aggregate borrowings with a medium term target of 30 to 35 per cent of the GAV at the time of borrowing. The Company's aggregate borrowings will be subject to an absolute maximum, calculated at the time of drawdown, of 40 per cent of the GAV.</p> |
| B.36 | Regulatory status | <p>The Company is incorporated and operates under the Companies Act and is an investment company within the meaning of section 833 of the Companies Act.</p> <p>The Company is not authorised or regulated as a collective investment scheme by the FCA.</p> |

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| | | <p>From Admission, the Company will be subject to the Listing Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation and the rules of the London Stock Exchange.</p> <p>The Company is being established so as to enable it to qualify as a REIT once it has satisfied the conditions for entry into the REIT Regime. Accordingly, the Company will need to comply with certain ongoing regulations and conditions, including conditions relating to its Qualifying Property Rental Business and the distribution of profits.</p> <p>The Company is an externally managed alternative investment fund and has appointed the Investment Manager as its AIFM in accordance with the AIFMD.</p> |
| B.37 | Typical investor | <p>Investors in the Company are expected to be institutional investors and professionally-advised private investors. The Ordinary Shares may also be suitable for investors who are financially sophisticated, non-advised private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment. Such investors may wish to consult their stockbroker, bank manager, solicitor, accountant or other independent financial advisor before making an investment in the Company.</p> |
| B.38 | Concentration of gross assets (20 per cent) | <p>Not applicable. The Company does not at the date of this Prospectus and will not at Admission have any investments representing 20 per cent or more of the GAV.</p> |
| B.39 | Concentration of gross assets (40 per cent) | <p>Not applicable. In accordance with the Company's investment policy, the value of no single property or asset, calculated at the time of investment, will represent more than 25 per cent of the higher of: (i) the GAV; or (ii) where the Company has not yet become fully geared, the GAV adjusted on the assumption that the Company's property portfolio is geared at 30 per cent loan to value.</p> |
| B.40 | Service providers | <p><i>Investment Manager</i></p> <p>Aviva Investors UK Fund Services Limited has been appointed as the investment manager and AIFM of the Company pursuant to the Investment Management Agreement for an initial term of three years from the date of Admission. The Investment Manager will be responsible for the discretionary management of all of the assets and investments of the Company, subject to the Company's investment policy. The Investment Manager is entitled to delegate certain of its functions or duties under the Investment Management Agreement, and has delegated investment related and portfolio management services to the Portfolio Manager pursuant to the Portfolio Management Agreement, subject to matters requiring the approval of Independent Directors.</p> |

For the provision of services under the Investment Management Agreement, the Investment Manager will be paid a Management Fee semi-annually in arrears based upon a percentage of Adjusted NAV on the following basis:

| <u>Adjusted NAV</u> | <u>Annual management fee (percentage of Adjusted NAV)</u> |
|---|---|
| Up to and including £250 million | 0.75 per cent |
| Above £250 million and up to and including £500 million | 0.70 per cent |
| Above £500 million and up to and including £1.0 billion | 0.65 per cent |
| Above £1.0 billion and up to and including £2.0 billion . | 0.60 per cent |
| Above £2.0 billion | 0.55 per cent |

For the avoidance of doubt, the different percentages set out above shall be applied incrementally and not as against the total Adjusted NAV.

Depositary

RBC Investor Services Bank S.A., London Branch has been appointed as depositary to the Company. In consideration for its services, the Depositary is entitled to receive an annual fee of 1.50 basis points on the GAV if the GAV is below £2,200 million and an annual fee of 1.25 basis points on the part of the GAV that is in excess of £2,200 million, subject to a minimum annual fee of £13,200. Any additional services provided by the Depositary will incur additional charges. The fee levels increase from the third year of the Depositary's appointment.

Registrar

Computershare Investor Services PLC has been appointed as registrar of the Company. Under the terms of the Registrar Agreement the Registrar is entitled to a monthly fee calculated on the basis of the number of Shareholders. Any additional services provided by the Registrar will incur additional charges.

Receiving Agent

Computershare Investor Services PLC has been appointed as receiving agent of the Company. Under the terms of the Receiving Agent Agreement, the Receiving Agent is entitled to a fee of £8,000 in connection with the Issue.

Auditor

PricewaterhouseCoopers LLP will provide audit services to the Company. The annual report and accounts will be prepared according to accounting standards in accordance with IFRS.

The fees charged by the Auditor depend on the services provided, computed, *inter alia*, on the time spent by the Auditor on the affairs of the Company.

Administrator

RBC Investor Services Bank S.A has been appointed as administrator to the Company. The Administrator is entitled to receive a one-off fee of £8,800 and an annual aggregate fee of £63,380 (and an additional fee of 0.25 basis points on the part of the GAV that is above £88 million) for its various services in relation to the Company. The fees for any further services provided by the Administrator will be agreed between the parties from time to time.

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| | | <p><i>Company Secretary</i></p> <p>Link Company Matters Limited has been appointed as company secretary to the Company. In consideration for the provision of company secretarial services by the Company Secretary, the Company has agreed to pay an annual fee of £60,000. Any additional services provided by the Company Secretary will incur additional charges.</p> <p><i>Valuer</i></p> <p>The Investment Manager intends to appoint a professional independent valuer to conduct valuations of the Company's properties semi-annually as at 30 June and 31 December in each year, and at such other times as the Investment Manager determines in its discretion.</p> |
| B.41 | Regulatory status of investment manager | The Investment Manager is authorised and regulated by the FCA to manage alternative investment funds, such as the Company, among other things. |
| B.42 | Calculation of Net Asset Value | The Net Asset Value (and Net Asset Value per Share) will be calculated semi-annually by the Administrator on behalf of the Company, in accordance with IFRS. Investment properties will be held at fair value as determined by the Investment Manager on the basis of market value in accordance with the internationally accepted RICS Appraisal and Valuation Standards. Consistent with other listed European real estate investment companies, the Directors expect to follow the best practice recommendations and guidance published by EPRA and to disclose adjusted measures of Net Asset Value (and Net Asset Value per Share) which are designed by EPRA to reflect better the core long-term operations of the business. Details of each semi-annual valuation, and of any suspension in the making of such valuations, will be announced by the Company through a RIS as soon as practicable after the end of the relevant six month period. The semi-annual valuations of the Net Asset Value (and Net Asset Value per Share) will be calculated on the basis of the most recent semi-annual independent valuation of the Company's properties and any other assets or most recent semi-annual desktop valuation. |
| B.43 | Cross-liability | Not applicable. The Company is not an umbrella collective investment undertaking and as such there is no cross-liability between classes or investment in another collective investment undertaking. |
| B.44 | Key financial information | Not applicable. The Company is recently incorporated, has not commenced operations and no financial statements have been made up as at the date of this Prospectus. |
| B.45 | Portfolio | <p>The Company is newly incorporated and does not currently hold any assets.</p> <p>As at the date of this Prospectus, the Company's target asset portfolio consists of four assets of approximately £85 million.</p> <p>The assets comprising the Target Portfolio are subject to ongoing due diligence by the Portfolio Manager and its professional advisers and no contractually binding obligations have been, and will not prior to Admission be, entered into for their sale and purchase.</p> <p>In addition, the acquisition of two of the assets comprising the Target Portfolio are expected to be related party transactions for the purposes of the Listing Rules and, accordingly, will be subject to approval by the Shareholders at a general meeting. There can be no assurance that the Company will complete the acquisitions of any or all of the assets comprising the Target Portfolio.</p> |
| B.46 | Net Asset Value | Not applicable. The Company has not commenced operations. |

| Section C—Securities | | |
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| C.1 | Description of securities | <p>The Company intends to issue up to 200 million Ordinary Shares of one penny each in the capital of the Company (although the Directors have reserved the right, in consultation with Jefferies, to increase the size of the Issue to a maximum of £250 million).</p> <p>The actual number of Ordinary Shares to be issued pursuant to the Issue are not known as at the date of this Prospectus but will be notified by the Company via a Regulatory Information Service announcement prior to Admission.</p> <p>When admitted to trading, the Ordinary Shares will be registered with ISIN number GB00BZ7MK705 and SEDOL number BZ7MK70 and it is expected that the Ordinary Shares will be traded under the ticker symbol AISI.</p> |
| C.2 | Currency of the securities issue | The Ordinary Shares are denominated in Sterling. |
| C.3 | Number of securities to be issued | <p>The Company intends to issue up to 200 million Ordinary Shares (although the Directors have reserved the right, in consultation with Jefferies, to increase the size of the Issue to a maximum of £250 million) offered at an Issue Price of 100 pence per Ordinary Share.</p> <p>As at the date of this Prospectus, the Company has an issued share capital of £50,000.01 divided into one Ordinary Share with a nominal value of one penny and 50,000 Redeemable Preference Shares with a nominal value of £1.00 each. The Redeemable Preference Shares are fully paid up as to their nominal value and will be redeemed in full following Admission out of the proceeds of the Issue.</p> |
| C.4 | Rights attached to the securities | <p>The Ordinary Shares rank <i>pari passu</i> in all respects with each other, including for voting purposes and the right to receive dividends or other distributions declared, made or paid after Admission.</p> <p>Shareholders are entitled to receive, and to participate in, any dividends declared in relation to the Ordinary Shares.</p> <p>Shareholders are entitled to participate in the assets of the Company attributable to their Ordinary Shares on a winding-up of the Company or other return of capital attributable to the Ordinary Shares.</p> <p>Shareholders are entitled to attend and vote at all general meetings of the Company.</p> <p>The consent of the holders of Ordinary Shares will be required for the variation of any rights attached to the Ordinary Shares.</p> |
| C.5 | Restrictions on free transferability | <p>The Ordinary Shares will be issued fully paid and free from all liens and, save as set out below, free from any restrictions on transfer.</p> <p>The Board may, in its absolute discretion, refuse to register any transfer of a certificated Ordinary Share which is not fully paid without giving any reason for its decision provided that, where the Ordinary Shares are admitted to trading on the London Stock Exchange, such discretion may not be exercised in such a way as to prevent dealings in the Ordinary Shares from taking place on an open and proper basis. The Board may also refuse to register any transfer of a certificated Ordinary Share unless the transfer is in respect of one class of shares and is in favour of no more than four transferees and the instrument of transfer is deposited at the registered office of the Company or such other place as the Board may appoint, accompanied by the certificate for the Shares to which it relates if it has</p> |

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| | | <p>been issued, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer. Further, the Board has the power to require the sale or transfer of Shares held by a Non-Qualified Holder or to refuse to register a transfer of Shares in favour of a Non-Qualified Holder.</p> |
| C.6 | Admission to trading on regulated market | <p>Applications will be made (i) to the FCA for all of the Ordinary Shares issued and to be issued in connection with the Issue to be admitted to the premium listing segment of the Official List and (ii) to the London Stock Exchange for all such Ordinary Shares to be admitted to trading on its main market for listed securities. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence at 8.00 a.m. (London time) on 8 December 2017.</p> <p>No application has been made or is currently intended to be made for the Ordinary Shares to be admitted to listing or trading on any other exchange.</p> |
| C.7 | Dividend policy | <p>Once the Company meets the conditions to become a REIT and the Directors are satisfied that the Company is able to, and will be able to continue to, comply with the qualifying REIT conditions, it is expected that the Company will give HMRC notice to become a REIT. As a REIT, the Company will be required to meet a minimum distribution test for each accounting period that it is a REIT. This minimum distribution test requires the Company to distribute at least 90 per cent of its property rental business profits as calculated for tax purposes by way of property income distribution, which can be in the form of a cash or stock dividend.</p> <p>The Company intends to pay dividends on a quarterly basis with dividends declared in February, May, August and November in each year.</p> <p>On a fully invested and geared basis, the Company is targeting an initial annual dividend yield of five per cent by reference to the Issue Price, which the Company will seek to increase broadly in line with inflation, and a Total Return of seven per cent per annum over the medium term (based on the Issue Price). The Company will target dividends totalling 3.0 pence per Share in respect of the period from Admission to 31 December 2018.</p> <p>The dividend and return targets stated above are targets only and not a profit forecast. There can be no assurance that these targets will be met and they should not be taken as an indication of the Company's expected or actual future results. Accordingly, potential investors should not place any reliance on these targets in deciding whether or not to invest in the Company and should not assume that the Company will make any distributions at all and should decide for themselves whether or not these targets are reasonable or achievable.</p> |

| Section D—Risks | | |
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| D.1 | Key information on the key risks specific to the Company or its industry | <ul style="list-style-type: none"> • The Company is newly formed and has not yet made any investments. • The Company may not meet its investment objective or achieve its targeted returns. There can be no assurance that any dividends will be paid in respect of any financial year or period and no guarantee as to the level of any future dividends to be paid by the Company. There is no guarantee that the Company will achieve the stated target dividend yield or target Total Return referred to in this Prospectus. • The Company's targeted returns are based on estimates and assumptions that are inherently subject to significant uncertainties and contingencies, and the actual rate of return may be materially lower than the targeted returns. There is no guarantee that actual (or |

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| | | <p>any) returns can be achieved at or near the levels set out in this Prospectus.</p> <ul style="list-style-type: none"> • Two of the assets comprising the Target Portfolio are expected to be acquired from a related party after Admission, the acquisition of which will require Shareholder approval before they can be completed. • The Company may be unable to make acquisitions (including the Target Portfolio). The Company can offer no assurance that it will be able to identify and make investments that are consistent with its investment policy or that it will be able to fully invest its available capital. • The net realisable value of the Company's assets may not be accurately reflected in the purchase price paid by the Company, and may fluctuate over time. • The Company's due diligence may not identify all risks and liabilities in respect of an acquisition. • The Company's investment strategy includes the use of leverage, which may be at both the Company and asset level, and which will expose the Company to risks associated with borrowing. • Unsuccessful transaction costs may be incurred. There is a risk that the Company may incur substantial legal, financial and other advisory expenses arising from unsuccessful transactions which may include expenses incurred in dealing with transaction documentation and legal, accounting and other due diligence. • Concentration of assets in any one real estate sector or tenant type may affect the Company's ability to achieve its investment objective. • The success of the Company in achieving its investment objective will depend, in part, on its ability to raise further funds in the medium-to-longer term, including through borrowing. • The Company may not acquire 100 per cent control of investments and may therefore be subject to the risks associated with joint venture investments and other similar investment arrangements. • Difficulty in maintaining occupancy levels for the Company's properties and tenant default may affect the income of the Company. A failure to maintain occupancy levels or a failure by tenants to comply with their rental obligations would reduce the Company's rental income and could affect the ability of the Company to pay dividends to Shareholders or reduce the amount of such dividends. • If inflation remains low, the rents received from tenants may not grow in line with the target Total Return. • A strong rating of a tenant does not necessarily mean the tenant will not default. • The Company's investments will be illiquid and may be difficult or impossible to realise at a particular time. • The Company is subject to the performance and conditions of the UK property market. • Property valuation is inherently subjective and uncertain. • Any forward funded projects will be subject to the hazards and risks normally associated with the construction and development of commercial real estate, any of which could result in delays in completion and increased costs and/or damage to property. |
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| | | <ul style="list-style-type: none"> • The Company may be subject to environmental liabilities. • The Company is reliant on the performance and expertise of the Investment Manager, the Portfolio Manager and their key personnel. • If the Company fails to qualify, or remain qualified, as a REIT, its rental income and gains will be subject to UK corporation tax. • The Company's status as a REIT may restrict distribution opportunities to all (or some) Shareholders. |
| D.3 | Key information on the key risks specific to the securities | <ul style="list-style-type: none"> • The market value of the Ordinary Shares may fluctuate. • It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Ordinary Shares. • The semi-annual NAV figures published by the Company will be estimated only and may be materially different from actual results. They may also be different from figures appearing in the Company's financial statements. • The NAV is expected to fluctuate over time by reference to the performance of the Company's investments and changing valuations. • The Ordinary Shares may trade at a discount to NAV. • The interests of any significant investor may conflict with those of other Shareholders and future sales of Ordinary Shares by any significant investor in the public market may cause the share price to fall. |

Section E—Offer

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| E.1 | Total proceeds and costs of the Issue | <p>The Company intends to issue up to 200 million Ordinary Shares at 100 pence per Ordinary Share pursuant to the Issue, raising proceeds of £200 million, before commissions and other estimated costs and expenses. The Directors have reserved the right, in consultation with Jefferies, to increase the size of the Issue to a maximum of £250 million. The actual number of Ordinary Shares to be issued pursuant to the Issue, and therefore the Gross Issue Proceeds, are not known as at the date of this Prospectus but will be notified by the Company via a Regulatory Information Service announcement prior to Admission.</p> <p>The costs and expenses of the Issue that amount to two per cent of the Gross Issue Proceeds (or such lower percentage as agreed by the Investment Manager) will be met by the Company from the Gross Issue Proceeds, provided that if the costs and expenses of the Issue are such that the NAV per Share as at Admission would be less than 98 pence, the Investment Manager has agreed to pay such proportion of the costs and expenses of the Issue (which would ordinarily be payable by the Company) so as to ensure that the NAV per Share as at Admission will be 98 pence. Assuming Gross Issue Proceeds of £200 million are raised pursuant to the Issue, the costs and expenses payable by the Company will not exceed £4 million.</p> |
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| E.2a | Reasons for the offer and use of proceeds | <p>The reason for the Issue is to raise funds to pay (i) the consideration for the Target Portfolio of approximately £85 million, together with associated costs and expenses (assuming the Company proceeds to acquire all of the assets comprising the Target Portfolio); (ii) commissions and other fees and expenses of the Issue payable by the Company in the amount of up to £4 million (assuming Gross Issue Proceeds of £200 million are raised); and (iii) for new investments to be sourced and acquired in accordance with the Company's investment objective and policy.</p> |
| E.3 | Terms and conditions of the offer | <p><i>The Issue</i></p> <p>The Issue comprises the Aviva Subscription and the Offer. The Offer comprises the Placing and the Intermediaries Offer. The Ordinary Shares are being offered pursuant to the Issue at the Issue Price.</p> <p>The Company intends to issue up to 200 million Ordinary Shares pursuant to the Issue (although the Directors have reserved the right, in consultation with Jefferies, to increase the size of the Issue to a maximum of £250 million). The actual number of Ordinary Shares to be issued pursuant to the Issue, and therefore the Gross Issue Proceeds, are not known as at the date of this Prospectus but will be notified by the Company via a Regulatory Information Service announcement prior to Admission.</p> <p>The Issue is conditional, <i>inter alia</i>, on: (i) the Sponsor's and Placing Agreement becoming unconditional in all respects (save as to Admission) and not having been terminated on or before 8 December 2017 (or such later date, not being later than 31 December 2017, as the Company and the Investment Manager may agree with Jefferies); (ii) Admission becoming effective by not later than 8.00 a.m. (London time) on 8 December 2017 (or such later time and/or date, not being later than 8.00 a.m. (London time) on 31 December 2017, as the Company and the Investment Manager may agree with Jefferies); and (iii) the Minimum Net Proceeds being raised. Accordingly, if any such conditions are not satisfied, the Issue will not proceed and any applications made in respect of the Issue will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk) without payment of interest, as soon as practicable thereafter.</p> <p><i>The Aviva Subscription</i></p> <p>Pursuant to the Aviva Subscription Agreement, Aviva Life Fund has committed to subscribe for such number of Ordinary Shares as comprises approximately 19.99 per cent of the issued ordinary share capital of the Company immediately following Admission. Pursuant to the Aviva Subscription Agreement, Aviva Life Fund may elect in its absolute discretion to increase its subscription to up to a maximum of 25 per cent of the issued ordinary share capital of the Company immediately following Admission.</p> <p><i>The Placing</i></p> <p>Subject to the certain restrictions on sales, the Ordinary Shares will be offered to institutional and other sophisticated investors.</p> <p>Assuming an issue size of 200 million Ordinary Shares and no Ordinary Shares are subscribed for pursuant to the Intermediaries Offer, the Placing will comprise an offer of up to 160,020,000 Ordinary Shares. The Company, the Investment Manager, the Directors and Jefferies have entered into the Sponsor's and Placing Agreement pursuant to which, subject to certain conditions, Jefferies has agreed to use its reasonable endeavours to procure subscribers for the Ordinary Shares under the Placing at the Issue Price. The Sponsor's and Placing Agreement contains certain</p> |

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| | | <p>conditions and provisions entitling Jefferies to terminate the Sponsor's and Placing Agreement (and the arrangements associated with it) at any time before Admission in certain circumstances. If this right of termination is exercised by Jefferies, the Placing will lapse and any monies received in respect of the Placing will be returned to applicants without interest and at their own risk. If this right of termination is exercised, the Intermediaries Offer and the Aviva Subscription will also lapse.</p> <p><i>The Intermediaries Offer</i></p> <p>Investors may also subscribe for Ordinary Shares at the Issue Price of 100 pence per Ordinary Share pursuant to the Intermediaries Offer. Only the Intermediaries' retail investor clients in the United Kingdom, the Channel Islands and the Isle of Man are eligible to participate in the Intermediaries Offer. Investors may apply to any one of the Intermediaries to be accepted as their client. The minimum application amount in the Intermediaries Offer is £1,000. The Company has agreed to reserve a minimum of such number of Ordinary Shares as comprises 20 per cent of the issued share capital of the Company immediately following Admission for allocation under the Intermediaries Offer. The actual number of Ordinary Shares to be allocated to the Intermediaries will be determined by the Company (in consultation with Jefferies, the Investment Manager and the Intermediaries Offer Adviser). In the event that the aggregate number of Ordinary Shares applied for pursuant to the Intermediaries Offer is less than 20 per cent of the issued share capital of the Company, additional Ordinary Shares may be allocated to the Placing, subject to there being sufficient demand for such Ordinary Shares from institutional investors.</p> |
| E.4 | Material interests | Not applicable. There are no interests material to the Issue including conflicting interests. |
| E.5 | <p>Name of the person or entity offering to sell the security</p> <p>Lock-up agreements: the parties involved; and indication of the period of the lock-up</p> | <p>Not applicable. There are no selling shareholders.</p> <p>There are no lock-up arrangements. However, Aviva Life Fund has agreed with Jefferies and the Company that for a period of 24 months from the date of Admission, it shall not dispose of the Ordinary Shares acquired by it pursuant to the Issue unless, <i>inter alia</i>, it has consulted with Jefferies as to the terms of the disposal and the disposal is brokered through Jefferies at Jefferies' standard rate of commission as at the relevant date (provided that such commission is overall competitive with that charged by other brokers), in all cases with a view to maintain an orderly market in the Company's publicly traded securities.</p> |
| E.6 | Dilution | Not applicable. This is an initial offering. |
| E.7 | Estimated expenses charged to the investor | <p>Not applicable. No expenses will be directly charged to investors. The costs and expenses of the Issue which will be indirectly borne by investors is capped at two per cent of the Gross Issue Proceeds.</p> <p>Any expenses incurred by any Intermediary are for its own account. Investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offer.</p> |

RISK FACTORS

Any investment in the Ordinary Shares is subject to a number of risks. Prior to investing in the Ordinary Shares, prospective investors should consider carefully the factors and risks associated with any investment in the Ordinary Shares, the Company's business and the industry in which it operates, together with all other information contained in this Prospectus including, in particular, the risk factors described below.

Prospective investors should note that the risks relating to the Company, its industry and the Ordinary Shares summarised in the section of this Prospectus headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in section D of the summary of this Prospectus but also, among other things, the risks and uncertainties described below.

The Board considers the following risks to be material for prospective investors in the Company. However, the following is not an exhaustive list or explanation of all risks that prospective investors may face when making an investment in the Ordinary Shares and should be used as guidance only. Additional risks and uncertainties not currently known to the Board, or that the Board currently deems immaterial, may also have an adverse effect on the Company's financial condition, business, prospects and/or results of operations. In such a case, the market price of Ordinary Shares could decline and investors may lose all or part of their investment. Investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in light of the information in this Prospectus and their personal circumstances. If investors are in any doubt about any action they should take, they should consult a competent independent professional advisor who specialises in advising on the acquisition of listed securities. The order in which risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential harm to the Company's financial condition, business, prospects and results of operations.

Prospective investors should read this section in conjunction with this entire Prospectus.

RISKS RELATING TO THE COMPANY, ITS INVESTMENT STRATEGY AND OPERATIONS

The Company is newly formed and has not yet made any investments

The Company was incorporated on 27 September 2017. The Company has not commenced operations, has no operating history, does not presently hold any assets and will not, as at Admission, hold any assets. Therefore, it has no operating or financial data upon which prospective investors may base an evaluation of the likely performance of the Company. An investment in the Company is therefore subject to all risks and uncertainties associated with a new business, including the risk that the Company will not achieve its investment objective or the stated target Total Return referred to in this Prospectus and that the value of an investment in the Company and the Ordinary Shares could decline substantially as a consequence.

The Company may not meet its investment objective or achieve its targeted returns

The investment objective of the Company is to deliver a secure and growing income return, together with capital stability and the potential for capital growth, through investment in a diversified portfolio of high-quality long-lease commercial real estate assets in the UK subject to long-term lease agreements with predominantly investment grade tenants. However, the Company may not achieve its investment objective. Meeting the investment objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met.

The payment of future dividends and the level of any future dividends paid by the Company is subject to the discretion of the Directors and will depend upon, amongst other things, the Company successfully pursuing its investment policy and the Company's earnings, financial position, level and rate of borrowings and availability of profit, as well as the provisions of relevant laws or generally accepted accounting principles from time to time. There can be no assurance that any dividends will be paid in respect of any financial year or period and no guarantee as to the level of any future dividends to be paid by the Company. There is no guarantee that the Company will achieve the stated target dividend yield or target Total Return referred to in this Prospectus.

The Company's targeted returns are based on estimates and assumptions that are inherently subject to significant uncertainties and contingencies, and the actual rate of return may be materially lower than the targeted returns

The Company's targeted returns set out in this Prospectus are targets only (and, for the avoidance of doubt, are not profit forecasts) and are based on estimates and assumptions about a variety of factors including, without limitation, purchase price, yield and performance of the Company's investments, which are inherently subject to significant business, economic and market uncertainties and contingencies, many of which are beyond the Company's control and may adversely affect the Company's ability to achieve its targeted returns.

The targeted returns are based on the Investment Manager's assessment, in light of its experience, of appropriate expectations for returns on the investments that the Company proposes to make and the ability of the Investment Manager and the Portfolio Manager to enhance the return generated by those investments through active asset management and based on assumptions, including those relating to forecasts of increases in property capital, rental values and occupancy rates. There can be no assurance that these assessments, expectations and assumptions will prove to be correct and failure to achieve any or all of them may materially adversely impact the Company's ability to achieve the targeted returns.

The Company may not be able to implement its investment objective and investment policy in a manner that generates returns in line with the targets. Furthermore, the targeted returns are based on the market conditions and the economic environment at the time of assessing the targeted returns, and are therefore subject to change. In particular, the targeted returns assume no material changes occur in government regulations or other policies, or in law and taxation, and that the Company is not affected by natural disasters, terrorism, social unrest or civil disturbances or the occurrence of risks described elsewhere in this Prospectus. Many, if not all, of these factors are (to a greater or lesser extent) beyond the Company's control and all could adversely affect the Company's ability to achieve its targeted returns.

There is no guarantee that actual (or any) returns can be achieved at or near the levels set out in this Prospectus. Accordingly, the actual rate of return achieved may be materially lower than the targeted returns, or may result in a partial or total loss, which could have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Ordinary Shares. As a result, an investment in the Company should only be considered by persons who can afford a loss of their entire investment. Past activities of investment entities associated with Aviva provide no assurance of future success. Potential investors should decide for themselves whether or not the target Total Return is reasonable or achievable and consider the factors that could affect the returns achievable by the Company and the value of the Ordinary Shares in deciding whether to invest in the Company.

The Company is expecting to acquire two of the assets comprising the Target Portfolio from a related party

Two of the assets comprising the Target Portfolio are expected to be owned by members of the Aviva Group at the time of their sale to the Company. As such sales will not occur prior to Admission, the relevant acquisitions will be considered related party transactions under the Listing Rules. Therefore, completion of such acquisitions will require approval by the Shareholders at a general meeting of the Company. There can be no assurance that the requisite majority of Shareholders will vote to approve the acquisitions of these assets. Regardless of the outcome of any Shareholder vote, the Company will incur various legal and other costs in, and will need to dedicate management time to, the preparation of the requisite shareholders' circular and convening the general meeting at which the proposed acquisitions will be considered. If Shareholder approval is not obtained, it will result in a delay in the full deployment of the Net Proceeds, which may have a material adverse effect on the Company's results of operations, cash flows and the ability of the Company to pay dividends to Shareholders and to achieve the stated target Total Return referred to in this Prospectus.

The Company may be unable to make acquisitions

Although the Company, acting on advice from the Investment Manager, has identified a number of available properties that fit within the parameters of the Company's investment policy, certain of which it has entered into exclusive negotiations for (details of which are set out in Part V (*The Target Portfolio*) of this Prospectus), there can be no certainty that the Company will be able to acquire these or other properties on acceptable terms or at all.

The availability of potential investments which meet the Company's investment criteria will also depend on the state of the economy and financial markets in the UK. The Company can offer no assurance that it will be able to identify and make investments that are consistent with its investment policy or that it will be able to fully invest its available capital, including in relation to those properties in respect of which it has already entered

into exclusive negotiations. There is no guarantee that investment opportunities will continue to be available in the future at a time or in a form which is convenient for the Company or that the Company will or will be able to invest in these opportunities.

The Company may also be unable to make acquisitions due to competition from other property investors. Competitors, which include not only regional investors and real estate developers with in-depth knowledge of local markets, but also other property portfolio companies, including funds that invest nationally and internationally, institutional investors and foreign investors, may have greater financial resources than the Company and a greater ability to borrow funds to acquire properties. Competition in the property market may also lead to a shortage of properties available for acquisition in the target market or the price of properties being driven up through competing bids by potential purchasers.

Any delays in the full deployment of the Net Proceeds may have an impact on the Company's results of operations, cash flows and the ability of the Company to pay dividends to Shareholders and to achieve the stated target Total Return referred to in this Prospectus. In the event of delays in the full deployment of the Net Proceeds, the Company intends to hold such funds in cash and cash equivalents, or to invest them in near cash instruments and money market instruments for cash management purposes. Interim cash management is likely to yield lower returns than the expected returns from investments.

The inability to find or agree terms for future investment opportunities could have a material adverse effect on the Company's profitability, the Net Asset Value and value of the Ordinary Shares, and the Company's ability to join the REIT Regime, which could lead to the Company being subject to UK corporation tax on its property income and chargeable gains.

Reputational risk in relation to the Investment Manager, the Portfolio Manager or other members of the Aviva Group may adversely affect the Company

The Investment Manager, the Portfolio Manager and other members of the Aviva Group may be exposed to reputational risks which, if they arise, may adversely affect the Company. In particular, the Investment Manager, the Portfolio Manager and other members of the Aviva Group may be exposed to the risk that litigation, investigations, misconduct, operational failures, negative publicity and press speculation, whether or not it is valid, will harm its reputation. Such negative publicity could be based on actual or alleged failures or misconduct by the Investment Manager, the Portfolio Manager, another member of the Aviva Group or their respective clients in areas such as compliance with regulatory requirements, sanctions legislation or anti-money laundering rules, instances of cyberattacks, data breaches or other serious issues with systems and processes, or if there were regulatory or criminal investigations or other litigation involving it or its employees, or business introducers or third party managers linked to them. Although such actions may be wholly unrelated to the Company and its business, because the Company uses the "Aviva" brand it may be associated by the public and the press with the activities of the Investment Manager, the Portfolio Manager and other members of the Aviva Group. Any damage to the reputation of the Investment Manager, the Portfolio Manager or any other member of the Aviva Group could result in potential counterparties and third parties being unwilling to deal with the Investment Manager or the Portfolio Manager and by extension the Company and could adversely affect investors' perception of the Company. This could have an adverse effect on the ability of the Company to successfully pursue its investment policy and could also have a material adverse effect on the Company's share price.

The Company may be subject to disputes, claims and/or proceedings in relation to its name

The Company's name incorporates descriptive identifiers which are commonly used in the names of other investment vehicles, including listed investment companies. On 7 November 2017, the Investment Manager received an email from a listed investment company objecting to the Company's use of descriptive identifiers "secure" and "income" as these words are included in the name of that other listed investment company. The Company considered carefully its name before the announcement of its intention to float on 7 November 2017. The Company has received legal advice that any passing off claim that may be brought in relation to the similarity of its name with that of other investment vehicles is highly unlikely to succeed. No claim has been brought against the Company as at the date of this Prospectus and the amount of potential claim has not been determined. However, there can be no guarantee that a claim will not be brought against the Company and/or other members of the Aviva Group. If a formal claim is brought against the Company and/or other members of the Aviva Group, the claimant may seek, among other things, an injunction preventing its listing pending resolution of the claim. In the highly unlikely event the claim is successful, the Company may be required to change its name. All and any anticipated costs which may be incurred in defending a claim (and any related damages) will be borne by the Investment Manager, which has agreed to indemnify the Company and the

Directors in respect of this matter. The impact of any such claim may have a material adverse effect on the reputation of the Company, the Aviva Group and the prevailing share price of the Ordinary Shares.

The net realisable value of the Company's portfolio of assets may not be accurately reflected in the purchase price paid by the Company, and may fluctuate over time

The value of the assets owned by the Company may fluctuate over time as a result of changes in regulatory requirements and applicable laws (including in relation to building and environmental regulations, taxation and planning), political conditions, the condition of financial markets, the financial position of customers, potentially adverse tax consequences, and interest and inflation rate fluctuations. To the extent the purchase price paid by the Company on completion of the sale (plus costs and expenses relating to the purchase, including stamp duty) of any asset is higher than its net realisable value, or the net realisable value of that asset is lower than the carrying value in any financial reporting period, the Company may be required to write down the value of that asset for that period. Any significant reduction in the value of an asset or multiple assets could have a material adverse effect on the Company's business, financial condition, results of operations, prospects, Net Asset Value and the value of the Ordinary Shares.

The Company's due diligence may not identify all risks and liabilities in respect of an acquisition

Prior to entering into any agreement to acquire a property, the Portfolio Manager on behalf of the Company will have performed due diligence on the properties concerned. In doing so it would typically rely on third parties to conduct a significant portion of this due diligence (including legal reports on title and property valuations). To the extent that such third parties underestimate or fail to identify risks and liabilities (including any environmental liabilities) associated with the properties in question, or the full extent of such risks, the Company may be affected by defects in title, or exposed to environmental, structural or operational defects requiring remediation or giving rise to additional costs or liabilities, or may be unable to obtain necessary permits or permissions, any of which may have a material adverse effect on the Company's profitability, the Net Asset Value and the value of the Ordinary Shares. A due diligence failure may also result in properties that are acquired failing to perform in accordance with projections, particularly as to rent and occupancy. Any of the foregoing may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

The Company's investment strategy includes the use of leverage, which may be at both the Company and asset level, and which will expose the Company to risks associated with borrowing

Whilst the Company intends to utilise the Net Proceeds to finance new investments to be sourced and acquired and does not presently have any borrowings, it may use leverage in the medium-to-longer term to assist the fulfilment of its investment objective. Although the Investment Manager (acting through the Portfolio Manager) and the Company will seek to use leverage in a manner they believe is prudent (and will comply with the leverage limits in the Company's investment policy), the use of leverage in the medium-to-longer term will expose the Company to a variety of risks associated with borrowing, including adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the Company's investments or the real estate sector.

To the extent the Company incurs a substantial level of indebtedness in the medium-to-longer term, this could also reduce the Company's financial flexibility and level of cash available to pay dividends to Shareholders due to the need to service its debt obligations. Prior to agreeing to the terms of any debt financing, the Company expects to comprehensively consider its potential debt servicing costs and all relevant financial and operating covenants and other restrictions including, but not limited to, restrictions that might limit the Company's ability to make distributions to Shareholders in light of cash flow projections and that might limit the Company's ability to dispose of any properties. However, if certain extraordinary or unforeseen events occur, including breach of any relevant financial covenants, the Company's borrowings existing in the future, and any hedging arrangements entered into in respect of them, may be repayable prior to the date on which they are scheduled for repayment or could otherwise become subject to early termination. If the Company is required to repay any such borrowings early, it may be forced to sell assets when it would not otherwise choose to do so in order to make the required payments (which may include pre-payment penalties). If the Company's borrowings existing in the future could not be repaid as required, the relevant creditors could also force the sale of an asset through foreclosure or through the Company being put into administration.

In addition, in the event that the income from the Company's portfolio falls (for example, due to tenant defaults leading to a loss of rental income), any use of leverage by the Company will increase the impact of such a fall on its net income and, accordingly, may have an adverse effect on the Company's ability to pay dividends to

Shareholders. Moreover, in circumstances where the value of the Company's assets is declining, the use of leverage by the Company may depress its Net Asset Value.

The Company may also find it difficult, costly or not possible to refinance its future indebtedness as it matures. For example, the Company may be unable to enter into an agreement to secure refinancing on similar terms or on a timely basis or at all. Further, if interest rates are higher when any relevant indebtedness is refinanced, the Company's finance costs could increase. Any of the foregoing events may have a material adverse effect on the Company's financial condition, business, prospects, results of operations and ability to make distributions to Shareholders and may lead to Shareholder dilution as a result of further equity capital raisings by the Company or the forced sales of the Company's assets.

If the Company incurs floating rate debt it will be exposed to risks associated with movements in interest rates

The Company may incur debt with floating interest rates. Interest rates are highly sensitive to many factors, including international and domestic economic and political conditions, and other factors beyond the Company's control. The level of interest rates can fluctuate due to, among other things, inflationary pressures, disruption to financial markets and the availability of bank credit. If interest rates rise, the Company will be required to use a greater proportion of its revenues to pay interest expenses on its floating rate debt. Whilst the Company will consider hedging its interest rate exposure on any such borrowings and may appoint specialist hedging advisors from time to time to assist the Company in managing this risk, such measures may not be sufficient to protect the Company from risks associated with movements in prevailing interest rates. In addition, hedging arrangements expose the Company to credit risk in respect of the hedging counterparty. For the above reasons, the incurrence of substantial floating rate debt combined with adverse interest rate movements could have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

Unsuccessful transaction costs may be incurred

The Portfolio Manager will need to identify suitable investment opportunities, investigate and pursue such opportunities and negotiate asset acquisitions on suitable terms, all of which require significant expenditure prior to consummation of the acquisitions. There is a risk that the Company may incur substantial legal, financial and other advisory expenses arising from unsuccessful transactions which may include expenses incurred in dealing with transaction documentation and legal, accounting and other due diligence. There can be no assurance as to the level of such costs and, given that there can be no guarantee that the Portfolio Manager will be successful in its negotiations to acquire any given asset on behalf of the Company, the greater the number of potential investments that do not reach completion, the greater the likely adverse impact of such costs on the Company's financial condition, business, prospects and results of operations.

The Company may be subject to liability following the disposal of investments

The Company may be exposed to future liabilities and/or obligations with respect to the properties that it sells. The Company may be required or may consider it prudent to set aside provisions for warranty claims or contingent liabilities in respect of property disposals. The Company may be required to pay damages (including but not limited to litigation costs) to a purchaser to the extent that any representations or warranties given to a purchaser prove to be inaccurate or to the extent that the Company breaches any of its covenants or obligations contained in the disposal documentation. In certain circumstances, it is possible that representations and warranties incorrectly given could give rise to a right by the purchaser to unwind the contract in addition to the payment of damages. Further, the Company may become involved in disputes or litigation in connection with such disposed investments. Certain obligations and liabilities associated with the ownership of investments can also continue to exist notwithstanding any disposal, such as certain environmental liabilities. Any claims, litigation or continuing obligations in connection with the disposal of any properties may subject the Company to unanticipated costs and may require the Investment Manager and/or the Portfolio Manager to devote considerable time to dealing with them. As a result, any such claims, litigation or obligations may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

Investor returns will be dependent upon the performance of the Company's portfolio and the Company may experience fluctuations in its operating results

Returns achieved are reliant primarily upon the performance of the Company's portfolio. No assurance is given, express or implied, that Shareholders will be able to realise the amount of their original investment in the Ordinary Shares. The Company may experience fluctuations in its operating results due to a number of factors,

including an increase in supply of commercial properties in the market, changes in the values of properties in the Company's portfolio from time to time, changes in its rental rates and income, operating expenses, occupancy rates, the degree to which it encounters competition and general economic and market conditions. Such variability may be reflected in dividends, may lead to volatility in the Net Asset Value per Ordinary Share and trading price of the Ordinary Shares and may cause the Company's results for a particular period not to be indicative of its performance in a future period.

Changes in laws or regulations governing the Company's operations may adversely affect the Company's business

The Company is subject to laws and regulations enacted by European, national and local governments. In particular, the Company is subject to and will be required to comply with certain regulatory requirements that are applicable to listed closed-ended investment companies. In addition, the Company is subject to the continuing obligations imposed by the UK Listing Authority on all investment companies whose shares are listed on the premium listing segment of the Official List.

In particular, the Company's properties must comply with laws and regulations (whether domestic or international (including, currently, in the EU)) which relate to, among other things, property, land use, development, zoning, health and safety requirements and environmental compliance. These laws and regulations often provide broad discretion to the administering authorities. Additionally, all of these laws and regulations are subject to change, which may be retrospective, and changes in regulations could adversely affect existing planning consents, costs of property ownership, the capital value of the Company's assets and the income arising from the Company's portfolio. Such changes may also adversely affect the Company's ability to use a property as intended and could cause the Company to incur increased capital expenditure or running costs to ensure compliance with the new applicable laws or regulation which may not be recoverable from tenants. Similarly, changes in laws and governmental regulations governing leases could restrict the Company's ability to increase the rent payable by tenants, terminate leases or determine the terms on which a lease may be renewed. The occurrence of any of these events may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

Any change in the law and regulation affecting the Company may have a material adverse effect on the ability of the Company to carry on its business and successfully pursue its investment policy and on the value of the Company and/or the Ordinary Shares. In such event, the Company's ability to achieve its Total Return may be materially adversely affected.

The Company is exposed to risks relating to the UK and global economies

The Company is subject to inherent risks arising from the conditions of the UK and global economy. The global financial system has experienced difficulties since 2007, which resulted in the severe dislocation of financial markets around the world, significant declines in the values of most asset classes and volatility in the capital markets. There remains uncertainty around the pace and scale of economic recovery globally and in the UK, and conditions could deteriorate. The precise nature of all the risks and uncertainties that the Company faces as a result of the volatility and uncertainty of the global and UK economic outlook is difficult to predict. The Company and its assets could be adversely affected by any, all or a combination of: lack of available credit, decreasing real estate values, decreasing rental income, difficulties in selling its assets at acceptable values or at all, and tenant defaults, each of which could have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

Concentration of assets in any one real estate sector, tenant type or location may affect the Company's ability to achieve its investment objective

Although the Company will seek to build a real estate portfolio diversified by sector and tenant, all of the Company's assets will be invested in the UK commercial sector, including the alternatives sector, and there can be no assurance that a sufficient number of investment opportunities will be available on satisfactory terms to enable the Company to diversify its portfolio of investments to the extent planned. Significant concentration of investments in any one real estate sector, tenant type or location increases certain risks the Company is subject to, including tenants defaulting or failing to make payments on their leases and the Company being unable to find a sufficient number of desirable tenants, and may mean the Company's performance may be significantly affected by events outside its control that impact that real estate sector or tenant type. The occurrence of these situations may result in greater volatility in the Company's investments and, consequently, its Net Asset Value, and may materially and adversely affect the performance of the Company and its ability to achieve its Total Return.

The UK's proposed exit from the European Union could have a material impact on the Company's activities

A referendum was held on 23 June 2016 to decide whether the UK should remain in the EU. A vote was given in favour of the UK leaving the EU (“**Brexit**”). Subsequently, the UK parliament passed the European Union (Notification of Withdrawal) Act 2017 which gave the UK government power to begin the formal process for Brexit. A process of negotiation, which was formally begun on 29 March 2017 when the UK submitted its Article 50 notice of intention to withdraw from the European Union, will determine the terms of the UK's European Union exit and a possible future framework agreement.

The extent of the impact of Brexit on the Company will depend in part on the nature of the arrangements that are put in place between the UK and the EU following eventual Brexit and the extent to which the UK continues to apply laws that are based on EU legislation. The Company may be subject to a significant period of uncertainty in the period leading up to eventual Brexit including, inter alia, uncertainty in relation to any potential regulatory or tax change. In addition, the macroeconomic effect of an eventual Brexit on the value of investments in the UK real estate sector and, by extension, the value of the investments in the Company's eventual investment portfolio and the rental income that the Company is able to achieve from its portfolio, is unknown. Brexit could also create significant UK (and potentially global) stock market uncertainty, which may have a material adverse effect on the price of the Ordinary Shares. As such, it is not possible to accurately state the impact that Brexit will have on the Company and its proposed investments at this stage. Brexit may also make it more difficult for the Company to raise capital in the EU and/or increase the regulatory compliance burden on the Company. This could restrict the Company's future activities and thereby negatively affect returns.

Aviva could be the subject of an acquisition by a third party or a change of control, which could result in a change in the way that Aviva carries on its business and activities

Both the Investment Manager and the Portfolio Manager are wholly-owned by Aviva. The Company has no ability to prevent stakeholders of Aviva from transferring control of Aviva's business to a third party. A new owner or new significant shareholder could have a different investment and management philosophy to the current investment and management philosophy of Aviva, which could influence the investment strategies and performance of the Investment Manager and/or the Portfolio Manager. A change of control of Aviva could also lead the Investment Manager and/or the Portfolio Manager to employ investment and other professionals who are less experienced or who may be unsuccessful in identifying investment opportunities. If any of the foregoing were to occur, the Company's financial condition, business, prospects and results of operations could be materially adversely affected.

There may be circumstances where Directors have a conflict of interest

There may be circumstances in which a Director has, directly or indirectly, a material interest in a transaction being considered by the Company or a conflict of interest with the Company. Any of the Directors and/or any person connected with them may from time to time act as director or employee of, or invest in or be otherwise involved with, other investment vehicles that have investment strategies similar to the Company's or entities or other vehicles that are the subject of transactions with the Company (including entities or vehicles which sell assets to, or purchase assets from, the Company), subject at all times to the provisions governing such conflicts of interest both in law and in the Articles.

The success of the Company in achieving its investment objective will depend, in part, on its ability to raise further funds in the medium-to-longer term, including through borrowing

After the Net Proceeds have been fully utilised, the Company may need to raise further funds in the medium-to-longer term to enable the Investment Manager to optimally implement the Company's investment policy and achieve the Company's investment objective. Whilst the Directors are not currently aware of any factors that could adversely affect the Company's ability to obtain additional financing in the future, there can be no guarantee that the Company will be successful in doing so on acceptable terms, or at all, to the extent it is needed.

The Company's investment strategy includes funding the acquisition of investments, in part, through borrowing. The ability to obtain credit on acceptable terms is subject to a wide variety of factors, including the Company's own credit status as well as many factors which are outside of the Company's control, including the condition of the financial markets, government and bank policies, interest rates and overall demand for credit. Since the middle of 2007, financial markets have experienced significant disruptions that have been driven by failures in the banking system. These disruptions have severely impacted the availability of, and the terms applicable to,

credit and have contributed to rising costs associated with obtaining credit. There can be no guarantee that the Company will be able to obtain the credit it may need on acceptable terms. A decrease in the availability of credit or if the terms on which credit is available to the Company becomes more onerous, it may impair the Company's ability to fund the acquisition of new investments, which may affect its ability to achieve its investment objective and which could, consequently, have a material adverse effect on the Company's financial condition, business, prospects and results of operations. If the Company is unable to obtain credit either at all or on acceptable terms, and in other circumstances where it deems it to be appropriate, it may seek additional capital through the issuance of equity securities to fund further acquisitions, which, in the case of equity securities, could result in Shareholders' interests in the Company being diluted.

The Company is reliant on the performance and retention of the members of the Board

The Company will rely on the expertise and experience of the Directors to supervise the management of the Company's affairs and its relationship with the Investment Manager. Although, pursuant to the Investment Management Agreement and the Portfolio Management Agreement, the Investment Manager and the Portfolio Manager will, respectively advise on and manage the Company's investment portfolio, matters arising from a conflict of interest require the consent of the Independent Directors. The performance of the Directors and their retention on the Board are, therefore, significant factors in the Company's ability to achieve its investment objective. The Directors' involvement with the Company will be on a part time, not full time basis, and if there is any material disruption to the Investment Manager's and/or the Portfolio Manager's performance of its services, the Directors may not have sufficient time or experience to manage the Company's business until a new investment manager and/or portfolio manager is appointed. In addition, there can be no assurance as to the continued service of such individuals as Directors. The departure of any of these individuals from the Company without timely and adequate replacement may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

Reputational risk in relation to the Board may materially adversely affect the Company

The Board may be exposed to reputational risks. In particular, litigation, allegations of misconduct or operational failures by, or other negative publicity and press speculation involving any of the Directors, whether or not accurate, will harm the reputation of the relevant Director. Any damage to the reputation of any of the Directors could result in potential counterparties and other third parties such as occupiers, landlords, joint venture partners, lenders or developers being unwilling to deal with the Company. This may have a material adverse effect on the ability of the Company to successfully pursue its investment strategy and may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

The Company may not acquire 100 per cent control of investments and may therefore be subject to the risks associated with joint venture investments and other similar investment arrangements

Pursuant to the Company's investment strategy, the Company may enter into a variety of investment structures in which the Company acquires less than a 100 per cent interest in a particular asset or entity and the remaining ownership interest is held by one or more third parties. These investment arrangements may expose the Company to the risk that:

- co-owners become insolvent or bankrupt, or fail to fund their share of any capital contribution which might be required, which may result in the Company having to pay the co-owner's share or risk losing the investment;
- co-owners have economic or other interests that are inconsistent with the Company's interests and are in a position to take or influence actions contrary to the Company's interests and plans (for example, in implementing active asset management measures), which may create impasses on decisions and affect the Company's ability to implement its strategies and/or dispose of the asset or entity;
- disputes develop between the Company and co-owners, with any litigation or arbitration resulting from any such disputes increasing the Company's expenses and distracting the Board, the Investment Manager and/or the Portfolio Manager from their other managerial tasks;
- co-owners do not have enough liquid assets to make cash advances that may be required in order to fund operations, maintenance and other expenses related to the property, which could result in the loss of current or prospective tenants and may otherwise adversely affect the operation and maintenance of the property;

- a co-owner breaches agreements related to the property, which may cause a default under such agreements and result in liability for the Company;
- the Company may, in certain circumstances, be liable for the actions of co-owners; and
- a default by a co-owner constitutes a default under mortgage loan financing documents relating to the investment, which could result in a foreclosure and the loss of all or a substantial portion of the investment made by the Company.

Any of the foregoing may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

REAL ESTATE RISKS

Difficulty in maintaining occupancy levels for the Company's properties and tenant default may affect the income of the Company

The success of the Company will depend largely on its ability to maintain occupancy levels at its properties (once properties have been acquired) and on the quality of its tenants. In addition, dividends payable by the Company will be dependent on the rental income from the properties it owns. However, a failure to maintain occupancy levels or a failure by tenants to comply with their rental obligations would reduce the Company's rental income and could affect the ability of the Company to pay dividends to Shareholders or reduce the amount of such dividends.

The Company may experience difficulty in attracting new tenants, or renewing leases with existing tenants, on suitable terms or at all. The Company may need to incur additional costs and expenses, including the granting of rent free periods, legal and surveying costs, maintenance costs, insurance costs, rates and marketing costs as a result of properties being without tenants and in order to attract tenants.

In particular, non-renewal of leases or early termination by significant tenants could materially adversely affect the Company's net rental income. If the Company's net rental income declines, the Company would have less cash available to make distributions to Shareholders and to service and repay its indebtedness. In addition, significant expenditures associated with a real estate asset, such as taxes, service charges and maintenance costs, are generally not reduced in proportion to any decline in rental income from that real estate asset. If rental income from a real estate asset declines while the related costs do not decline, the Company's income and cash receipts could be materially adversely affected.

In addition, the assumptions made by the valuers regarding the length of tenancy unoccupied periods may underestimate the actual unoccupied periods suffered by the Company. If vacancies continue for longer periods of time, the Company may suffer reduced revenues resulting in less income being available for distribution to Shareholders. Any of the above may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

If inflation remains low, the rents received from tenants may not grow in line with the target Total Return

The lease structure envisaged for most tenants will be either fixed uplifts or linked to RPI or CPI (with potentially a minimum and a maximum level). In the event that inflation remains low, those leases linked to RPI or CPI may not grow in line with the Company's projections and, as a result, real estate valuations may not grow in line with the target Total Return. Even if inflation rises, real estate valuations may not grow in line with the target Total Return if real estate yields widen. Furthermore, in the event that rental income from tenants is adversely affected, the Company's ability to pay dividends to Shareholders may in turn be adversely affected.

The Company may not be able to maintain or increase the rental rates for its properties

The value of the Company's property portfolio, and the Company's turnover, will be dependent on the rental rates that can be achieved from its property portfolio. The ability of the Company to maintain or increase the rental rates for its properties may generally be adversely affected by general UK economic conditions. In addition, there may be other factors that depress rents or restrict the Company's ability to increase rental rates, including local factors relating to particular properties or their locations (such as increased competition). Any failure to maintain or increase the rental rates within the Company's property portfolio may have a material adverse effect on the Company's profitability, the Net Asset Value, the value of the Ordinary Shares, the Company's ability to pay dividends and the Company's ability to meet interest and capital repayments on any debt facilities.

A strong rating of a tenant does not necessarily mean the tenant will not default

The Company's portfolio will be leased to predominantly investment grade tenants or, where an external rating is not available, tenants that have been internally rated by Aviva Investors' credit rating team and assessed as representing a similar degree of tenant strength. A detailed assessment of tenant default risk will be undertaken prior to the acquisition of properties by the Company, but there can be no assurance that tenants will not default in the performance of their obligations, even where such tenants are investment grade tenants or have otherwise been determined by Aviva Investors to represent an equivalent level of security as a tenant. Tenants may default for a variety of reasons, including (without limitation) due to poor performance of the tenant's business, difficulties in the sector or markets in which the tenant operates or a general economic downturn. Any tenant default may have an adverse effect on the financial condition, business, prospects and results of operations of the Company.

Whilst Aviva Investors will assess the credit rating of an underlying tenant, certain assumptions may be made in relation to the underwriting process which may prove to be incorrect

The assessment of the credit rating of underlying tenants will be undertaken by Aviva Investors' credit rating team, which has significant experience of credit analysis in the context of the UK commercial property market. However, there can be no assurance that such analysis will prove to be accurate or that tenants will not default in their obligations under lease agreements despite such tenants being assessed by Aviva Investors as representing a low risk of default. In particular, the credit assessment work undertaken by Aviva Investors prior to the acquisition of properties may fail to identify important information relating to the tenant, or may make assumptions about the tenant's position which prove to be inaccurate, potentially materially so. Where such assumptions do prove to be incorrect, it is possible that tenants' defaults will be more likely than was envisaged at the time of acquisition of the property. If tenants do default, particularly where such tenants represent more material tenants in the Company's portfolio, this may have an adverse effect on the financial condition, business, prospects and results of operations of the Company.

Credit ratings of tenants will change over time which may result in the Portfolio Manager having to dispose of an asset if it believes it is no longer within strategy

Credit assessments with respect to tenants of properties which the Portfolio Manager identifies as being suitable for acquisition by the Company will be undertaken prior to any acquisition of such properties on behalf of the Company and on an on-going basis in respect of the default risk associated with the Company's tenants. Where the credit rating of a tenant deteriorates over time, the Investment Manager or Portfolio Manager (as the case may be) may determine that a property no longer falls within the Company's investment policy and may accordingly seek to dispose of such property to third party purchasers. Credit ratings of tenants may deteriorate for a number of reasons, including (without limitation) poor performance of the tenant's business, difficulties in the sector or markets in which the tenant operates and/or a general economic downturn. There can be no assurance that the Portfolio Manager will be able to dispose of properties on commercially attractive terms, or at all. Further, it may not be possible to dispose of such properties in a manner which involves the effective disposal of all liabilities attaching to the properties. Where the Portfolio Manager is unable to dispose of properties, or is unable to do so on commercially attractive terms, the Company may suffer losses and may be subject to on-going liabilities which could have an adverse impact on its financial condition, business, prospects and results of operations.

The Company's investments will be illiquid and may be difficult or impossible to realise at a particular time

The Company will invest in UK commercial properties with long-term lease agreements with predominantly investment grade tenants. Such investments are relatively illiquid; they may be difficult for the Company to sell and the price achieved on any realisation may be at a discount to the prevailing valuation of the relevant property, which may have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Ordinary Shares.

The Company is subject to the performance and conditions of the UK property market

Any property market recession or future deterioration in the property market in the UK could, inter alia: (i) make it harder for the Company to attract new tenants for its properties; (ii) lead to an increase in tenant defaults; (iii) lead to a reduction in rental prices; (iv) lead to a lack of finance available to the Company; (v) cause the Company to realise its investments at lower valuations; and (vi) delay the timings of the Company's realisations. Any of the foregoing could have a material adverse effect on the ability of the Company to achieve its investment objective, on the Net Asset Value and on the price of the Ordinary Shares.

Property valuation is inherently subjective and uncertain

The success of the Company depends significantly on the ability of the Company and the Investment Manager to assess the values of real estate assets, both at the time of acquisition and the time of disposal. Valuations of the Company's real estate assets will also have a significant effect on the Company's financial standing and Net Asset Value on an ongoing basis and on its ability to obtain financing.

The valuation of real estate and real estate loans is inherently subjective, in part because all real estate valuations are made on the basis of assumptions which may not prove to be accurate, and in part because of the individual nature of each asset.

In determining the value of real estate assets, the valuers are required to make assumptions in respect of matters including, but not limited to, the existence of willing sellers in uncertain market conditions, title, condition of structure and services, deleterious materials, plant and machinery and goodwill, environmental matters, statutory requirements and planning, expected future rental revenues from the asset and other information. Such assumptions may prove to be inaccurate. Incorrect assumptions underlying the valuation reports could negatively affect the value of any real estate assets the Company acquires and thereby have a material adverse effect on the Company's financial condition. This is particularly so in periods of volatility or when there is limited real estate transactional data against which property valuations can be benchmarked. There can also be no assurance that these valuations will be reflected in the actual transaction prices, even where any such transactions occur shortly after the relevant valuation date, or that the estimated yield and annual rental income will prove to be attainable.

The Company's investment policy contains certain restrictions and limitations related to the proportion of the Company's assets to be allocated to specific types of investment. Such restrictions are based on the valuations of such assets and, accordingly, a valuation based on incorrect assumptions could result in the Company inadvertently exceeding one or all of such investment restrictions.

The Company may utilise a variety of investment structures for the purpose of investing in assets, such as joint ventures. Where an asset or an interest in an asset is acquired through an investment structure, the value of the entity or investment structure may not be the same as the value of the underlying asset due, for example, to tax, environmental, contingent, contractual or other liabilities, or structural considerations. As a result, there can be no assurance that the value of investments made through those structures will fully reflect the value of the underlying asset. To the extent valuations of the Company's assets do not fully reflect the value of the underlying assets, whether due to the above factors or otherwise, this may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

The Company's properties may suffer physical damage resulting in losses (including loss of rent) which may not be fully compensated by insurance or at all

There are certain types of losses, generally of a catastrophic nature, that may be uninsurable or are not economically insurable. Inflation, changes in building codes and ordinances, environmental considerations and other factors might also result in insurance proceeds being insufficient to repair or replace a property. Should an uninsured loss or a loss in excess of insured limits occur, the Company may lose capital invested in the affected property as well as anticipated future revenue from that property. The Company might also remain liable for any debt or other financial obligations related to that property. Any material uninsured losses may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

Asset management initiatives may be more expensive than anticipated and take longer to implement

Where necessary and in accordance with its asset management initiatives, the Company may undertake asset management initiatives such as refurbishment works, increasing the size of properties, changing the configuration of properties and exploiting development potential, as appropriate, to modernise and improve the marketability of its property portfolio. These works may be more extensive, expensive and take longer than anticipated. The ability to carry out refurbishment works may be adversely affected by a number of factors including constraints on location, planning legislation, the need to obtain other licences, consents and approvals and the existence of restrictive covenants. In implementing refurbishment works the Company will rely upon the performance of third party service providers and contractors. Failure by any such service providers and contractors to carry out their obligations in accordance with their appointment terms could result in the refurbishment works being more expensive than anticipated and taking longer to complete. There is no assurance that the Company will realise anticipated returns on any asset management initiatives and failure to generate anticipated returns may have a material adverse effect of the Company's financial condition, business, prospects and results of operations.

Any forward funded projects will be subject to the hazards and risks normally associated with the construction and development of commercial real estate, any of which could result in delays in completion and increased costs and/or damage to property

The Company's investment policy provides that the Company may invest through forward funded developments and make forward commitments to acquire new properties in accordance with its investment policy, provided that they are pre-let to a financially strong tenant and the sites have planning approval (other than in limited circumstances). Forward funded projects are subject to the hazards and risks normally associated with the construction and development of commercial real estate, including delays in completion, increased costs and/or property damage. The Company expects to be protected from any direct development risk in respect of forward funded developments because it will pay a fixed fee for any forward funded acquisition, meaning the developer would bear the risk of cost overruns. In addition, the Company expects there will be performance bonds in place covering at least 10 per cent of the contract value. To the extent that a developer is unable to complete or is significantly delayed in completing the relevant works, the Company's recourse would be a "step-in" right whereby it may need to source another developer or other contractors to complete the works or seek to enforce its or the developer's rights under relevant contracts. There can be no assurance that the Company would be able to retain a new developer or contractor on acceptable terms or at all, or that it would be successful in any attempts to enforce its rights under the relevant contracts. If there were cost overruns in excess of the contracted developer profit and any amount secured by a performance bond, the Company may incur additional operating costs, fines and legal fees and potentially in reputational damage or criminal prosecution of the Company and its Directors or management.

Any of the above may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

The Company will be dependent on the performance of third party contractors and sub-contractors who may fail to perform their contractual obligations

In connection with its forward funded developments and forward commitments to acquire new properties, the Company will be dependent on the performance of third party contractors and sub-contractors, who may fail to perform their contractual obligations. Whilst the Company will seek to negotiate contracts containing appropriate warranty protection and other contractual protections, such as liquidated damages provisions in the event the relevant works are not satisfactorily completed within a pre-agreed timeframe, performance bonds and/or parent company guarantees, any failure to perform against contractual obligations on the part of a contractor or sub-contractor could adversely impact the value of the forward funded project and could result in delays in completion. In addition, there is a risk of disputes with such defaulting third party contractors and sub-contractors. Any litigation or arbitration resulting from any such disputes may increase the Company's costs and distract the Directors and management from focusing their time to fulfil the investment objective of the Company. Any of the above may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

Assignments by tenants of properties that the Company may acquire in the future could result in an increased risk of tenant default

The Company may in the future acquire properties which are subject to lease arrangements where tenants have assigned some or all of their lease obligations to third parties. While the Company will generally be exposed to risks associated with tenant default, there may be an increased risk of default where obligations have been assigned by tenants, particularly if there is more limited information available in respect of the tenant or tenants benefitting from the assignment. Such increased risk of default could arise as a result of financial difficulties, bankruptcy, insolvency or a downturn in the business of the assignee, or otherwise. Any such default could result in a loss of rental income, an increase in bad debts and a decrease in the value of the relevant property. This could affect the Company's ability to pay dividends and may have an adverse effect on the financial condition, business, prospects and results of operations of the Company.

The Company may be subject to environmental liabilities

As the owner of real property, the Company will be subject to environmental regulations that can impose liability for cleaning up contaminated land, watercourses or groundwater on the person causing or knowingly permitting the contamination. If the Company acquires contaminated land, it could also be liable to third parties for harm caused to them or their property as a result of the contamination. If the Company is found to be in violation of environmental regulations, it could face reputational damage, regulatory compliance penalties, reduced letting income and reduced asset valuation, which could have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

RISKS RELATING TO SERVICE PROVIDERS

The Company is reliant on the performance and expertise of the Investment Manager, the Portfolio Manager and their key personnel

The Company has no employees and the Directors have all been appointed on a non-executive basis. The Company must therefore rely upon the Investment Manager and the Portfolio Manager to provide investment management services and portfolio management services (that the Investment Manager has contracted to receive from the Portfolio Manager pursuant to the Portfolio Management Agreement), and on other third-party service providers to perform administrative and operational functions on the Company's behalf. In particular, as the Company's investment portfolio is to be externally managed, the Company will rely on the experience, skill and judgement of the Investment Manager and Portfolio Manager, in identifying, selecting, negotiating and managing the acquisition of suitable investments and managing the Company's assets. Furthermore, the Company will be dependent upon the Investment Manager's successful implementation of the Company's investment policy and investment strategies and, ultimately, on the Investment Manager's ability to create a property investment portfolio capable of generating attractive returns. There can be no assurance, however, that the Investment Manager or the Portfolio Manager will adequately perform their respective functions, or that the Investment Manager will be successful in achieving the Company's investment objective.

The Investment Management Agreement governing the relationship between the Company and the Investment Manager does not require the Investment Manager to dedicate specific personnel to the Company or to ensure personnel servicing the Company's business allocate a specific amount of time to the Company. If the Investment Manager and/or the Portfolio Manager fails, for any reason, to allocate the appropriate personnel, time or resources to the Company's activities, the Company may be unable to achieve its investment objective.

Although there is an obligation on the Investment Manager in the Investment Management Agreement to have insurance to cover any claims made by the Company against the Investment Manager, any such claims may not be compensated under any such insurance in full or at all. Furthermore, the Company has no direct contractual relationship with the Portfolio Manager or Property Manager and, in the case of the Portfolio Management Agreement, is dependent on the Investment Manager in procuring, monitoring and maintaining portfolio management services. As a result, the Company's recourse against the Portfolio Manager and the Property Manager in the event they fail to fulfil their obligations will be limited.

The Investment Management Agreement has an initial term of three years and thereafter may be terminated by either party providing 12 months' written notice of termination to the other in accordance with the terms further described in paragraph 6 of Part III (*Information on the Investment Manager*) of this Prospectus. There can be no guarantee that the Directors will continue to consider that the operation of the Investment Management Agreement is in the best interest of the Company (whether as a result of changing market conditions, availability of alternative providers or otherwise). However, under the terms of the Investment Management Agreement, the Company is unable to terminate the Investment Management Agreement during the initial three-year term. For further information, please see the risk factor below entitled "*It may be difficult for the Company to terminate the Investment Management Agreement and it may be costly if the Investment Management Agreement is terminated*".

In certain limited circumstances, the Investment Manager may terminate the Investment Management Agreement immediately upon notice in writing to the Company. Upon expiry or termination (whether in accordance with its terms or otherwise) of the Investment Management Agreement, there is no assurance that an agreement with a new investment manager can be entered into on similar terms or on a timely basis, or that such new investment manager would have expertise comparable to the Investment Manager. Similarly, upon expiry or termination of the Portfolio Management Agreement (automatic termination of which will be triggered by termination of the Investment Management Agreement), there is no assurance that an agreement between a new investment manager and the Portfolio Manager will be entered into on similar terms or on a timely basis. Any entry into agreements with less favourable terms or a replacement of the Investment Manager (whether on a timely basis or not) may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

The obligations of the Investment Manager and the Portfolio Manager are not guaranteed by any other person, and in particular, there is no guarantee from Aviva plc.

It may be difficult for the Company to terminate the Investment Management Agreement and it may be costly if the Investment Management Agreement is terminated

The Investment Management Agreement has an initial term ending three years from the date of Admission, following which it may be terminated by either party providing 12 months' written notice of termination to the other in accordance with the terms further described in paragraph 6 of Part III (*Information on the Investment Manager*) of this Prospectus. Otherwise, the Investment Management Agreement may be terminated by the Company only in the limited circumstances set out in paragraph 6 of Part III (*Information on the Investment Manager*) of this Prospectus. Further, none of the following events would allow the Company to terminate the Investment Management Agreement: the departure of key executives of the Investment Manager; the Investment Manager and the Portfolio Manager ceasing to be under common control; liquidation of the Company; or a breach of the Investment Management Agreement by the Investment Manager (unless such breach involves (i) an act of gross negligence, fraud or wilful misconduct or (ii) a material breach which is not capable of remedy or is not remedied within 30 days). In addition, the following events would allow the Investment Manager to terminate the Investment Management Agreement: the Company undergoing a Change of Control (as defined in paragraph 6.7 of Part III (*Information on the Investment Manager*) of this Prospectus); or the Company making a material change to its investment policy without the Investment Manager's prior written consent.

No warranty is given by the Investment Manager as to the performance or profitability of the Company's investment portfolio and poor investment performance would not, of itself, constitute an event allowing the Company to terminate the Investment Management Agreement. If the Investment Manager's performance does not meet the expectations of investors and the Company is otherwise unable to terminate the Investment Management Agreement pursuant to the limited terminations rights thereunder, the NAV could suffer and the Company's business, results and/or financial condition could be adversely affected. In addition, the Company may incur significant termination expenses if it terminates the Investment Management Agreement.

The past performance of the Investment Manager and the Portfolio Manager is not a guarantee of the future performance of the Company

The Investment Manager and the Portfolio Manager are wholly-owned and controlled by Aviva and the Company is reliant on the Investment Manager and the Portfolio Manager to identify and manage prospective investments in order to create value for investors. This Prospectus includes certain information regarding the past performance of Aviva in respect of other companies and ventures. However, the past performance of Aviva is not indicative, or intended to be indicative, of the future performance or results of the Company for several reasons. The previous experience of Aviva and companies and ventures advised and/or operated by members of Aviva may not be directly comparable with the Company's proposed business. Differences between the circumstances of the Company and the circumstances under which the track record information in this Prospectus was generated include (but are not limited to) actual acquisitions and investments made, investment objective, fee arrangements, structure (including for tax purposes), terms, leverage, performance targets, market conditions and investment horizons. All of these factors can affect returns and impact the usefulness of performance comparisons and, as a result, none of the historical information contained in this Prospectus is directly comparable to the Company's business or the returns which the Company may generate.

There may be circumstances where the Investment Manager, the Portfolio Manager and/or members of the underlying management team have a conflict of interest with the Company

There may be circumstances in which the Investment Manager, the Portfolio Manager and/or members of the underlying management team has or have, directly or indirectly, a material interest in a transaction being considered by the Company or a conflict of interest with the Company. Pursuant to the Fair Allocation Policy, the Investment Manager has agreed that, it will allocate any potential long-income assets, which fall within the parameters of the investment policy of the Company set out in this Prospectus and any amendments thereto and which have a lease length of 10 to 20 years in accordance with the principles documented in the Fair Allocation Policy. For more information on these exceptions and the aforementioned undertakings, see paragraph 12 of Part I (*Information on the Company*) of this Prospectus.

In addition, employees of Aviva may have conflicts of interest in allocating their time and activity between the Investment Manager and the Portfolio Manager and other entities with which they are involved. There can be no guarantee that the contractual protections with respect to conflicts of interest outlined above will remain in place or that these arrangements will be successful in addressing all conflicts that may arise. Were these contractual protections to become unavailable for whatever reason, or were the Company otherwise unable to effectively manage potential conflicts of interest with the Investment Manager and the Portfolio Manager, this

could have a material adverse effect on the Company's ability to achieve its investment objective and, consequently, on the Company's financial condition, business, prospects and results of operations.

The AIFMD may impair the ability of the Investment Manager to manage investments of the Company, which may adversely affect the Company's ability to implement its investment policy

Pursuant to the AIFMD, the Company is an AIF and has appointed the Investment Manager as its external AIFM. The Investment Manager is authorised and regulated by the FCA and has permission, inter alia, to manage an unauthorised AIF. If the Investment Manager ceases to act, or becomes unable to act, as the Company's AIFM, then the Company must either seek authorisation from the FCA to be an internally managed AIF, or appoint another suitably authorised person as its AIFM. There is no guarantee that the Company will be able to obtain such authorisation or to identify and appoint a suitably authorised person as its AIFM. If the Company is not authorised to act as an internally managed AIF or is unable to appoint a suitably authorised person as its AIFM, then the Company may not be able to operate or may have its operations materially adversely affected.

The AIFMD may also impact the ability of the Company, the Investment Manager or any person acting on their behalf to market Shares to investors in the EEA, which could restrict the Company's ability to raise capital in one or more EEA member states.

In addition, the AIFMD may be subject to change, including through the issuance of additional or revised guidance, and such change may have a material adverse effect on the ability of the Investment Manager to manage investments of the Company, which may adversely affect the Company's ability to implement its investment policy.

RISKS RELATING TO TAXATION

A change in the Company's tax status or in taxation legislation in the UK could adversely affect the Company's profits and portfolio value and/or returns to Shareholders

The levels of and reliefs from taxation may change. The tax reliefs referred to in this Prospectus are those currently available and their value depends on the individual circumstances of investors. Any change in the Company's tax status or in taxation legislation in the UK or any other tax jurisdiction affecting Shareholders or investors could affect the value of the investments held by the Company, affect the Company's ability to achieve its investment objective for the Ordinary Shares or alter the post-tax returns to Shareholders. Any changes could adversely affect the financial prospects of the Company and/or the returns payable to Shareholders. If you are in any doubt as to your tax position, you should consult your own professional adviser without delay.

If the Company fails to qualify, or remain qualified, as a REIT, its rental income and gains will be subject to UK corporation tax

The Company will not meet the qualifying conditions to enter into the REIT regime on Admission. Once the Company meets the conditions to become a REIT and the Directors are satisfied that the Company is able to, and will be able to continue to, comply with the qualifying REIT conditions, it is expected that the Company will give HMRC notice to become a REIT. The qualifying conditions for UK REIT status include holding three qualifying properties, none of which alone represents more than 40 per cent of the total value of the Company's qualifying properties. It is currently expected that the Company will meet the qualifying conditions for UK REIT status and will give HMRC notice to become a REIT by the end of the first quarter of 2018. There can be no assurance that the REIT conditions will be fulfilled within the expected timeframe and the Company cannot guarantee that it will remain qualified as a REIT. If the Company fails to qualify or remain qualified as a REIT it will be subject to UK corporation tax on all of its property rental income and chargeable gains on the sale of properties, which would reduce the amounts available to distribute to Shareholders.

The requirements for maintaining REIT status are complex. Minor breaches of certain conditions within the REIT regime may result in additional tax being payable. A serious breach of the REIT regime may lead to the Company ceasing to be a REIT. If the Company fails to meet certain of the statutory requirements to remain qualified as a REIT (and until the Company enters the REIT regime), it will be subject to UK corporation tax on the profits of its Qualifying Property Rental Business including any chargeable gains on the sale of its properties. This could reduce the reserves available to make distributions to Shareholders and the yield on the Ordinary Shares. In addition, incurring a UK corporation tax liability might require the Company to borrow funds, liquidate some of its assets or take other steps that could negatively affect its operating results. Moreover, if the Company's REIT status is withdrawn altogether because of its failure to meet one or more

REIT conditions, it may be disqualified from being a REIT from the end of the accounting period preceding that in which the failure occurred.

The Company could lose its status as a REIT as a result of actions by third parties (for example, if the Company is taken over by a company that is not itself a REIT).

Distribution requirements may limit the Company's flexibility in executing its acquisition plans

To maintain REIT status and as a result obtain full exemption from UK corporation tax on the profits of its Qualifying Property Rental Business, the Company is required to distribute annually to Shareholders an amount sufficient to meet the 90 per cent distribution test by way of Property Income Distributions. The Company would be required to pay tax at regular UK corporation tax rates on any shortfall to the extent that the Company distributes as Property Income Distributions less than the amount required to meet the 90 per cent distribution test for each accounting period.

In addition, differences in timing between the receipt of cash and the recognition of income for the purposes of the REIT rules and the effect of any potential debt amortisation payments and rent-free periods could require the Company to borrow funds to meet the distribution requirements that are necessary to achieve the full tax benefits associated with qualifying as a REIT, even if the then-prevailing market conditions are not favourable for these borrowings.

As a result of these factors, the constraints of maintaining REIT status could limit the Company's flexibility to make investments.

The Company's status as a REIT may restrict distribution opportunities to all (or some) Shareholders

The Company may become subject to an additional tax charge if it makes a distribution to, or in respect of, a Substantial Shareholder, that is broadly, a shareholder which has rights to at least 10 per cent of the distributions on Ordinary Shares or controls at least 10 per cent of the voting rights. This additional tax charge will not be incurred if the Company has taken reasonable steps to avoid paying distributions to a Substantial Shareholder. Therefore, the Articles contain provisions designed to avoid the situation where distributions may become payable to a Substantial Shareholder and these provisions are summarised at paragraph 4 of Part X (*Additional Information*) of this Prospectus. These provisions provide the Directors with powers to identify Substantial Shareholders and to prohibit the payment of dividends on Ordinary Shares that form part of a Substantial Shareholding unless certain conditions are met. The Articles also allow the Directors to require the disposal of Ordinary Shares forming part of a Substantial Shareholding in certain circumstances where the Substantial Shareholder has failed to comply with the above outlined provisions.

Tax charges may arise depending on the level of the Company's borrowings

A tax charge will arise if, in respect of any accounting period, the ratio of the Company's income profits (before capital allowances) in respect of its Qualifying Property Rental Business to the financing costs incurred in respect of the Qualifying Property Rental Business is less than 1.25. In addition, corporate interest restriction rules are expected to be introduced in late 2017 which will be effective from 1 April 2017. If these rules cause an interest disallowance, the Company may be required to allocate some of that disallowance to the taxable residual business of the Company. Any such allocation may give rise to a tax charge to the extent it is not sheltered by tax losses.

RISKS RELATING TO THE ORDINARY SHARES

The market value of the Ordinary Shares may fluctuate

The value of an investment in the Company, and the income derived from it, if any, may go down as well as up and an investor may not get back the amount invested.

The market price of the Ordinary Shares, like shares in all investment companies, may fluctuate independently of the Net Asset Value per Ordinary Share and may trade at a discount or premium at different times, depending on factors such as supply and demand for the Ordinary Shares, market conditions and general investor sentiment. There can be no guarantee that any discount control policy will be successful or capable of being implemented. The market value of an Ordinary Share may therefore vary considerably from the Net Asset Value per Ordinary Share.

Fluctuations could also result from a change in national and/or global economic and financial conditions, the actions of governments in relation to changes in the national and global financial climate or taxation and

various other factors and events, including rental yields, variations in the Company's operating results and business developments of the Company and/or its competitors. Stock markets have experienced significant price and volume fluctuations in the past that have affected market prices for securities.

The price of an Ordinary Share may also be affected by speculation in the press or investment community regarding the business or investments of the Company or factors or events that may directly or indirectly affect its investments.

It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Ordinary Shares

The price at which the Ordinary Shares will be traded and the price at which investors may realise their investment will be influenced by a large number of factors, some specific to the Company and its investments and some which may affect companies generally. Admission should not be taken as implying that there will be a liquid market for the Ordinary Shares. Consequently, the share price may be subject to greater fluctuation on small volumes of trading of Ordinary Shares and the Ordinary Shares may be difficult to sell at a particular price. The market price of the Ordinary Shares may not reflect the Net Asset Value per Ordinary Share.

While the Directors retain the right to effect repurchases of Ordinary Shares, they are under no obligation to use such powers or to do so at any time and Shareholders should not place any reliance on the willingness of the Directors so to act. Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Ordinary Shares in the market. There can be no guarantee that a liquid market in the Ordinary Shares will develop or that the Ordinary Shares will trade at prices close to the Net Asset Value per Ordinary Share. Accordingly, Shareholders may be unable to realise their investment at the Net Asset Value per Ordinary Share or at all.

The number of Ordinary Shares to be issued pursuant to the Issue is not yet known, and there may be a limited number of holders of Ordinary Shares. Limited numbers and/or holders of Ordinary Shares may mean that there is limited liquidity in the Ordinary Shares which may affect: (i) an investor's ability to realise some or all of his investment; (ii) the price at which such investor can effect such realisation; and/or (iii) the price at which such Ordinary Shares trade in the secondary market.

The Company may not have adequate distributable profits to allow the Company to pay dividends or to return capital to Shareholders

The distribution of future dividends depends upon, amongst other things, the Company's results of operations, financing and investment requirements, as well as the availability of distributable retained earnings or distributable reserves. The Company is not obligated to pay dividends, and the Directors may decide not to pay dividends. Furthermore, as a newly incorporated company, initial dividends will depend on the reduction of the Company's share premium account following Admission to create distributable reserves. Such reduction of capital will require the approval of the Court. In order to approve such reduction, the Court will need to be satisfied that the interests of the creditors of the Company at the date of the reduction takes effect will not be prejudiced as a result of the reduction of capital. The Directors reserve the right to abandon, continue or adjourn any application to the Court for confirmation of such reduction of capital if the Directors believe that the terms required to obtain confirmation are unsatisfactory to the Company or, if as the result of a material unforeseen event, the Directors consider that to continue with such reduction of capital would be inappropriate or inadvisable. In addition, in accordance with the Companies Act, shares may only be repurchased out of the proceeds of a fresh issue of shares made for the purpose of the repurchase or out of distributable profits (including any reserve arising out of the proposed cancellation of the Company's share premium account). There can be no assurance that the Company will have any such proceeds or distributable profits to allow the Company at any time to pay dividends or to utilise any granted buy-back authority and to thereby return capital to Shareholders.

The semi-annual NAV figures published by the Company will be estimated only and may be materially different from actual results. They may also be different from figures appearing in the Company's financial statements

The Company intends to publish semi-annual NAV figures in Sterling. The valuations used to calculate the NAV will be based on the Investment Manager's unaudited estimated valuations. This information may not be accurate or verified (or verifiable) and may not be provided in a timely manner. It should be noted that any such estimates may vary (in some cases materially) from actual results, especially (but not only) during periods of high market volatility or disruption. Estimated results, performance or achievements may differ materially

from any actual results, performance or achievements. Accordingly, such estimated semi-annual NAV figures should be regarded as indicative only and the actual NAV per Share may be materially different from these reported and unaudited estimates. Further, NAV per Share will be expressed in Sterling and will be based on fair market value estimates of the Company's underlying investments in Sterling. This means that asset value estimates used to calculate NAV per Share may differ from the value of the Company's assets appearing in its financial statements, possibly significantly.

The NAV is expected to fluctuate over time by reference to the performance of the Company's investments and changing valuations

The NAV is expected to fluctuate over time with the performance of the Company's investments. Moreover, valuations of the Company's investments may not reflect the price at which such investments can be realised.

To the extent that the net asset value information of an investment or that of a material part of an investment's own underlying investments is not available in a timely manner, the NAV will be published based on estimated values of the investment and on the basis of the information available to the Investment Manager at the time. There can be no guarantee that the Company's investments could ultimately be realised at any such estimated valuation. Because of overall size, concentration in particular sectors and the nature of the investments held by the Company, the value at which its investments can be disposed of may differ, sometimes significantly, from the valuations obtained by the Investment Manager. In addition, the timing of disposals may also affect the values ultimately obtained. At times, third party pricing information may not be available for certain positions held by the Company.

In calculating the NAV, the Investment Manager will be relying, *inter alia*, on estimated valuations that may include information derived from third party sources. Such valuation estimates will be unaudited and may not be subject to independent verification or other due diligence. The type of investments traded by the Company may be complex, illiquid and not listed on any stock exchange. Accordingly, as a result of each of these factors, Shareholders should note that actual NAV may fluctuate from time to time, potentially materially.

The Ordinary Shares may trade at a discount to NAV

The Ordinary Shares may trade at a discount to NAV per Share for a variety of reasons, including due to market conditions, liquidity concerns or the actual or expected performance of the Company. There can be no guarantee that attempts by the Company to mitigate any such discount will be successful or that the use of discount control mechanisms will be possible, advisable or adopted by the Company.

The interests of any significant investor may conflict with those of other Shareholders and future sales of Ordinary Shares by any significant investor in the public market may cause the share price to fall

Immediately following Admission, Aviva Life Fund will have a significant holding of Ordinary Shares, as described in paragraph 7.2 of Part X (*Additional Information*) of this Prospectus. It is possible that, in the future, other investors may have significant holdings of Ordinary Shares. Any significant investor will potentially possess sufficient voting power to have a significant influence on matters requiring Shareholder approval. The interests of a significant investor may conflict with those of other holders of Ordinary Shares. In addition any significant investor may make investments in other entities involved in the UK commercial real estate market that may be, or may become, competitors of the Company.

Additional equity financing may be dilutive to those Shareholders who cannot, or choose not to, participate in such financing

Following the Issue, the Company may seek to issue new equity in the future. While the Companies Act contains statutory pre-emption rights for Shareholders in relation to issues of shares in consideration for cash, the Company currently has authority to issue up to 50 million Ordinary Shares (or, if less, shares up to an aggregate nominal value of 20 per cent of the nominal amount of the issued ordinary share capital immediately following Admission) on a non-pre-emptive basis following Admission. Where statutory pre-emption rights are disapplied, any additional equity financing, including for the purpose of future acquisitions by the Company, will be dilutive to the shareholdings and voting rights of those Shareholders who cannot, or choose not to, participate in such financing and could have a dilutive effect on the Net Asset Value per Ordinary Share as well as the market price of the existing Ordinary Shares.

Future sales of Ordinary Shares could cause the market price of the Ordinary Shares to fall

Sales of Ordinary Shares or interests in the Ordinary Shares by significant investors including Aviva Life Fund could depress the market price of the Ordinary Shares. Aviva Life Fund has agreed with Jefferies and the Company that, for a period of 24 months from the date of Admission, it shall not dispose of the Ordinary Shares acquired by it pursuant to the Issue unless, *inter alia*, it has consulted with Jefferies as to the terms of the disposal and the disposal is brokered through Jefferies at Jefferies' standard rate of commission as at the relevant date (provided that such commission is overall competitive with that charged by other brokers), in all cases with a view to maintain an orderly market in the Company's publicly traded securities. Similarly, the Company will be restricted, subject to certain limited exceptions, for a period of 180 days from the date of Admission from issuing additional Ordinary Shares. On the expiry of these restrictions, the Company may issue additional Ordinary Shares and Aviva Life Fund will be free (subject to applicable law and the Aviva Subscription Agreement) to sell the Ordinary Shares acquired by it pursuant to the Issue. A substantial amount of Ordinary Shares being sold, or the perception that sales of this type could occur, could depress the market price of the Ordinary Shares and/or result in greater price volatility.

IMPORTANT INFORMATION

This Prospectus should be read in its entirety before making any application for Ordinary Shares. Prospective investors should rely only on the information contained in this Prospectus and any supplementary prospectus published by the Company prior to Admission. No person has been authorised to give any information or make any representations other than as contained in the Prospectus and any supplementary prospectus published by the Company prior to Admission and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Investment Manager or Jefferies or any of their respective affiliates, officers, directors, employees or agents. Without prejudice to the Company's obligations under the Prospectus Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules or the EU Market Abuse Regulation neither the delivery of this Prospectus nor any subscription made under this Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Prospectus or that the information contained herein is correct as at any time subsequent to its date.

Prospective investors must not treat the contents of this Prospectus or any subsequent communications from the Company, the Investment Manager or Jefferies or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

Regulatory information

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. The issue or circulation of this Prospectus may be prohibited in some countries.

Prospective investors should consider (to the extent relevant to them) the notices to residents of various countries set out in Part IX (*Restrictions on Sales*) of this Prospectus.

Intermediaries Offer

Under the Intermediaries Offer, the Ordinary Shares are being offered to Intermediaries who will facilitate the participation of their retail investor clients (and any member of the public who wishes to become a client of that Intermediary) located in the United Kingdom, the Channel Islands and the Isle of Man. The Company consents to the use of this Prospectus in connection with any subsequent resale or final placement of securities by financial intermediaries in the United Kingdom, the Channel Islands and the Isle of Man on the following terms: (i) in respect of the Intermediaries who are appointed by the Company prior to the date of this Prospectus, from the date of this Prospectus; and (ii) in respect of Intermediaries who are appointed by the Company after the date of this Prospectus, from the date on which they are appointed to participate in the Intermediaries Offer and agree to adhere to and be bound by the Intermediaries Terms and Conditions in each case, until the closing of the Intermediaries Offer. The offer period within which any subsequent resale or final placement of securities by Intermediaries can be made and for which consent to use this Prospectus is given commences on 14 November 2017 and closes at 11.00 a.m. on 5 December 2017, unless closed prior to that date (any such prior closure to be announced via a Regulatory Information Service). The Company and the Directors accept responsibility for the information contained in this Prospectus with respect to any purchaser of Ordinary Shares pursuant to the Intermediaries Offer.

Any Intermediary that uses this Prospectus must state on its website that it uses this Prospectus in accordance with the Company's consent and the conditions attached thereto. Intermediaries are required to provide the terms and conditions of the Intermediaries Offer to any prospective investor who has expressed an interest in participating in the Intermediaries Offer to such Intermediary. Any application made by investors to any Intermediary is also subject to the terms and conditions imposed by such Intermediary.

Arrangements with Jefferies

Jefferies and/or its affiliates may from time to time provide advisory or other services to the Company, the Investment Manager, the Portfolio Manager or any of their respective affiliates. From time to time, Jefferies and/or its affiliates may also engage in other transactions with the Company, the Investment Manager, the Portfolio Manager and other funds or investments managed by the Investment Manager, the Portfolio Manager or their respective affiliates in the ordinary course of their businesses, including, without limitation, transactions involving the purchase and sale of securities, loans and other investments, derivative transactions and other transactions (including, without limitation, providing leverage secured against investments).

Jefferies may have acted, may currently act, and may in the future act in various capacities in relation to the Company, the Investment Manager, the Portfolio Manager and the assets in which the Company invests or may invest, including as manager, servicer, security trustee, equity holder and/or secured lender to the issuer or affiliates of issuers connected to the assets in which the Company invests or may invest. Each such role would confer specific rights to and obligations on Jefferies and/or its affiliates. In exercising these rights and discharging these obligations, the interests of Jefferies and/or its affiliates may not be aligned with the interests of a potential investor in the Ordinary Shares.

In connection with the Issue, Jefferies and/or any of its affiliates acting as an investor for its or their own account(s), may acquire Ordinary Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or other related investments in connection with the Issue or otherwise. Accordingly, references in this Prospectus to the Ordinary Shares being issued, offered, acquired, subscribed or otherwise dealt with, should be read as including any issue or offer to, acquisition of, or subscription or dealing by Jefferies and any of its affiliates acting as an investor for its or their own account(s). Neither Jefferies nor any of its affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. In addition, in connection with the Issue, Jefferies may enter into financing arrangements with investors, such as share swap arrangements or lending arrangements where Ordinary Shares are used as collateral, that could result in Jefferies acquiring shareholdings in the Company.

Depositary

From time to time conflicts of interest may arise between the Depositary and any of its delegates. For example, where an appointed delegate of the depositary is an affiliated group company which receives remuneration for the custodial services it supplies to the Company.

The Depositary analyses, on an ongoing basis taking into account applicable laws and regulations, any actual or potential conflicts of interest that may arise while carrying out its functions. Actual or potential conflicts of interest may arise from the provision by the Depositary and/or its affiliates, of other services to the Company and/or other parties and which are subject to oversight by the Depositary, including fund accounting and securities lending activities. Any identified actual or potential conflict of interest is managed in accordance with a conflicts management policy and supporting procedures applicable to the Depositary, further details of which are set out below.

RBC Investor Services Bank S.A. maintain a conflicts management policy applicable to the Depositary which outlines the requirements with respect to:

- (a) identification and analysis of actual or potential conflicts of interest;
- (b) record-keeping, monitoring schedules and requirements around the management of identified actual or potential conflicts of interest;
- (c) mitigation of actual or potential conflicts of interest as follows:
 - (i) functional and hierarchical segregation of the depositary function from other services provided by group affiliates making sure that such services are carried out at an ‘arm’s length’ from the depositary function; and
 - (ii) fee negotiations for additional services are conducted on an arm’s length basis from the depositary function; and
- (d) where appropriate, implementing preventative measures to decline activity giving rise to the conflict of interest.

A permanent internal audit department provides independent, objective risk assessment and evaluation of the adequacy and effectiveness of internal controls and governance processes.

Up to date information on the conflicts management policy referred to above may be obtained from the Depositary. Shareholders should note that it is not possible for the Depositary to provide any investment advice to Shareholders.

Data protection

The information that a prospective investor in the Company provides in documents in relation to a subscription for Ordinary Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third party individual (“**personal data**”) will be held and processed by the Company (and any

third party in the United Kingdom to whom it may delegate certain administrative functions in relation to the Company) in compliance with the relevant data protection legislation and regulatory requirements of the United Kingdom. Each prospective investor acknowledges and consents that such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- contacting the prospective investor with information about other products and services provided by the Investment Manager or its affiliates, which may be of interest to the prospective investor;
- carrying out the business of the Company and the administering of interests in the Company;
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in the UK or elsewhere; and
- disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Each prospective investor acknowledges and consents that where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

- disclose personal data to third party service providers, affiliates, agents or functionaries appointed by the Company or its agents to provide services to prospective investors; and
- transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors in the United Kingdom (as applicable).

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

Prospective investors are responsible for informing any third party individual to whom the personal data relates to the disclosure and use of such data in accordance with these provisions.

Investment considerations

An investment in Ordinary Shares is suitable only for investors (i) who understand the potential risk of capital loss and that there may be limited liquidity in the Ordinary Shares; (ii) for whom an investment in the Ordinary Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment programme. Accordingly, typical investors in the Company are expected to be institutional investors and professionally-advised private investors. The Ordinary Shares may also be suitable for investors who are financially sophisticated, non-advised private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment. Such investors may wish to consult their stockbroker, bank manager, solicitor, accountant or other independent financial advisor before making an investment in the Company.

The Ordinary Shares are designed to be held over the long-term and may not be suitable as short-term investments. There is no guarantee that any appreciation in the value of the Company's investments will occur and investors may not get back the full value of their investment. The investment objective of the Company is a target only and should not be treated as an assurance or guarantee of performance. There can be no assurance that the Company's investment objective will be achieved.

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

The contents of this Prospectus are not to be construed as advice relating to legal, financial, taxation, accounting or regulatory matters, investment decisions or any other matter. Prospective investors must inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of the Ordinary Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of the Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply to them as a result of the purchase, holding, transfer, redemption or other disposal of the Ordinary Shares.

Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment therein.

It should be noted that the arrangements between each of the Company, the Investment Manager and the Portfolio Manager were negotiated in the context of an affiliated relationship and may contain terms that are less favourable to the Company than those which otherwise might have been obtained from unrelated parties. The Investment Management Agreement, the Portfolio Management Agreement and the Company's internal policies and procedures for dealing with the Investment Manager were negotiated in the context of the Company's formation and the Issue by persons who were, at the time of negotiation, employees of Aviva and other Aviva Group companies. Because these arrangements were negotiated between affiliated parties, their terms, including terms relating to termination rights, fees, contractual or fiduciary duties, conflicts of interest and limitations on liability and indemnification, may be less favourable to the Company than otherwise might have resulted if the negotiations had involved unrelated parties from the outset.

The Company will endeavour to ensure fair treatment of investors. Investment in the Company will not automatically grant investors any rights against third parties engaged by the Company to provide services to the Company.

This Prospectus should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the Articles of Association which prospective investors should review. A summary of the Articles of Association is contained in paragraph 4 of Part X (*Additional Information*) of this Prospectus. The Articles of Association are available for inspection at the address specified in paragraph 2.2 in Part X (*Additional Information*) of this Prospectus and at the offices of Ashurst LLP as set out in paragraph 23 of Part X (*Additional Information*) of this Prospectus.

No incorporation of website

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

Forward-Looking Statements

This Prospectus contains statements that are, or may be deemed to be, forward-looking statements, including, without limitation, statements containing the words "anticipates", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "should" or "will" or, in each case, their negative or other variations or similar expressions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus and include, but are not limited to, statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the Company's results of operations, financial position, prospects, growth, target Total Return, investment strategy, financing strategies, prospects for relationships with tenants and expectations for the UK real estate market.

Such forward-looking statements involve unknown risks, uncertainties and other factors, which may cause the actual results of operations, performance or achievement of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. In addition, even if the Company's results of operations, financial position and growth, and the

development of the market and the industry in which the Company operates, are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods.

Important factors that could cause results and developments of the Company to differ materially from those expressed or implied by the forward looking statements include, but are not limited to:

- changes in economic conditions generally and their impact on the Company's ability to achieve its investment objective and returns on equity for investors;
- changes in the UK real estate market conditions, industry trends and competition;
- the Company's ability to invest the Net Proceeds in suitable investments on a timely basis;
- impairments in the value of investments by the Company;
- the availability and cost of capital for future investments;
- changes in the Company's investment strategy;
- the failure of the Investment Manager to perform its obligations under the Investment Management Agreement or the termination of the Investment Management Agreement;
- the failure of the Portfolio Manager or the Property Manager to perform their respective obligations under the Portfolio Management Agreement or the Property Management Agreement, or the termination of such agreements;
- changes in laws or regulations, including tax laws, or new interpretations or applications of laws and regulations, that are applicable to the Company; and
- general economic trends and other external factors, including those resulting from war, incidents of terrorism or responses to such events.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. These forward-looking statements speak only as at the date of this Prospectus. Subject to its compliance with its legal and regulatory obligations (including under the Listing Rules, Disclosure Guidance and Transparency Rules and Prospectus Rules and EU Market Abuse Regulation), the Company undertakes no obligation to update or revise any forward-looking statement contained herein, nor will it publicly release any revisions it may make to these forward-looking statements, to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based. Investors should note that the contents of these paragraphs relating to forward-looking statements are not intended to qualify the statements made as to sufficiency of working capital in this Prospectus.

The actual number of Ordinary Shares to be issued pursuant to the Issue will be determined by the Company, the Investment Manager and Jefferies after taking into account the demand for the Ordinary Shares and prevailing economic market conditions. The information in this Prospectus should be read in light of the actual number of Ordinary Shares to be issued in the Issue.

Market, Economic and Industry Data

This Prospectus contains certain market data and other information which have been extracted from official and industry sources and other sources the Company believe to be reliable. The Company has not independently verified these industry publications, surveys and forecasts and cannot guarantee their accuracy or completeness. However, such information, data and statistics have been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by the aforementioned sources, no facts have been omitted which would render the reproduced information, data and statistics inaccurate or misleading. Such information, data and statistics include certain projections and estimates of future events. Such projections and estimates are by their nature uncertain and are not statements of fact. The Company expressly disclaims liability for the occurrence of events or circumstances implied by such projections and estimates. See also "*Forward-Looking Statements*".

The Company confirms that the information in this Prospectus that has been sourced from third parties has been accurately reproduced, and so far as the Company is aware and has been able to ascertain from information published by that third party, no facts have been omitted which would render such reproduced information inaccurate or misleading.

Currency Presentation

Unless otherwise indicated, all references in this Prospectus to “**Sterling**”, “**£**”, “**pence**” or “**p**” are to the lawful currency of the United Kingdom.

Presentation of Financial Information

The Company is newly formed and as at the date of this Prospectus has not commenced any operations and has no assets or liabilities which will be material in the context of the Issue. Therefore, no statutory financial statements have been prepared as at the date of this Prospectus. All future financial information for the Company is intended to be prepared in accordance with IFRS. In making an investment decision, prospective investors must rely on their own examination of the Company from time to time, the terms of the Issue and the financial information in this Prospectus.

Rounding

Some financial information in this Prospectus has been rounded. As a result of this rounding, figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. In addition, certain percentages presented in this Prospectus reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Definitions

A glossary and a list of defined terms used in this Prospectus is set out in Part XII (*Definitions and Glossary*) of this Prospectus.

IMPORTANT NOTE REGARDING PERFORMANCE DATA

This Prospectus includes information regarding the track record and performance data of Aviva Investors (the “**Track Record**”). Such information is not necessarily comprehensive and prospective investors should not consider such information to be indicative of the possible future performance of the Company or any investment opportunity to which this Prospectus relates. The past performance of the Investment Manager and/or Portfolio Manager is not a reliable indicator of, and cannot be relied upon as a guide to, the future performance of the Company, the Investment Manager and/or Portfolio Manager.

Investors should not consider the Track Record information (particularly the past returns) contained in this Prospectus to be indicative of the Company’s future performance. Past performance is not a reliable indicator of future results and the Company will not make the same investments reflected in the Track Record information included herein. Prospective investors should be aware that any investment in the Company is speculative, involves a high degree of risk, and could result in the loss of all or substantially all of their investment.

The Company has no investment history. For a variety of reasons, the comparability of the Track Record information to the Company’s future performance is by its nature very limited. Without limitation, results can be positively or negatively affected by market conditions beyond the control of the Company, the Investment Manager or the Portfolio Manager which may be different in many respects from those that prevail at present or in the future, with the result that the performance of investment portfolios originated now may be significantly different from those originated in the past.

Prospective investors should consider the following factors which, among others, may cause the Company’s results to differ materially from the historical results achieved by Aviva Investors, its affiliates and certain other persons:

- the Track Record information included in this Prospectus was generated by a number of different persons in a variety of circumstances and those persons may differ from those who will manage the Company’s investments. It may or may not reflect the deduction of fees or the reinvestment of dividends and other earnings;
- results can be positively or negatively affected by market conditions beyond the control of the Company, the Investment Manager and the Portfolio Manager;
- differences between the Company and the circumstances in which the Track Record information was generated include (but are not limited to) all or certain of: actual acquisitions and investments made, investment objective, fee arrangements, structure (including for tax purposes), terms, leverage, geography, performance targets and investment horizons. All of these factors can affect returns and impact the

usefulness of performance comparisons and, as a result, none of the historical information contained in this Prospectus is directly comparable to the Issue or the returns which the Company may generate;

- the Company may be subject to taxes on some or all of its earnings in the United Kingdom. Any taxes paid or incurred by the Company will reduce the proceeds available from the sale of an investment to make future investments or distributions and/or pay the expenses and other operating costs of the Company; and
- market conditions at the times covered by the Track Record may be different in many respects from those that prevail at present or in the future, with the result that the performance of investment portfolios originated now may be significantly different from those originated in the past. In this regard, it should be noted that there is no guarantee that these returns can be achieved or can be continued if achieved.

No representation is being made by the inclusion of the investment examples and strategies presented herein that the Company will achieve performance similar to the investment examples and strategies herein or avoid losses. There can be no assurance that the investment examples and strategies described herein will meet their objectives generally, or avoid losses. Past performance is no guarantee of future results. Performance is shown gross of management fees and performance fees unless stated otherwise. An investment in the Company involves a significant degree of risk.

Any estimates in this Prospectus are based on unaudited estimated valuations. Any estimates may contain information that may be out of date, require updating or completing or otherwise be subject to error. Any estimates should be taken as indicative values only and no reliance should be placed on them. Estimated results, performance or achievements may differ materially from any actual results, performance or achievements.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

| | |
|---|-------------------------------|
| Publication of this Prospectus and commencement of the Offer | 14 November 2017 |
| Latest time and date for receipt of applications from Intermediaries in respect of the Intermediaries Offer | 11.00 a.m. on 5 December 2017 |
| Latest time and date for receipt of placing commitments under the Placing | 3.00 p.m. on 5 December 2017 |
| Announcement of the results of the Issue | 6 December 2017 |
| Admission and commencement of dealings on the London Stock Exchange | 8.00 a.m. on 8 December 2017 |
| CREST stock accounts credited (where applicable) | 8 December 2017 |
| Despatch of definitive share certificates (where applicable) | By 15 December 2017 |

Note: The above dates and times may be brought forward or extended and any changes will be notified via a Regulatory Information Service. References to times are to London time unless otherwise stated. Any changes to the expected timetable will be notified by the Company via a Regulatory Information Service.

ISSUE STATISTICS

| | |
|--|------------------------------|
| Issue Price | 100 pence per Ordinary Share |
| Target number of Ordinary Shares to be issued pursuant to the Aviva Subscription | 39,980,000 ⁽¹⁾ |
| Target number of Ordinary Shares being issued pursuant to the Issue | 200 million ⁽²⁾ |
| Target Gross Issue Proceeds | £200 million ⁽²⁾ |
| Target Net Proceeds | £196 million ⁽³⁾ |
| Minimum Net Proceeds ⁽⁴⁾ | £122.5 million |
| Estimated NAV per Share following Admission | 98 pence ⁽³⁾ |

Notes:

- (1) Assuming a total issue size of 200 million Ordinary Shares and that Aviva Life Fund does not elect to increase its subscription pursuant to the Aviva Subscription Agreement. Aviva Life Fund has committed to subscribe for such number of Ordinary Shares as comprises approximately 19.99 per cent of the issued ordinary share capital of the Company immediately following Admission. Pursuant to the Aviva Subscription Agreement, Aviva Life Fund may elect in its absolute discretion to increase its subscription to up to a maximum of 25 per cent of the issued ordinary share capital of the Company immediately following Admission.
- (2) The Directors have reserved the right, in consultation with Jefferies, to increase the size of the Issue to a maximum of £250 million.
- (3) Assuming Gross Issue Proceeds of £200 million. The number of Ordinary Shares to be issued pursuant to the Issue, and therefore the Gross Issue Proceeds and the Net Proceeds, is not known as at the date of this Prospectus but will be notified by the Company via a Regulatory Information Service prior to Admission.
- (4) The Issue is conditional upon the Minimum Net Proceeds of £122.5 million being raised.

DEALING CODES

| | |
|------------------|--------------|
| ISIN | GB00BZ7MK705 |
| SEDOL | BZ7MK70 |
| Ticker | AISI |

DIRECTORS, INVESTMENT MANAGER AND ADVISERS

| | |
|---|---|
| Directors of the Company | Andrew Cunningham (<i>Chairman</i>) Suzanne Avery (<i>Non-Executive Director</i>) David Steffan Francis (<i>Non-Executive Director</i>) Marlene Wood (<i>Non-Executive Director</i>) |
| Registered Office for the Company | All of: St Helen's 1 Undershaft London EC3P 3DQ |
| Investment Manager | Aviva Investors UK Fund Services Limited St Helen's 1 Undershaft London EC3P 3DQ |
| Portfolio Manager | Aviva Investors Global Services Limited St Helen's 1 Undershaft London EC3P 3DQ |
| Property Manager | Jones Lang LaSalle Limited 30 Warwick Street London W1B 5NH |
| Sole Sponsor, Global Coordinator, Bookrunner and Financial Adviser | Jefferies International Limited Vintners Place 68 Upper Thames Street London EC4V 3BJ United Kingdom |
| Intermediaries Offer Adviser | Scott Harris UK Ltd Victoria House 1-3 College Hill London EC4R 2RA United Kingdom |
| Legal Advisers to the Company as to English law | Ashurst LLP Broadwalk House 5 Appold Street London EC2A 2HA United Kingdom |
| Legal Advisers to the Sponsor, Global Coordinator and Bookrunner as to English law | Norton Rose Fulbright LLP 3 More London Riverside London SE1 2AQ United Kingdom |
| Auditors and Reporting Accountants | PricewaterhouseCoopers, LLP 1 Embankment Place London WC2N 6RH United Kingdom |
| Administrator | RBC Investor Services Bank S.A 14, Porte de France L-4360 Esch-sur-Alzette Grand Duchy of Luxembourg |
| Company Secretary | Link Company Matters Limited 6th Floor 65 Gresham Street London EC2V 7NQ |

Registrar and Receiving Agent

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol
BS13 8AE

Depository

RBC Investor Services Bank S.A., London Branch
Riverbank House
2 Swan Lane
London EC4R 3BF

Tax Advisor

BDO LLP
55 Baker Street
Marylebone
London W1U 7EU

PART I—INFORMATION ON THE COMPANY

1. Introduction

The Company was incorporated in England and Wales on 27 September 2017 as a public limited company. The Company will, pursuant to the Investment Management Agreement, be externally managed by its investment manager, Aviva Investors UK Fund Services Limited, which is incorporated as a company limited by shares in the United Kingdom and is wholly-owned and controlled by Aviva. The Investment Manager is authorised and regulated by the FCA to perform fund management activities and to act as an alternative investment fund manager. The Company intends to carry on business as a REIT, subject to meeting the necessary qualifying conditions.

The Company will invest primarily in a diversified portfolio of high-quality long-lease commercial real estate assets in the UK. Properties will be leased to predominantly investment grade tenants. The Company will make its investments directly or through holdings in special purpose vehicles.

The Company's primary objective is to deliver a secure and growing income return together with capital stability through typically upward only rent reviews linked to inflation or subject to fixed uplifts, together with the potential for capital growth by way of focused asset management and strategic acquisitions, with the intention of creating value for Shareholders. As at the date of this Prospectus, the Portfolio Manager has entered into exclusivity arrangements and/or advanced negotiations on behalf of the Company in respect of the acquisition of the four assets comprising the Target Portfolio of approximately £85 million.

The Investment Manager has delegated certain of its responsibilities and functions, including portfolio management, asset management and property level services to the Portfolio Manager, which is also a member of the Aviva Group. Pursuant to the Portfolio Management Agreement, the Portfolio Manager will be responsible for providing investment related services (including asset sourcing) to the Investment Manager and has discretion to make investment decisions subject to matters involving a conflict of interest which require the approval of Independent Directors. The Portfolio Manager will also be responsible for conducting initial due diligence on the commercial characteristics of potential investment opportunities. The Portfolio Manager has delegated certain of its responsibilities and functions for property level services to the Property Manager. Pursuant to the Property Management Agreement, the Property Manager will be responsible for providing property level services in respect of the investments of the Company. Further details on the Investment Manager, the Portfolio Manager and their respective roles are set in Part III (*Information on the Investment Manager*) of this Prospectus.

Pursuant to the Aviva Subscription Agreement, Aviva Life Fund has committed to subscribe for such number of Ordinary Shares as comprises approximately 19.99 per cent of the issued ordinary share capital of the Company immediately following Admission. Pursuant to the Aviva Subscription Agreement, Aviva Life Fund may elect in its absolute discretion to increase its subscription to up to a maximum of 25 per cent of the issued ordinary share capital of the Company immediately following Admission.

Applications will be made to FCA and the London Stock Exchange, respectively for all of the Ordinary Shares to be issued pursuant to the Issue to be admitted to listing on the premium listing segment of the Official List and to trading on the main market of the London Stock Exchange for listed securities. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence at 8.00 a.m. on 8 December 2017. The Company's issued share capital on Admission will comprise the Ordinary Shares.

2. Investment Objective

The Company's investment objective is to deliver a secure and growing income return, together with capital stability and the potential for capital growth, through investment in a diversified portfolio of high-quality long-lease commercial real estate assets in the UK. Properties will be leased to predominantly investment grade tenants. Rent reviews will typically be upward only and linked to inflation or subject to fixed uplifts.

The Company will aim to deliver, on a fully invested and geared basis:

- an initial targeted annual dividend yield of five per cent¹ by reference to the Issue Price, which the Company will seek to increase broadly in line with inflation; and
- a targeted Total Return of seven per cent² per annum over the medium term (based on the Issue Price).

3. Competitive Strengths

The Directors believe that the Company has the following key competitive strengths:

3.1 *Leading Aviva Investors Platform*

- The Company and the Investment Manager will have access to the extensive real estate experience of Aviva Investors, the largest manager of UK commercial real estate with £24 billion under management as at 30 September 2017;
- The Portfolio Manager's team has significant expertise in sourcing and managing UK long income real estate, currently managing over £4 billion of commitments, including the multi-award winning c.£2 billion Lime Property Fund;
- The Company will benefit from direct access to Aviva Investors' real estate finance team of 86 investment professionals, including credit analysts, currently managing £8 billion of real estate loans; and
- Aviva Life Fund's equity contribution representing approximately 19.99 per cent of the issued ordinary share capital of the Company immediately following Admission. Pursuant to the Aviva Subscription Agreement, Aviva Life Fund may elect in its absolute discretion to increase its subscription to up to a maximum of 25 per cent of the issued ordinary share capital of the Company immediately following Admission.

3.2 *High Quality Properties*

- The Company will target high quality commercial real estate assets in the UK diversified by sector and tenant base with intrinsic qualities, including location, alternative use and strategic importance;
- The Investment Manager (acting through the Portfolio Manager):
 - may pursue forward-funding investments on a pre-let basis, delivering new buildings to the Company's portfolio;
 - will seek to re-gear leases at the appropriate time with tenants or look to create value in the Company's portfolio by other asset management initiatives;
 - will consider, amongst other things, a strong employment base and the local economy when assessing the real estate assets;
 - will pursue a selective investment strategy focused on delivering capital stability and income security.

3.3 *Investment Grade Tenants*

- Given the lease lengths the Company will be entering into with tenants, the Company will pursue a strategy of ensuring the rental income is secure by leasing buildings to predominantly investment grade tenants in order to reduce the risk of default.
- To help the Company to identify and evaluate secure and attractive tenants and long income investment opportunities, the Company will benefit from in-depth tenant credit underwriting performed by Aviva Investors' specialist real estate finance team of 86 investment professionals which currently manages and monitors over £8 billion of UK commercial real estate loans.
- The Company will look to have security over income by obtaining parental guarantees where available and where such parental guarantees enhance the lease credit quality, although this will not be required in all cases. The Company will also look to protect the security of income by utilising other security mechanisms such as (a) over-collateralisation and (b) tight alienation provisions.

¹ This is a target only and not a profit forecast. There can be no assurance that the target will be met and it should not be taken as an indication of the Company's expected or actual future results. Accordingly, potential investors should not place any reliance on the target in deciding whether or not to invest in the Company and should not assume that the Company will make any distributions at all and should decide for themselves whether or not the target is reasonable or achievable.

² See footnote 1 above.

3.4 Long-Term Inflation-Linked Leases

- The Company will pursue a strategy of investing in long leases typically in excess of 10 years with a weighted average portfolio lease length of approximately 15 years to expiry.
- These leases will typically be fully repairing and insuring (or equivalent) to ensure that the tenants are responsible for the maintenance of the building and that the Company will not be incurring additional expenses. Furthermore, given the nature of the tenants and the assets, it is expected that the portfolio will have a low level of unoccupied property areas.
- These leases will typically incorporate regular inflation-linked upward only rental reviews, through RPI or CPI (with potentially a minimum and a maximum level), or fixed uplift structures, to offer investors an inflation-protected yield with lower volatility and capital value risk than traditional real estate.

3.5 Attractive Target Portfolio Supported by Identified Investment Pipeline

- As at the date of this Prospectus, the Portfolio Manager has entered into exclusivity arrangements and/or advanced negotiations on behalf of the Company in respect of the acquisition of the four assets comprising the Target Portfolio of approximately £85 million;
- Through the Portfolio Manager's existing industry relationships and market access, the Company expects to be able to have access to a strong pipeline of potential investments. It is engaged in discussions and negotiations with a number of owners of assets, sourced by the Portfolio Manager off-market. The identified pipeline (excluding the Target Portfolio) comprises assets with an estimated value of in excess of £400 million; and
- The Company expects the Investment Manager (acting through the Portfolio Manager) to be able to deploy the Net Proceeds within nine months of Admission.

3.6 Tax Efficient Structure and strong and independent Board with significant relevant experience

- As a UK REIT the Company will operate in a well-established and globally recognised tax efficient regime; and
- The Company will have a highly experienced and fully independent Board, led by Andrew Cunningham. Board members, including Suzanne Avery, Steffan Francis and Marlene Wood, who have over 25, 40 and 33 years' experience, respectively, bring a wealth of property sector experience to the Company.

4. Investment Policy

4.1 Investment Policy

The Company intends to achieve its investment objective by investing in a diversified portfolio of high quality, long-lease commercial real estate assets in the UK. Investments will be located within the UK and diversified across a range of traditional and alternative real estate sectors including, but not limited to, the following:

- Industrial/Logistics;
- Offices;
- Supermarkets;
- GP Surgery/Clinics;
- University Assets;
- Hotels; and
- Car Showrooms.

The Company will target high quality assets with intrinsic qualities including location, alternative use and strategic importance. The Company will invest in these assets directly or through holdings in special purpose vehicles. The Company will aim to deliver a secure and growing rental income stream by investing in assets let or pre-let on long-term fully repairing and insuring leases (or equivalent) to financially strong tenants with low risk of default, as assessed by the Investment Manager (acting through the Portfolio Manager). Tenants will be predominantly investment grade, meaning they have a minimum credit rating of BBB-, either from an external credit rating agency or, where an external rating is not available, as internally rated by Aviva Investors' credit rating team. Lease lengths will typically be a minimum of 10 years to expiry or first break at the time of acquisition, with a target weighted average lease length at the portfolio level of 15 years. Properties with leases

of shorter than 10 years to expiry or first break may be acquired in certain circumstances, in particular where a lease re-gear opportunity is perceived to exist by the Investment Manager (acting through the Portfolio Manager).

The Company will also seek to deliver security of rental growth with rent reviews being typically upward only and linked to an inflation index, such as RPI or CPI (with potentially a minimum and a maximum level), or subject to fixed uplifts.

The Investment Manager (acting through the Portfolio Manager) will also seek to add additional value to the Company through asset management, including identifying opportunities to extend lease terms. As well as the lease characteristics of term, tenant covenant strength and review mechanism, the Investment Manager (acting through the Portfolio Manager) will also assess the underlying real estate fundamentals of investments in order to protect capital values and ensure continuity and growth of income. The credit rating of investments will be based on factors relevant to the credit strength of the tenant and whether the rental income is significantly covered by the open-market rent and/or the operating profits of the tenant.

The Company may invest through forward funded developments and forward commitments where suitably pre-let to a financially strong tenant. In making forward funded acquisitions or forward commitments, the Company will not take on any speculative development activity or acquire sites without planning approval unless they form part of a larger leased site, allowing for potential future growth. The Company will pay a fixed price for each forward funded acquisition, covering land, construction costs and developer's profit. All cost overruns will be the responsibility of the developer/contractor and the Company expects there will be performance bonds in place covering at least 10 per cent of the contract value. In addition, the Company expects contractors would be likely to benefit from parent company guarantees. Accordingly, the Company will not assume any direct development risk.

It is intended that the Company's investments will be held on a long-term basis. However, the Company may dispose of investments within a shorter time frame, including where an appropriate opportunity arises where the Investment Manager (acting through the Portfolio Manager) determines the value that could be realised from such a disposal would represent a satisfactory return on the initial investment and/or otherwise enhance the value of the Company, taken as a whole. There is no limit on the number of investments which the Company may dispose of from its portfolio (subject always to complying with the objective of spreading investment risk and the investment restrictions that form part of the Company's investment policy).

The Company will invest its funds in those asset classes in the real estate sector where it sees an opportunity to create value for its Shareholders. The Company may from time to time enter into co-investment agreements with third parties, including other funds managed by Aviva Investors, subject to the prior approval of the terms by the Independent Directors. The Company intends that its portfolio will be appropriately diversified by geography, real estate sector type, asset class and tenant industry. The Investment Manager has been authorised by the Board to exercise its discretion in managing and diversifying the real estate asset classes identified above within the Company's portfolio for the benefit of Shareholders and ensuring that the funds available to the Company for investment are invested in such real estate assets. The Investment Manager has delegated this authority to the Portfolio Manager pursuant to the terms of the Portfolio Management Agreement.

4.2 Asset Diversification

The Company will invest and manage its properties with the objective of delivering a high quality, diversified portfolio. The following investment restrictions will apply to the Company:

- The value of no single property asset, calculated at the time of investment, will represent more than 25 per cent of the higher of: (i) the GAV; or (ii) where the Company has not yet become fully geared, the GAV adjusted on the assumption that the Company's property portfolio is geared at 30 per cent loan to value;
- The aggregate maximum exposure to any one tenant (other than individual government, quasi-government, and public sector entities), calculated at the time of investment, will be 25 per cent of the higher of: (i) the GAV; or (ii) where the Company has not yet become fully geared, the GAV adjusted on the assumption that the Company's property portfolio is geared at 30 per cent loan to value;
- The aggregate maximum exposure to any one tenant which is a government, quasi-government or public sector entity, calculated at the time of investment, will be 35 per cent of the higher of: (i) the GAV; or (ii) where the Company has not yet become fully geared, the GAV adjusted on the assumption that the Company's property portfolio is geared at 30 per cent loan to value;
- The aggregate maximum exposure to forward funded developments (which shall not, for the avoidance of doubt, apply to forward commitments), calculated at the time of investment, will be 25 per cent of the

higher of: (i) the GAV; or (ii) where the Company has not yet become fully geared, the GAV adjusted on the assumption that the Company's property portfolio is geared at 30 per cent loan to value;

- All property assets will be located in the UK; and
- The Company will not invest in other UK listed closed-end investment companies.

Once the Net Proceeds have been fully deployed, the minimum number of properties comprising the Company's portfolio will be not less than five properties.

The Company will also seek to spread investment risk by seeking to achieve a diversified exposure by real estate sector, geographical location and tenant industry.

The investment restrictions detailed above apply at the time of the acquisition of the relevant investment. The Company will not be required to dispose of any investment or to rebalance its investment portfolio as a result of a change in the respective valuations of its assets.

4.3 Gearing

The Company will seek to utilise borrowings to enhance equity returns. The level of borrowing will be determined by the Investment Manager (acting through the Portfolio Manager) based on the characteristics of the relevant property and asset class and the Investment Manager (acting through the Portfolio Manager) will seek to achieve a low cost of funds. The Company expects that it will utilise debt facilities secured at the asset level in the near term and will give consideration to utilising unsecured debt facilities and debt capital markets facilities at the corporate level at a later date. The Company may seek to stagger financing maturities to mitigate refinancing risk.

The Directors intend that the Company will maintain a conservative level of aggregate borrowings with a medium term target of 30 to 35 per cent of the GAV at the time of borrowing. The Company's aggregate borrowings will be subject to an absolute maximum, calculated at the time of drawdown, of 40 per cent of the GAV.

4.4 Use of derivatives

The Company may use derivatives for efficient portfolio management. In particular, the Company may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases on borrowings incurred as part of the Company's portfolio management.

The Company will only use derivatives for risk management and not for speculative purposes.

The Company will only enter into hedging contracts and other derivative contracts when they are available in a timely manner and on terms acceptable to it. The Company reserves the right to terminate any hedging arrangement in its absolute discretion.

5. Valuation Policy

The Investment Manager is responsible for the proper valuation of the assets of the Company and the publication of the Net Asset Value and shall do so on the basis set out in this Prospectus. The Investment Manager has put in place procedures to ensure the proper and independent valuation of the property assets of the Company. Valuations shall be performed impartially and with all due skill, care and diligence. The appointment of the independent valuer will be notified to the FCA as an appointment of a valuation adviser, with the Company being internally valued for AIFMD purposes.

The Investment Manager shall ensure valuations of property assets are undertaken by reputable professional independent valuers. Full valuations of the Company's properties will be conducted semi-annually as at 30 June and 31 December in each year, and at such other times as the Investment Manager determines in its discretion. The valuations of the Company's properties will be at fair value as determined by the relevant valuer on the basis of market value in accordance with the internationally accepted RICS Appraisal and Valuation Standards.

Details of each semi-annual valuation, and of any suspension in the making of such valuations, will be announced by the Company via a Regulatory Information Service announcement as soon as practicable after the relevant valuation date.

6. FCA investment restrictions

The Company currently complies with the investment restrictions set out below and will continue to do so for so long as they remain requirements of the FCA:

- neither the Company nor its subsidiary undertakings (if any) will conduct any trading activity which is significant in the context of the Company and its subsidiary undertakings (if any) as a whole;
- the Company will avoid cross-financing between businesses forming part of its investment portfolio (if any);
- the Company will avoid the operation of common treasury functions as between the Company and investee companies (for this purpose “investee companies” does not include intermediate holding companies);
- the Company will not invest in other UK-listed closed-ended investment funds; and
- the Company must, at all times, invest and manage its assets in a way that is consistent with its object of spreading investment risk and in accordance with its published investment policy.

The Directors intend, at all times, to conduct the affairs of the Company so as to enable it to qualify as a REIT for the purposes of Part of 12 of the CTA 2010 (and the regulations made thereunder).

7. Amendments to the Investment Policy

For as long as the Company remains admitted to the Official List, material changes to the Company’s investment policy set out above may only be made with the approval of the FCA and by ordinary resolution of the Shareholders and otherwise in accordance with the Listing Rules, and will be notified to the market through a RIS provider. If the Company breaches its investment policy, the Company will make a notification via a RIS provider of details of the breach and of any actions it may have taken to remedy such breach.

The investment restrictions detailed above apply at the time of the acquisition of the relevant investment. The Company will not be required to dispose of any investment or to rebalance its investment portfolio as a result of a change in the respective valuations of its assets. Non-material changes to the investment policy must be approved by the Board, taking into account advice from the Investment Manager where appropriate.

8. Cash Management

Cash held for working capital purposes or received by the Company pending reinvestment or distribution will be held in Sterling only and invested in cash, cash equivalents, near cash instruments and money market instruments.

9. Target Portfolio

As at the date of this Prospectus, the Portfolio Manager has entered into exclusivity arrangements and/or advanced negotiations on behalf of the Company in respect of the acquisition of the Target Portfolio of approximately £85 million. All of the assets comprising the Target Portfolio are assets falling within the parameters of the Company’s investment policy.

The assets comprising the Target Portfolio are subject to ongoing due diligence by the Portfolio Manager and its professional advisers and no contractually binding obligations have been, and will not prior to Admission be, entered into for their sale and purchase.

In addition, the acquisition of two of the assets comprising the Target Portfolio are expected to be related party transactions for the purposes of the Listing Rules and, accordingly, will be subject to approval by the Shareholders at a general meeting. There can be no assurance that the Company will complete the acquisitions of any or all of the assets comprising the Target Portfolio.

10. Investment Pipeline

The Portfolio Manager has access to a strong pipeline of other potential investments and is engaged in discussions and negotiations with a number of owners of assets, sourced by the Portfolio Manager off-market through its extensive network of contacts and relationships. The identified pipeline (excluding the Target Portfolio) comprises assets with an estimated value of in excess of £400 million.

Each of these potential acquisitions is subject to satisfactory completion of negotiations and due diligence by the Portfolio Manager and its professional advisers and there can be no certainty that the Company will

complete any of these acquisitions, or that the Company will complete any of the transactions in its investment pipeline.

The Company expects the Investment Manager (acting through the Portfolio Manager) to be able to deploy the Net Proceeds within nine months of Admission. Once the Net Proceeds have been fully deployed, the Company may consider raising further equity and debt financing in order to fund new investments.

11. Financing Strategy

11.1 Proceeds of the Issue

The Company's principal use of the Net Proceeds will be to fund the proposed acquisition of the Target Portfolio and future real estate investments as well as to fund the Company's operating expenses consistent with the investment policy of the Company disclosed at paragraph 4 of this Part I (*Information on the Company*) of this Prospectus.

Following Admission, in addition to using cash to make acquisitions and distributions to Shareholders, the Company will incur operating expenses that will need to be funded. In addition to the Investment Manager's fees under the Investment Management Agreement such operating expenses include (i) acquisition costs and expenses (such as due diligence costs, legal costs and taxes); (ii) costs in connection with any borrowings, including interest costs; (iii) the Directors' fees and audit fees; and (iv) other operational costs and expenses. The Company expects that these expenses will initially be principally funded through the Net Proceeds. As the investment portfolio grows, the Directors expect that the Company's operating expenses, including the payment of interest on its borrowings and transaction related costs, will be paid with income generated from the Company's investment portfolio and surplus cash. The Directors expect that the annualised running costs of the Company, on a fully invested and geared basis, will initially be approximately £2.1 million per annum (assuming Gross Issue Proceeds of £200 million are raised) including the initial annual management fee but excluding costs relating to managing properties held as a result of future acquisitions and property acquisition costs. A management fee will be paid to the Investment Manager under the Investment Management Agreement. For more information on the Management Fee, see paragraph 6 of Part III (*Information on the Investment Manager*) of this Prospectus.

11.2 Borrowings

The Company will seek to utilise borrowings to enhance equity returns. The level of borrowing will be determined by the Investment Manager (acting through the Portfolio Manager) based on the characteristics of the relevant property and asset class and the Investment Manager (acting through the Portfolio Manager) will seek to achieve a low cost of funds. The level of borrowing will be on a prudent basis whilst maintaining flexibility in the underlying security requirements and the acquisition structure. The Company expects that it will utilise debt facilities secured at the asset level in the near term and will give consideration to utilising unsecured facilities and capital markets facilities at the corporate level at a later date. The Company may seek to stagger financing maturities to mitigate refinancing risk. The Company's approach will be to use gearing in accordance with its investment policy.

The AIFMD requires the Investment Manager to disclose the Company's borrowing, or leverage, as a ratio between the Company's total exposure and its net asset value. Using the methodologies prescribed under the AIFMD, the Company is generally expected to be leveraged at the ratio of 1.6:1 using the commitment methodology and 1.6:1 using the gross methodology under AIFMD. The Company may, however, have higher levels of leverage, but leverage will not exceed the ratio of 2.6:1 using the commitment methodology and 2.6:1 using the gross methodology.

For more information on the Company's investment policy and limits on borrowings, see paragraph 4 of this Part I (*Information on the Company*) of this Prospectus.

11.3 Other sources of finance

Substantially all of the cash raised pursuant to the Issue will be used, initially in connection with the Company's proposed acquisition of the Target Portfolio and subsequently in connection with the Company's acquisitions of real estate in the future, as well as to fund the Company's operating expenses. The Company's future liquidity will depend primarily on: (i) the collection of rents from its properties; (ii) the timing of any sales of the real estate it acquires; (iii) the Company's management of available cash; and (iv) the use of borrowings to fund acquisitions and, if necessary, to fund short-term liquidity needs. The Company may also use further equity offerings, debt financing or consideration in the form of equity to finance the growth of its investment portfolio.

12. Potential Conflicts of Interest

Prospective investors should be aware that, having regard to the nature and scale of Aviva's operations, there will be occasions when the Investment Manager, the Portfolio Manager, Aviva Investors, one or more members of the Aviva Group or one or more of the Directors may encounter potential conflicts of interest in connection with the Company.

Aviva Investors and its officers and employees may from time to time manage or advise other funds or act for other clients which may have similar investment objective and policies to that of the Company. Circumstances may arise where investment opportunities will be available to the Company which are also suitable for one or more of such funds of Aviva Investors or such other clients.

Further, Aviva Investors and any of its directors, officers, employees, agents and affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an "**Interested Party**") may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services.

Pursuant to the Investment Management Agreement, and in view of the significant number of existing mandates of Aviva Investors, the allocation of investments to the Company will be subject to the Aviva Investors "Global Real Estate Fair Allocation Policy", as may be amended from time to time (the "**Fair Allocation Policy**"). Pursuant to the Fair Allocation Policy, allocation of real estate transactions to a client/mandate will be determined in accordance with the following principles:

- (1) *Fund investment objectives*: The respective investment objectives of each mandate, which are set out in the constitutional documents of each fund, are assessed in relation to the potential transaction. Therefore, the transaction must comply with each mandate's stated investment strategy in terms of sector, region, risk profile and projected returns amongst other factors;
- (2) *Objective criteria*: The objective investment criteria for each fund, which have been determined by the fund manager in line with the strategy for each fund and formally reviewed and approved;
- (3) *Financial capacity*: Each mandate's capacity to invest, for instance, if one mandate has sufficient capital and another does not, the mandate with sufficient capital or ability to raise capital will be given priority. For large acquisitions placed within an indirect structure in which multiple funds can invest, proportionality is determined based on financial capacity. Where appropriate, the cash weighting (relative to fund size) and strength and direction of cash flow for each mandate will also be considered, but is of less importance;
- (4) *Current holdings/tenant exposure*: The mandate's current holdings of similar assets in the location/region and tenant exposure. If one mandate has a higher weighting than another to properties with similar characteristics to the asset to be acquired, or to a specific tenant, preference is likely to be given to the mandate with the lower weighting. This factor will be assessed relative to each mandate's benchmark where appropriate; and
- (5) In the event that priority cannot be determined having followed the principles above, deals will be allocated between mandates on a rotation basis, weighted by the financial investment capacities of the funds.

The Investment Manager (acting through the Portfolio Manager) may allocate any potential long-income assets, which fall within the parameters of the investment policy and investment strategy of the Company and any amendments thereto, and which have a lease length of 10 to 20 years, to the Company in accordance with the above policy, and subject to due consideration of other mandates. The Board will have responsibility for the oversight and management of conflicts of interest that may affect the Company.

The Company may acquire or sell investments from or to other funds or accounts which are managed by the Investment Manager, now and in the future (the "**Other Accounts**"). Any such acquisitions or sales will be subject to approval by the Independent Directors and to an independent valuation. Such acquisitions or sales will fall under the related party transaction provisions of the Listing Rules where the relevant Other Accounts constitute "associates" of the Investment Manager or of any entities within the Aviva Group which are or have been in the preceding 12 months "substantial shareholders" of the Company, or where such Other Accounts are otherwise related parties for the purpose of the Listing Rules.

To the extent a potential acquisition or disposal would be a related party transaction for the purposes of the Listing Rules, the Investment Manager must provide adequate notice of such proposed related party transaction to enable the Board and the Company to comply with the relevant Listing Rules that apply to related party transactions.

In addition to the Listing Rules' related party transaction regime, the Company will be subject to Aviva Investors' internal related party transaction policy that governs the treatment of direct property transactions executed across Aviva Investors' real estate funds and clients and provides that such transactions must be effected in a manner which is fair and equitable to all stakeholders.

In the event that such a related party transaction arises which is beneficial to both of the relevant Aviva Investors clients, the policy provides that the following criteria must be met in order for the transaction to proceed:

- (a) Investment reasons must be demonstrated by the relevant investment team both for selling and buying the asset. The asset must only be purchased if it is to be held in a client portfolio for investment reasons;
- (b) The assets of one client must not be used to benefit another client, unless it can be demonstrated that the transaction is at least as beneficial to both clients as a transaction with an external third party would have been; and
- (c) Transactions must not be undertaken for clients where the relevant investment management agreements prohibit such transactions, except with the prior written consent of the relevant client.

Whilst the specific nature of each related party transaction will vary, a documented related party transaction process must be followed for each such transaction in order that any associated conflicts can be managed effectively. The related party transaction process includes oversight by an independent and senior member of the investment team, implementation of appropriate information barriers which simulate conditions that would otherwise apply if transacting with an external party, independent oversight by the Aviva Investors compliance advisory team and the provision of two separate valuations for the asset, if the Independent Directors determine to proceed with an acquisition or disposal pursuant to the conflicts of interest policy.

13. Aviva Subscription

Pursuant to the Aviva Subscription Agreement, Aviva Life Fund has committed to subscribe for such number of Ordinary Shares as comprises approximately 19.99 per cent of the issued ordinary share capital of the Company immediately following Admission. Pursuant to the Aviva Subscription Agreement, Aviva Life Fund may elect in its absolute discretion to increase its subscription to up to a maximum of 25 per cent of the issued ordinary share capital of the Company immediately following Admission. Aviva Life Fund intends to hold the Ordinary Shares acquired by it pursuant to the Issue for the long-term. In addition, Aviva Life Fund has separately agreed with Jefferies and the Company that, for a period of 24 months from the date of Admission, it shall not dispose of the Ordinary Shares acquired by it pursuant to the Issue unless, *inter alia*, it has consulted with Jefferies as to the terms of the disposal and the disposal is brokered through Jefferies at Jefferies' standard rate of commission as at the relevant date (provided that such commission is overall competitive with that charged by other brokers), in all cases with a view to maintain an orderly market in the Company's publicly traded securities.

For further details on the Aviva Subscription Agreement and its orderly market arrangements, see paragraph 7.2 of Part X (*Additional Information*) of this Prospectus.

14. Financial Information

The Company was incorporated on 27 September 2017 and, as at the date of this Prospectus, has not commenced any operations. No financial statements have been prepared by the Company since its incorporation.

14.1 *Financial reports*

The Company's audited annual report and accounts will be prepared to 31 December of each year, commencing with its first financial year ending 31 December 2018, and copies of the annual report will be made available to Shareholders by 30 April each year, or earlier if possible. Shareholders will also have access to a half-yearly report in respect of the period ending on 30 June in each year and which will be made available by 30 September in each year, or earlier if possible.

The Company is not required to issue preliminary profit statements.

The Company's audited annual report and accounts will be made available on its website. The Company will also make available its report and accounts and register of Shareholders at its registered office as set out in paragraph 2.2 of Part X (*Additional Information*) of this Prospectus.

The half-yearly reports and annual report and accounts published by the Company will satisfy the relevant periodic disclosure requirements under the AIFMD and also will be produced in accordance with IFRS.

14.2 *Meetings*

All general meetings of the Company shall be held in the United Kingdom or such other place as may be determined by the Directors from time to time. The Company will hold an annual general meeting each year with the first annual general meeting anticipated to be held in the first half of 2018.

15. **Calculation of Net Asset Value**

The Net Asset Value (and Net Asset Value per Share) will be calculated semi-annually by the Administrator on behalf of the Company, in accordance with IFRS. Investment properties will be held at fair value as determined by the Investment Manager on the basis of market value in accordance with the internationally accepted RICS Appraisal and Valuation Standards. Consistent with other listed European real estate investment companies, the Directors expect to follow the best practice recommendations and guidance published by EPRA and to disclose adjusted measures of Net Asset Value (and Net Asset Value per Share) which are designed by EPRA to reflect better the core long-term operations of the business. Details of each semi-annual valuation, and of any suspension in the making of such valuations, will be announced by the Company through a RIS as soon as practicable after the end of the relevant six month period. The semi-annual valuations of the Net Asset Value (and Net Asset Value per Share) will be calculated on the basis of the most recent semi-annual independent valuation of the Company's properties and any other assets or most recent semi-annual desktop valuation.

The calculation of the Net Asset Value (and Net Asset Value per Share) will only be suspended in circumstances where the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained or in other circumstances (such as a systems failure of the Administrator) which prevent the Company from making such calculations. Details of any suspension in making such calculations will be announced through a RIS as soon as practicable after any such suspension occurs.

16. **Dividend Policy and Target Returns**

The Company intends to pay dividends on a quarterly basis with dividends declared in February, May, August and November in each year. The Company expects its first dividend to be for the period from Admission to 30 June 2018, and paid in August 2018.

The Company will target an annual dividend of five pence³ per Share on a fully invested and geared basis with the potential to grow the dividend in absolute terms through typically upward-only inflation-protected long-term lease agreements. The Company will target dividends totalling 3.0 pence per Share in respect of the period from Admission to 31 December 2018.

In order to maintain REIT status, the Company will be required to meet a minimum distribution test for each accounting period that it is a REIT. This minimum distribution test requires the Company to distribute 90 per cent of the income profits of the Qualifying Property Rental Business for each accounting period, as adjusted for tax purposes.

The Company will aim to deliver, on a fully invested and geared basis, a target Total Return of seven per cent⁴ per annum over the medium term (based on the Issue Price).

The Directors intend, following Admission, to apply to the Court to reduce the Company's share premium account so as to create a new special reserve which may be treated as distributable profits (subject to approval of the Court and the protection of the creditors of the Company).

³ This is a target only and not a profit forecast. There can be no assurance that the target will be met and it should not be taken as an indication of the Company's expected or actual future results. Accordingly, potential investors should not place any reliance on the target in deciding whether or not to invest in the Company and should not assume that the Company will make any distributions at all and should decide for themselves whether or not the target is reasonable or achievable.

⁴ See footnote 3 above.

17. Share premium and discount management

The Board has the discretion to seek to manage, on an ongoing basis, the premium or discount at which the Ordinary Shares may trade to their Net Asset Value through further issues and buy-backs, as appropriate. In addition, where the Company disposes of an investment and the net disposal proceeds are not reinvested or committed within 12 months, the Board intends that such proceeds will be distributed to Shareholders, subject to the Company's working capital requirements and the requirements of the Companies Act.

The Directors will consider repurchasing Ordinary Shares in the market if they believe it to be in Shareholders' interests as a whole and as a means of correcting any imbalance between the supply of, and demand for, the Ordinary Shares. As noted above, the Directors intend, following Admission, to apply to the Court to cancel the Company's share premium account so as to create a new special reserve which may be treated as distributable profits (subject to approval of the Court and the protection of the creditors of the Company) and, amongst other things, out of which share buy-backs may be funded.

In connection with the Issue and Admission, a special resolution was passed granting the Directors authority to repurchase up to 14.99 per cent of the Company's issued share capital immediately following Admission during the period expiring on the conclusion of the earlier of the Company's first annual general meeting and 30 June 2019. The maximum price (exclusive of expenses) which may be paid for an Ordinary Share must not be more than the higher of: (i) five per cent above the average of the middle market quotations of the Ordinary Shares as derived from the Daily Official List of the London Stock Exchange for the five Business Days before the purchase is made; or (ii) the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venues where the purchase is carried out. Renewal of this buy-back authority is intended to be sought at each annual general meeting of the Company.

The Directors will have regard to the Company's REIT status when making any repurchases and purchases of Ordinary Shares may be made only in accordance with the Companies Act, the Listing Rules, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation.

Prospective Shareholders should note that the exercise by the Board of the Company's power to repurchase Ordinary Shares pursuant to the general repurchase authority is entirely discretionary and they should place no expectation or reliance on the Board exercising such discretion on any one or more occasions. Moreover, prospective Shareholders should not expect as a result of the Board exercising such discretion, to be able to realise all or part of their holding of Ordinary Shares, by whatever means available to them, at a value reflecting their underlying NAV.

18. Further Issues of Shares

The Directors will consider issuing Ordinary Shares if they believe it to be in Shareholders' interests as a whole and as a means of correcting any imbalance between the supply of, and demand for, the Ordinary Shares.

By special resolutions of the Company, passed on 13 November 2017, the Company has disapplied statutory pre-emption rights in relation to:

- (a) the issue of shares up to an aggregate nominal value of £2,500,000 million; and
- (b) the issue of shares up to an aggregate nominal value of £500,000 (or, if less, 20 per cent of the nominal amount of the issued ordinary share capital of the Company immediately following Admission).

The Company intends to seek the renewal of the authority at paragraph (b) above on an annual basis.

Investors should note that the issuance of Ordinary Shares is entirely at the discretion of the Board, and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions.

19. Treasury Shares

The Companies Act allows companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. This would give the Company the ability to re-issue Ordinary Shares quickly and cost effectively, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base. No Ordinary Shares will be sold from treasury at a price less than the (cum income) Net Asset Value per existing Ordinary Share at the time of their sale unless they are first offered pro rata to existing Shareholders.

This should result in a positive overall effect for Shareholders if Ordinary Shares are bought back at a discount and then sold at a price at or above the Net Asset Value per Share.

20. **Taxation**

Information concerning the tax status of the Company and the taxation of Shareholders is set out in Part VII (*Taxation*) of this Prospectus. The statements contained in that Part are for information purposes only and are not intended to be exhaustive. If any potential investor is in any doubt about the taxation consequences of acquiring, holding or disposing of Ordinary Shares, they should seek advice from their own independent professional adviser.

21. **Structure as a REIT**

Once the Directors are satisfied that the Company is able to, and will be able to continue to, meet the conditions required to obtain REIT status, the Company will give notice to HMRC that it will become a REIT. The qualifying conditions include the requirement that the Company holds a minimum of three qualifying properties, none of which alone represents more than 40 per cent of the total value of the qualifying properties. The Company will need to comply with certain ongoing regulations and conditions (including minimum distribution requirements) thereafter. Potential investors are referred to Part VIII (*The United Kingdom REIT Regime*) of this Prospectus for details of the REIT regime and taxation of the Company and Shareholders in the UK.

As a REIT:

- the Company should not be subject to UK corporation tax on profits and gains from its Property Rental Business; and
- the Company is required to distribute to Shareholders at least 90 per cent of the income profits arising from the Property Rental Business as calculated for tax purposes by the filing date of the Company's corporation tax return.

It is currently expected that the Company will meet the qualifying conditions for UK REIT status and will give HMRC notice to become a REIT by the end of the first quarter of 2018. There can be no assurance that the qualifying REIT conditions will be fulfilled and the Company cannot guarantee that it will remain qualified as a REIT. If the Company fails to qualify or remain qualified as a REIT it will be subject to UK corporation tax on all of its property rental income and chargeable gains on the sale of properties, which would reduce the amounts available to distribute to Shareholders. Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own professional advisers immediately.

22. **Risk Factors**

The Company's performance is dependent on many factors and potential investors should read the whole of this Prospectus and in particular the section entitled "*Risk Factors*" on pages 20 to 38 of this Prospectus.

PART II—BACKGROUND TO THE UK LONG LEASE COMMERCIAL PROPERTY MARKET AND THE INVESTMENT OPPORTUNITY

1. Background to Real Estate Long Income

Long income real estate investments provide investors with recurring and inflation-protected income streams, derived from a long-term rental contract with a tenant.

Due to the long-term nature of the relationship between the property owner / landlord and the tenant, the credit quality of the latter is paramount as the contracted income stream is a major component of the value of long lease property. Tenants that are carefully selected and that present low default risk constitute strong collateral and are ideal for long income investments with a long-dated bilateral rental contract.

Long income rental contracts are usually linked to RPI or CPI (with potentially a minimum and a maximum level) or with fixed uplifts, which are likely to protect the income stream against inflation.

As a result, the fixed income inflation-linked features of a long income real estate investment tend to largely drive returns due to the prominence provided in its value profile. Conversely, traditional real estate depends to a larger extent on future rental uplifts, occupancy and expected capital appreciation and less on the secured future income. Furthermore, tenants typically enter lease contracts for approximately seven years. In comparison, long lease real estate investments seek greater lengths of leases with tenants to provide a long-term income stream.



Source: Aviva Investors. For illustrative purposes only

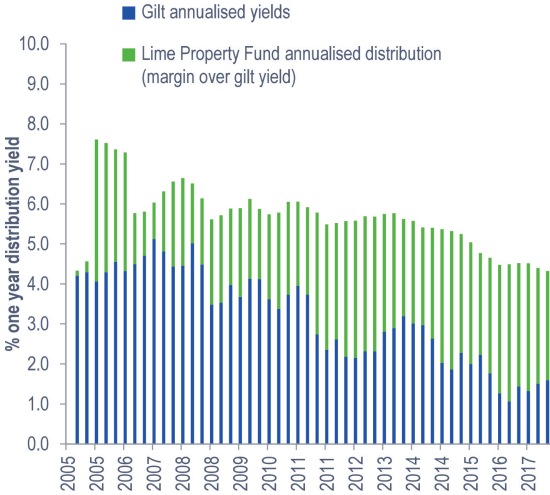
In addition to the lease structure and tenant covenant, the ownership of the underlying real estate asset is also important. The location, the local economy, alternative use value and strategic importance are all key factors when considering acquiring an asset for long lease investing. In the event of a tenant default or when looking to re-gear the lease, the ability to let the building will be driven by some of these factors which are therefore important when assessing the merit of each investment.

2. Current Environment

Aviva Investors believes that the current environment of low interest rates and rising inflation in the UK is particularly propitious for long income investments.

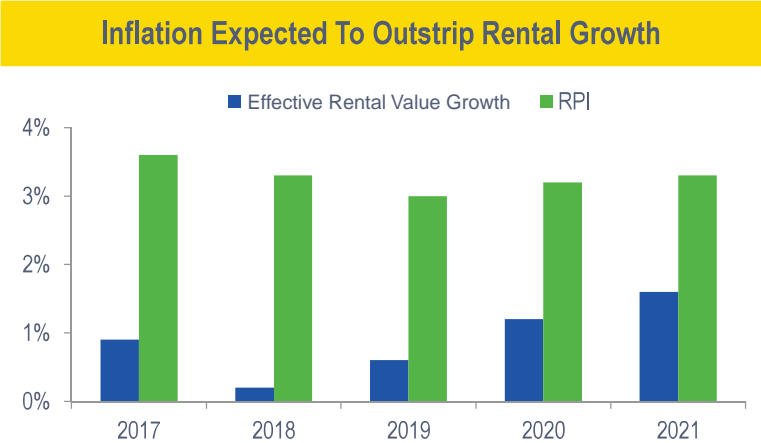
Long income real estate assets provide stable and predictable cash flows over a long period of time at higher yields than equivalent duration credit fixed income products and have historically also delivered lower volatility. This spread between the two assets classes is in part explained by the less liquid nature of real estate and the price at which an investor is compensated for it. For income-driven investors that can tolerate a higher degree of illiquidity, this represents an attractive opportunity. Aviva Investors believes current pricing levels mean UK real estate is particularly attractive relative to government debt. While property yields have been trending downwards in recent years, these declines have not been as significant as the decline in government

bond yields. The difference between UK gilt yields and the distribution yield of the Lime Property Fund, an award-winning c.£2 billion long income real estate fund managed by Aviva Investors, is shown below.



Source: Aviva Investors as at 30 September 2017. UK Gilt Index constructed of an equally weighted combination of the FTSE 5-15 Years Gilt Index and the FTSE 15 Years+ Gilt Index. Past performance is not a guide to future returns. Chart shows the margin of the one year distribution yield (compound income return of the most recent 4 quarters) over the Gilt gross redemption yield. Please note the chart excludes the effect of the sale of an asset by the Lime Property Fund in Q4 2005 to remove the effect of a short-term anomaly and to provide a long-term view.

Aviva Investors also believes that interest rates will remain at around the current low levels for a prolonged period in the UK. Rental levels from long income assets are typically inflation-linked and hence do provide a natural level of protection against rising prices. This is particularly attractive when traditional real estate subject to open market rent reviews is expected to underperform RPI significantly over the next few years, with a compound average growth rate of 0.5 per cent over the 2017 to 2019 period, against RPI at 3.3 per cent over the same period.



Source: IPF UK consensus forecasts (September 2017); inflation forecasts from HM Treasury Report (June 2017).

With the value profile defined by the long-dated secured income rather than potential capital appreciation, Aviva Investors believes that long income assets provide a good investment proposition against the growing uncertainty surrounding the UK economy, and against a potential pricing correction across most asset classes following years of quantitative easing and a low interest rate environment.

The real estate long income market has seen significant growth over the last seven years with investors looking for credible sources of secure income. The number of long income assets has increased by over 75 per cent over the last seven years with the value of the long income assets analysed by MSCI over this time period increasing from £2 billion to over £12 billion within the UK market. To put this into context the cumulative growth of the long income market over this time period has been over 400 per cent compared with growth of the traditional real estate market of approximately 50 per cent.

Aviva Investors hence believes that real estate long income constitutes an attractive investment proposition best suited for the current environment, with a compelling risk return profile: secure income, lower volatility and lower capital value risk.

3. Lease Structures

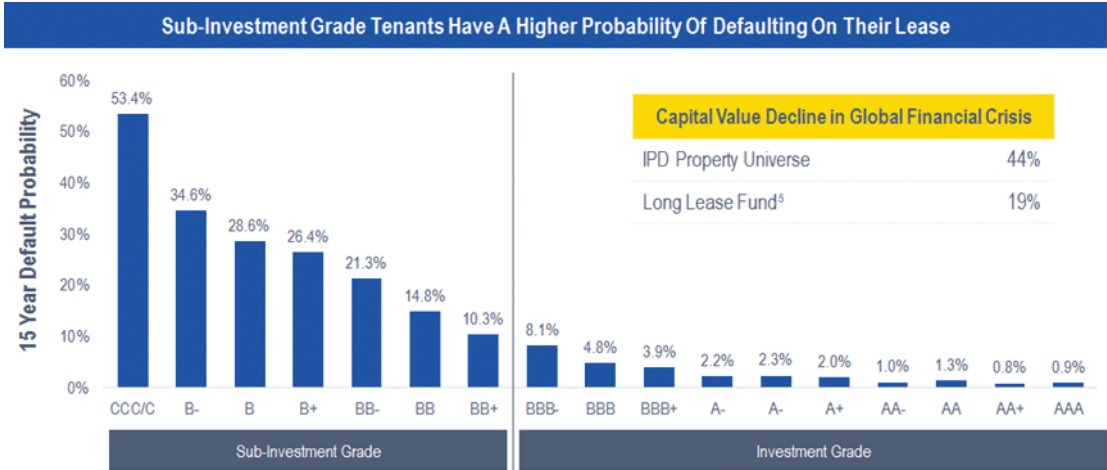
The Company will have a focus on minimum lease lengths of 10 years, with a target weighted average lease term of 15 years to expiry when fully invested. The Investment Manager believes it has a strong capability to originate assets within this part of the long-lease market where it believes the Company can be competitive.

The leases will be fully repairing and insuring leases (or equivalent), which is a lease agreement where the tenant is obliged to pay all taxes, building insurance, other outgoings and repair and maintenance costs on the property, in addition to the rent and the service charge. The tenant will therefore be responsible for all of the costs associated with the repair and maintenance of the building. As such, given the focus on the creditworthiness of the tenant, it is expected that there should be relatively little that the Company will be required to pay towards the maintenance of a building throughout the life of a lease.

The leases will be predominantly RPI or CPI linked (with potentially a minimum and a maximum level), with some leases potentially having fixed uplifts. This will provide secure, consistent income for investors seeking inflation protection from their income. Inflation-linked leases are frequently subject to a minimum and maximum increase at each rent review date. Typically, the minimum and maximum level will be set in a range of between 0 per cent and 5 per cent.

4. Credit

One of Aviva Investors’ key areas of expertise in delivering its strategy is its ability to underwrite tenant credit quality. Aviva Investors has a dedicated credit analysis function, independent of the long income specialist fund management or analysis teams, which feeds into all transactional activity on Aviva Investors’ long income funds, as well as the ongoing portfolio management activity of the funds. All existing tenant credit ratings are reviewed on a quarterly basis with any new company information and market developments. A detailed report on any material change to the credit strength of a tenant is provided to the fund management and analysis teams to determine appropriate actions.



Source: IPD / Aviva Investors; IPD vs Long Lease fund capital decline—June 2007 to end of June 2009. Historic default probabilities in S&P’s 2016 Annual Global Corporate Default Study and Rating Transitions.

Aviva Investors believes tenant credit quality is essential to a long lease strategy where a tenant is signing a long-term lease. This can be broken down into two key considerations. Firstly and most importantly is that the security of the income is directly correlated to the credit strength of the underlying tenants. As the graph above entitled “*Sub-Investment Grade Tenants Have A Higher Probability Of Defaulting On Their Lease*” shows, investment grade tenants are less likely to default on their lease with the default probability rising significantly for sub-investment grade tenants. As such, increased focus on using sub-investment grade tenants would create additional risks to the security of the income return across the portfolio. The Company will be targeting both public sector tenants and private sector tenants who are predominantly investment grade to safeguard the tenant income over the length of the lease.

⁵ Long lease fund refers to the Lime Property Fund’s portfolio.

In addition to income security through letting to predominantly investment grade tenants, there are also additional benefits to the capital value of assets. The impact on capital values for long lease real estate assets in times of economic downturn are potentially less than the wider commercial real estate market. For example, during the global financial crisis, capital values for the IPD Property Universe declined by 44 per cent between June 2007 and June 2009, whereas capital values for the Lime Property Fund declined by 19 per cent over the same period.⁶ Long-lease real estate is not immune to economic downturn but does not suffer the severity of declines as seen by the wider real estate market. Owning assets in key operational locations with investment grade tenants on long leases should reduce the impact of any downturn in the wider market.

5. Real Estate

The Company will benefit from significant diversification when fully invested. Diversification remains a key factor in reducing exposure to risk and by having diversification across asset, sector and tenant base the Company will limit its exposure to any one area.

The assets targeted by the Company will be strong operational assets for the respective tenants in key strategic locations with strong real estate fundamentals, including alternative use value. The economics of the asset, trading performance and the economics of the local area will also be considered when making acquisitions.

The Company may also seek to forward fund pre-let developments to benefit from materially lower purchase costs as well as NAV growth. This approach to forward funded pre-let developments (as further described in paragraph 4 of Part I (*Information on the Company*) of this Prospectus) should enable the Company to source high quality, lower-priced assets (compared to their completed value) with reduced competition and lower transaction costs, than could be delivered from purely targeting standing assets. Furthermore, the ability to target pre-let development assets is likely to enable the Company to target more off-market opportunities.

These pre-let assets also generally have the benefit of brand new long leases and allow for a custom built, state of the art property. Aviva Investors, with its experience in real estate long income, has previously successfully developed over £1 billion of assets in this manner and is known in the market for innovative structuring of transactions on this basis. Aviva Investors believes that this approach has the potential to deliver enhanced returns for Shareholders.

As the largest owner of UK commercial property in the UK, with £24 billion of assets under management as at 30 September 2017, and with significant resource and sector specialist asset managers, Aviva Investors believes that the Company has the scope to create capital upside and protect cash flow through the creation of new leases and lease re-gears as well as other asset management initiatives.

⁶ Source: IPD / Aviva Investors; IPD vs Long Lease fund capital decline—June 2007 to end of June 2009. Historic default probabilities in S&P's 2016 Annual Global Corporate Default Study and Rating Transitions. See graph entitled "Sub-Investment Grade Tenants Have A Higher Probability Of Defaulting On Their Lease" above.

PART III—INFORMATION ON THE INVESTMENT MANAGER

1. The Investment Manager and the Portfolio Manager

1.1 Overview

Aviva Investors UK Fund Services Limited will be the Company's alternative investment fund manager for the purposes of the AIFMD. Aviva Investors UK Fund Services Limited, which is wholly-owned and controlled by Aviva, was incorporated as a private limited company on 20 December 1985 and is authorised and regulated by the FCA.

The Company and the Investment Manager have entered into the Investment Management Agreement pursuant to which the Investment Manager has been given responsibility, subject to the overall supervision of the Board, for the active discretionary management of the Company's investments, including sourcing and advising on investment proposals which are in accordance with the Company's investment policy and objective. Pursuant to the Investment Management Agreement, the Investment Manager has sole discretion to make investment decisions, subject to matters involving a conflict of interest, which require the approval of the Independent Directors, and has delegated this authority to the Portfolio Manager pursuant to the Portfolio Management Agreement between the Investment Manager and the Portfolio Manager. Pursuant to the Portfolio Management Agreement, all investment-related services will be delegated to the Portfolio Manager by the Investment Manager, including asset sourcing and conducting initial due diligence on the commercial characteristics of potential investment opportunities.

The Portfolio Manager, which is also authorised and regulated by the FCA, is wholly-owned and controlled by Aviva. Notwithstanding the appointment of the Portfolio Manager, the Investment Manager retains responsibility for the investment decisions, risk and portfolio management of the Company's assets.

1.2 Key members of the Portfolio Manager

The experience and expertise of key members of the Portfolio Manager are set out below:

Renos Booth, MRICS

Head Of Real Estate Long Income

Joined investment industry: 1992

Joined Aviva Investors: 1995

Main responsibilities

Renos is responsible for leading the long income team within Aviva's real estate business which includes the Returns Enhancing and Liability Matching range of funds, segregated long income portfolios and the Lime Property Fund, for which he is the lead manager.

Experience and qualifications

Before being promoted to his current role in 2015 and also fund manager of the Lime Property Fund in 2009, Renos was fund manager of segregated real estate portfolios for corporate and local authority clients. He has also previously held positions including fund manager of the Corporate Centres Limited Partnership and asset management responsibilities for the Aviva Life Fund's central London office portfolio and the Aviva Life Fund's national office portfolio. Before joining Aviva Investors in 1995, Renos worked for Nelson Bakewell Chartered Surveyors.

Renos holds a BSc (Hons) in Urban Estate Management from University of Westminster and is a member of the Royal Institution of Chartered Surveyors. He also holds the Investment Management Certificate.

Luke Layfield, CFA

Assistant Fund Manager

Joined investment industry: 2008

Joined Aviva Investors: 2008

Main responsibilities

Luke supports the growth of the secure income property portfolio for the Aviva Staff Pension Scheme and the transition of legacy assets, as well as managing the day to day operation of the mandate.

Experience and qualifications

Luke led the portfolio analysis team from 2014 to 2016, where he was responsible for the financial underwriting of transactions and quantitative portfolio analysis. He has previously worked on the Real Estate Research team and as an analyst for the UK specialist real estate funds.

Luke holds an MSc in Real Estate Investment from Cass Business School and an MA in Politics and Economics from the University of Cambridge. He also holds the Investment Management Certificate and is a CFA[®] charter holder.

Mark Wells

Origination Manager

Joined investment industry: 2005

Joined Aviva Investors: 2015

Main responsibilities

Mark is responsible for sourcing and creating investment opportunities for Aviva Investors' long income real estate funds, particularly the Lime Property Fund and Aviva Investors' Return Enhancing and Liability Matching portfolio, with a focus on Central Government, local authorities, the NHS and universities.

Experience and qualifications

Prior to joining Aviva Investors in 2015, Mark worked at BDO where he was a lead commercial, accounting and financial advisor on high value development projects. He has considerable experience in accommodation, leisure, renewable energy, waste, health, education, and housing projects both private and social.

Mark holds a BA (Hons) in Economics from University of East Anglia, and is a member of the Chartered Institute of Public Finance and Accountancy.

2. Aviva Investors

2.1 Overview

Aviva plc is a multinational financial services company with a strong presence in the United Kingdom, Europe, Asia and Canada. Aviva plc can trace back its origins in the London insurance market more than 300 years.

Aviva Investors, which is a division of Aviva plc and the name under which a number of globally integrated asset management businesses operate, is a leading global asset management business with funds under management of approximately £350 billion as at 30 June 2017. The business provides focused investment solutions for clients that include insurance companies, charities, local government organisations, pension schemes, private wealth managers, financial advisers, private investors, banks and other global financial institutions and, as at 30 June 2017, has 1,396 employees spread across 16 locations in 14 countries.

2.2 Aviva Investors Global Real Estate

Real estate asset management is a core area of Aviva Investors' expertise, which began in 1972 and which now has offices spanning the UK, France, Germany, Holland, Singapore and the United States. Aviva Investors' real estate team is the largest manager of UK commercial property and, as at 30 September 2017, managed global real estate assets valued in excess of over £33 billion, of which £24 billion are located in the UK. As at 30 September 2017, the real estate team comprises over 150 people, including 119 investment professionals, of which 28 comprise the UK asset management team. As at 30 September 2017, the Aviva Investors real estate team managed over 600 assets and benefited from relationships with over 3,600 commercial tenants.

2.3 Aviva Investors Real Estate Long Income

Aviva Investors has particular expertise in the long income real estate sector having developed strategies targeting long income on real estate assets in the 1990s and having launched one of the first secure income, long lease funds investing in real estate in 2004 (the Lime Property Fund). The multi award-winning Aviva Investors long income real estate team, which has originated over 50 deals valued at over £2.0 billion in long income real estate in the last five years and which currently manages over £4.0 billion of UK long income real estate commitments, is one of the largest long income investors in the UK. Aviva Investors will be responsible for the investment and portfolio management relationship with the Company.

Aviva Investors has expanded its long income real estate activities with its Return Enhancing and Liability Matching funds, investing across commercial assets, social and affordable housing and ground rents. As at 30 September 2017, these funds had over £1.3 billion under management. Continental European Long Lease Strategy was recently launched by Aviva Investors to target long income property in Continental Europe.

2.4 Aviva Investors Real Estate Finance

Aviva Investors' funds benefit from its interaction with the Aviva Investors real estate finance team, which is a well-established lending platform with extensive contacts and experience, having been active in commercial mortgage lending since 1984. The real estate finance team has originated over £2.5 billion of fixed-rate UK commercial mortgages since 2010 and has a dedicated team of 86 people, currently managing and monitoring over £8 billion of commercial real estate loans. The expertise of the Aviva Investors real estate finance team will be drawn upon to provide a robust tenant strength analysis.

3. Investment Process and Governance

All potential investments for the Company will be subject to a thorough evaluation and a robust and repeatable investment process which leverages the scale of Aviva Investors.

The investment process is concentrated on economic, financial and property market fundamentals from which the Investment Manager (acting through the Portfolio Manager) will construct its target sector weightings. The purpose of the sector weightings is to position the Company's portfolio so that it is overweight to those sectors in which it expects to perform strongly, and a lower weighting to those sectors in which it expects to perform less well. Whilst the sector weightings are not binding, Aviva Investors uses them as a guide to maintain the overall balance of the relevant portfolio. Sector weightings are reviewed on a quarterly basis.

Within the investment process, the Company is positioned such that it has assets that are expected to outperform their respective market segment. The investment strategy takes full account of the existing portfolio and transaction costs and aims to optimise the positioning of the portfolio in terms of minimising risk, whilst meeting return and cash flow objectives. In this context, timing is critical in relation to entry into/exit from sectors/market segments and the timing of individual asset and third party real estate fund transactions. The strategy aims to optimise both top-down and bottom-up timing.

3.1 Asset Sourcing

Aviva Investors' strong transaction sourcing capability, demonstrated by its deal origination and assets under management, is mainly attributable to its established and wide sourcing network of relationships with key operators, including developers and agents, combined with its reputation in the market as a reliable purchaser. These relationships create substantial access to proprietary deal flow and can lead to exclusivity in negotiations. Further, Aviva Investors' sourcing ability has enabled it to acquire properties which many other fund managers do not have the opportunity to identify. For example, approximately 70 per cent of all transactions carried out by the real estate long income team are completed without the properties coming to the open market.

3.2 Fair Allocation

The Investment Manager's Fair Allocation Policy, which governs the allocation of real estate transactions in accordance with specific documented principles, dictates that any purchase must comply with the investment strategy of the relevant fund in terms of sector, region, risk profile, projected returns. Each Aviva Investors fund must also have sufficient cash flow enabling it to purchase the asset such that a fund with sufficient cash flow is given priority over a fund with insufficient cash flow. Exposures will also be considered pursuant to the Fair Allocation Policy and the fund with a lower weighting of a particular tenant, sector or locality will also receive priority in the event that any other funds are overweight to the sector, tenant or locality. For further information on the Fair Allocation Policy, see paragraph 12 of Part I (*Information on the Company*) of this Prospectus.

3.3 Initial Due Diligence

Once an acquisition opportunity has been identified by the Investment Manager (acting through the Portfolio Manager), in the event that the results of the initial evaluation undertaken by the Investment Manager (acting through the Portfolio Manager) are positive, the Investment Manager (acting through the Portfolio Manager) will determine that the Company may commit further resources to due diligence and negotiation of a specific heads of terms (where appropriate). The Investment Manager (acting through the Portfolio Manager), together with sector specialist asset managers, will then conduct initial due diligence in respect of the commercial characteristics of the property; the due diligence process involves an evaluation of the property location, prevailing market rent and property specification and enables an initial view of the property valuation to be formed in respect of the property in its current form and in the event that the property were to become tenanted. A detailed credit analysis will be undertaken by the Aviva Investors' real estate finance team alongside the initial due diligence process, resulting in the provision of a credit report and rating in respect of the underlying tenant of the proposed property. The credit analysis team uses a number of external sources to analyse tenant exposures, including formal ratings from external rating agencies, company financial statements and rating agency models. The independent credit analysis is key to the Company's strategy and gives a distinct competitive advantage in the market.

3.4 Opportunity Analysis

Following the initial property and credit analysis, the Investment Manager (acting through the Portfolio Manager) will then use the collected data to build an in-house bespoke model in order to analyse the potential acquisition, with a particular focus on the risk profile of the acquisition and whether it is consistent with the Company's investment strategy. Aviva Investors benefits from extensive data resources and a critical aspect of the investment process is the continuous exchange of information across the real estate team about markets, sectors and opportunities to acquire properties. Sitting with the real estate team, the Investment Manager (acting through the Portfolio Manager) is well positioned to take advantage of Aviva Investors' significant real estate resource, which includes an 18-strong research and strategy team. A key output from the research team is the five-year real estate market forecast, which forecasts rental growth, yield movement and total returns on a quarterly basis for each segment of the UK market.

3.5 Approval Process

After completion of this further phase, the Investment Manager (acting through the Portfolio Manager) will prepare a detailed investment memorandum which will include a transaction overview, an investment summary, property characteristics and an income analysis. In the case of any transaction exceeding £20 million in value, this will be provided to the Board prior to entering into binding documentation. The Board will have the opportunity to discuss the proposed transaction with the Investment Manager (acting through the Portfolio Manager) and challenge its proposed terms. Having been through this process, including having due regard to any representations made by the Board in relation to the proposed transaction (if required due to the size of the proposed transaction), the Investment Manager (acting through the Portfolio Manager) will finalise and oversee exchange and the legal completion of the transaction. The Property Manager will be responsible for any post-completion services.

All potential investments above a materiality threshold will also be reviewed by the Aviva Investors Global Investment Committee ("GIC") whose formal approval is required for the implementation of the transaction. The GIC is responsible for oversight of the existing Aviva Investors governance process in relation to real estate transactions, and ensuring that adequate consideration is given to all transactions in respect of fund strategy, expected performance, portfolio risk and client interest. The GIC is also responsible for the review and approval of proposed direct and indirect property investment transactions (that is, acquisitions, disposals, major capital expenditure and capital fundraising) which meet certain criteria (mainly relating to materiality).

3.6 Ongoing monitoring

The Company will seek opportunities to add value through actively managing the assets. However, as the Company is a long-lease fund, this is expected to be less frequent than a traditional balanced property fund. The main focus of asset management for the Company therefore is structural, with primary focus on improving the opportunities for future income growth potential and/or maintaining or increasing the average unexpired lease terms. Furthermore, the creditworthiness of each tenancy is reviewed on an ongoing basis to ensure the future viability of the tenant.

The portfolio management of the Company is an ongoing process which seeks to optimise the positioning of the Company's portfolio in terms of minimising risk, whilst seeking to achieve the Company's investment objective. In particular, the process involves the modelling of returns based on internal assessment of the return

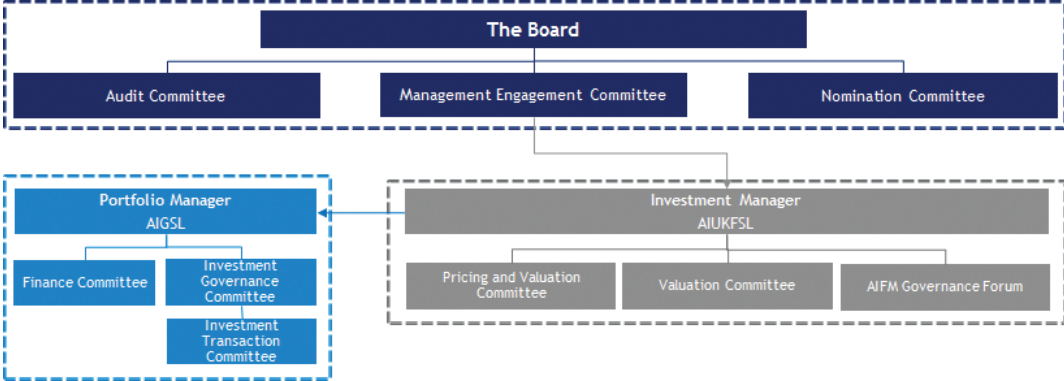
characteristics of underlying assets, together with market specific variables provided by the research team of Aviva Investors Global Real Estate, subject to oversight by the Aviva Investors Global Real Estate Portfolio Review Forum (the “**Portfolio Review Forum**”), currently chaired by the Global Head of Strategy and Portfolio Management for Aviva Investors Global Real Estate.

3.7 Conflicts of Interest

The Investment Manager (acting through the Portfolio Manager) has full discretionary authority to enter into and complete transactions for and on behalf of the Company without any Board approval, subject to matters involving a conflict of interest, which require the approval of the Independent Directors. Where such approval is required, the Investment Manager (acting through the Portfolio Manager) will prepare an investment memorandum including a recommendation to the Board, having regard to the real estate market, the asset in question and the Company’s overall investment objective. The Investment Manager (acting through the Portfolio Manager) will also present detailed information about the Company’s investments to the Board at regular intervals. Further information on conflicts of interest is set out in paragraph 12 of Part I (*Information on the Company*) of this Prospectus.

4. Governance

The diagram below illustrates the corporate governance structure of the Company.



4.1 Aviva Investors Global Investment Committee

The GIC is responsible for reviewing and approving proposed real estate investment transactions. The GIC’s remit covers all proposed transactions meeting certain materiality thresholds and other criteria proposed on behalf of all Aviva Investors Real Estate managed mandates investing directly into real estate in all relevant locations. The GIC is also responsible for reviewing and approving all qualifying indirect investment proposals for such mandates. The appropriate Country Head (or the Global Head of Strategy and Portfolio Management in the event that the relevant Country Head is unable to provide support) remains accountable for investment decisions.

The GIC is comprised of the following individuals:

- Global Head of Strategy and Portfolio Management (Chair) — David Skinner;
- CEO — Global Real Estate — Ed Casal;
- Managing Director France — Francois Grandvoinnet;
- Head of Asset Management France — Charles-Henri De La Chapelle;
- Head of Transactions France — Kristelle Wauters;
- Managing Director Germany — Gil Bar;
- Head of Transactions Germany — Daniel Lienhard;
- Head of Asset Management UK — Barry Hill;
- Head of Transactions UK — Gary Sherwin; and
- Head of Illiquid Asset Investment Risk — Lu Li.

4.2 *Aviva Investors Real Estate Finance Committee*

In addition to governance concerning acquisitions and management of real estate assets, Aviva Investors has a strong governance framework in place in respect of the financing of real estate. The Aviva Investors Real Estate finance committee is responsible for reviewing and approving proposed financing strategies and financing transactions for all real estate mandates and clients managed by Aviva Investors, in addition to monitoring financing risks and reviewing counterparty exposures.

Committee members are:

- Global Head of Strategy and Portfolio Management (Chair) — David Skinner;
- Head of Credit — Mark Butcher;
- Senior Fund Manager — James Tarry; and
- Global Head of Fund Accounting — Catherine McCall.

4.3 *Aviva Investors Investment Governance Committee*

The Aviva Investors Investment Governance Committee (the “IGC”) is responsible for overseeing the investment activity of all Aviva Investors Real Estate managed mandates and ensuring they are managed in line with client objectives and risk parameters. In addition, the IGC ensures that investment decision-making is based on sound fundamentals and that the processes in place comply with Aviva’s business standards, client or product investment management agreements thereby maximising the potential for investment outcomes being consistent with client objectives.

Within each business unit, the IGC has a particular focus on mandates where investment performance is unsatisfactory and/or the risk position of the fund is inappropriate in the context of the market position and/or client objectives/risk appetite. The IGC’s remit includes reviewing and amending the strategy and action plans necessary to remediate investment performance or risk positioning.

Further, the IGC is responsible for reviewing investment performance, portfolio risk positions, whilst setting of an investment strategy at the individual mandate level is delegated to the Portfolio Review Forum. However, the authority to approve investment transactions is delegated to two global transactions committees, one for direct real estate transactions and the other for indirect transactions.

The IGC’s remit is implemented on behalf of the chief executive officer of Aviva Investors Real Estate who chairs this committee. The IGC’s members are responsible, amongst other things, for managing any investment governance issues relating to the operations and functions of Aviva Investors Real Estate.

Committee members are:

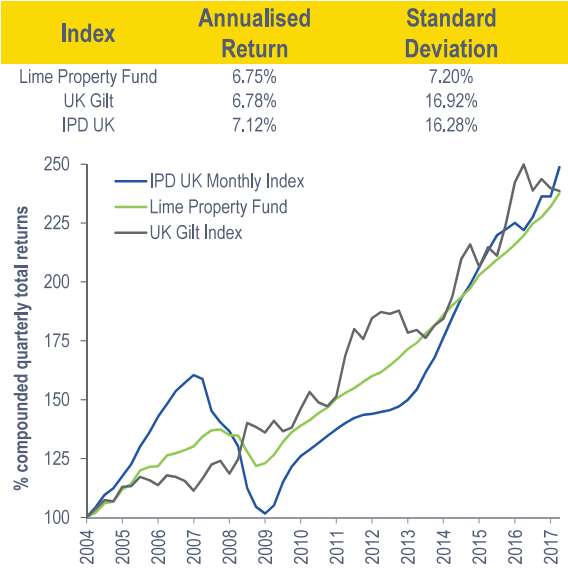
- CEO — Global Real Estate — Ed Casal;
- Business manager to CEO — Global Real Estate — Arnaud Cannone;
- Global Business Controls Partner — Karen Hollands;
- Compliance Manager;
- Head of Illiquid Asset Investment Risk — Lu Li;
- Managing Director — Global Indirect Real Estate — Bart Coenraads;
- Managing Director — Direct Real Estate — France — Francois Grandvoinnet;
- Managing Director — Direct Real Estate — Germany — Gil Bar;
- Managing Director — Direct Real Estate — UK;
- Global Head of Strategy and Portfolio Management — Global Real Estate — David Skinner;
- Head of Research — Global Real Estate — Melvyn Lai; and
- Head of Portfolio Analysis — Global Real Estate.

5. **Track Record—Lime Property Fund**

As detailed above, Aviva Investors has been investing in real estate since the 1970s and in long lease real estate since the late 1990s.

Aviva Investors established the Lime Property Fund in 2004 as a fund exclusively targeted at professional investors.⁷ The objective and sole purpose of the Lime Property Fund is to achieve investment returns in excess of 150 basis points (net of costs) per annum above UK Gilts over the medium to long term by investing in lower risk property assets with secure long term income streams, targeting properties with a lease length typically of over 20 years. It does this through acquiring properties and indirect investments in all sectors including alternative sectors such as investments in property for the quasi-public sector (i.e. key worker and social housing, health and education-related) that meet the Lime Property Fund’s specific investment criteria and will enhance returns and/or reduce risk.

The Lime Property Fund is a multi-award winning highly diversified unleveraged c.£2 billion UK vehicle. It was recognised as the most secure investable balanced fund and least volatile in the MSCI.⁸ Since its inception in 2004, the Lime Property Fund has delivered an ungeared annualised return of 6.75 per cent,⁹ which is a similar return to that of UK Gilts and the wider commercial real estate market (as measured by MSCI), however it achieves this return with less than half the volatility of those other assets.



Source: Lime Property Fund: Aviva Investors as at 30 September 2017. The graph shows compounded quarterly total return figures. Fund performance is shown net of fees. Current Q3 2017 performance is estimated. Past performance is not a guide to future returns. UK Gilt Index constructed of an equally weighted combination of the FTSE 5-15 Years Gilt Index and the FTSE 15 Years+ Gilt Index. Annualised returns are calculated from June 2004 to September 2017.

6. The Investment Management Agreement

6.1 Service

The Company is party to an Investment Management Agreement with the Investment Manager dated 14 November 2017, pursuant to which the Investment Manager has been appointed as the Company’s investment manager to manage, on a discretionary basis, all of the assets and investments of the Company, subject to the Company’s investment policy. The Investment Manager is entitled to delegate any of the services or any of its duties and obligations under the Investment Management Agreement, in whole or in part, provided that the Investment Manager would not be considered a letter-box entity for the purposes of the AIFMD, and has received the prior written consent of the Company (such consent not to be unreasonably withheld or delayed).

⁷ Nothing in this Prospectus constitutes or forms part of and should not be construed as an offer or placement or solicitation of any offer to subscribe for or to acquire any unites in the Lime Property Fund in any jurisdiction.

⁸ Source: MSCI. The Lime Property Fund was recognised as the most secure investable balanced fund as at 31 March 2017 and as the least volatile fund of all funds open to investment in the MSCI quarterly universe since September 2004 to 30 June 2017.

⁹ As at 30 September 2017, based on annualised income return since inception in 2004, net of fees.

6.2 *Management Fee*

For the provision of services under the Investment Management Agreement, the Investment Manager will be paid a Management Fee semi-annually in arrears based upon a percentage of Adjusted NAV (not taking into account cash balances) on the following basis:

| <u>Adjusted NAV</u> | <u>Annual management fee (percentage of Adjusted NAV)</u> |
|---|---|
| Up to and including £250 million | 0.75 per cent |
| Above £250 million and up to and including £500 million | 0.70 per cent |
| Above £500 million and up to and including £1.0 billion | 0.65 per cent |
| Above £1.0 billion and up to and including £2.0 billion | 0.60 per cent |
| Above £2.0 billion | 0.55 per cent |

For the avoidance of doubt, the different percentages set out above shall be applied incrementally and not as against the total Adjusted NAV.

The first payment of the Management Fee shall be a fee to be agreed between the Company and the Investment Manager in respect of the period from the date of Admission to 30 June 2018. The last payment of the Management Fee shall be due in respect of the six-month period or any part of it to (and including) the date of termination of the Investment Management Agreement.

6.3 *Expenses*

The Company shall pay or reimburse the Investment Manager in respect of all reasonable out-of-pocket expenses properly incurred by the Investment Manager under the Investment Management Agreement, and any legal fees and expenses incurred by the Investment Manager or its associates in connection with its services under the Investment Management Agreement.

The Investment Manager shall bear all of the Investment Manager's own normal day-to-day operating expenses and overheads.

6.4 *Discretionary authority of the Investment Manager*

Pursuant to the Investment Management Agreement, the Investment Manager has sole discretion to make investment decisions, subject to matters involving a conflict of interest, which require the approval of the Independent Directors, and has delegated this authority to the Portfolio Manager pursuant to the Portfolio Management Agreement between the Investment Manager and the Portfolio Manager. The entry into any financing arrangements by the Company or any of its subsidiary undertakings from time to time shall require the approval of the Independent Directors.

The Investment Manager is required to prepare for approval by the Board an annual business plan and budget setting out the Investment Manager's strategy with respect to the operation and management of the business of the Company. The Investment Manager will also be required to report regularly to the Board on the status of the approved business plan and on the performance of the Company against the approved business plan.

6.5 *Liability and indemnity*

The Investment Manager complies with the requirements under the AIFMD relating to its professional liability risks through the maintenance of additional "own funds" as permitted by the AIFMD.

The liability of the Investment Manager, its associates or its or their respective directors, officers, partners, employees, associates, agents and assigns (each a "**Related Person**") incurred as a result of performing the services pursuant to the Investment Management Agreement is limited to: (a) fraud, wilful default or gross negligence of the Investment Manager; or (b) any material breach of the Investment Management Agreement by the Investment Manager; or (c) a material breach of a FCA rule by the Investment Manager, except to the extent the Investment Manager retains or is subject to a higher or greater degree of liability with regards to portfolio management services or risk management services provided under the Investment Management Agreement in accordance with the provisions of AIFMD.

The Company shall indemnify and hold harmless, to the maximum extent permitted by law, the Investment Manager and its Related Persons from and against all liabilities, claims and related expenses (including attorneys' fees), incurred as a result of any action or omission in connection with the provision of services under the Investment Management Agreement to the Company, provided such action or omission does not constitute: (a) fraud, wilful default or gross negligence of the Investment Manager; or (b) any material breach

of the Investment Management Agreement by the Investment Manager; or (c) a material breach of a FCA rule by the Investment Manager.

6.6 *Warranty*

No warranty is given by the Investment Manager as to the performance or profitability of the Company's investment portfolio.

6.7 *Term and termination*

The Investment Management Agreement has an initial term of three years from the date of Admission. The Company or the Investment Manager may terminate the Investment Management Agreement without cause by giving to the other party not less than 12 months' written notice, provided such notice may not be served until the third anniversary of the date of Admission.

The Investment Management Agreement shall terminate automatically if the Investment Manager ceases to be authorised by the FCA as a full scope AIFM (unless no such authorisation is required to perform the services under the Investment Management Agreement). The Investment Management Agreement may also be terminated as follows:

- (a) by the Company immediately upon written notice to the Investment Manager if:
 - (i) an insolvency event occurs in relation to the Investment Manager;
 - (ii) the Investment Manager commits an act of gross negligence, fraud or wilful misconduct in each case in connection with the performance of the services provided under the Investment Management Agreement;
 - (iii) the Investment Manager commits a material breach of the Investment Management Agreement and fails to remedy such breach (if capable of remedy) within 30 Business Days from the earlier of (x) service of written notice by the Company requesting such breach to be remedied and (y) the date on which the Investment Manager becomes aware or was reasonably capable of becoming aware of such material breach; or
 - (iv) the Investment Manager is unable to perform its duties under the Investment Management Agreement due to any change in law or regulatory practice and/or because it ceases to hold all necessary regulatory consents, licences, authorisations, approvals or equivalent; and
- (b) by the Investment Manager immediately upon written notice to the Company if:
 - (i) the Company undergoes a Change of Control; or
 - (ii) the Company makes a material change to its investment policy without the Investment Manager's prior consent.

For these purposes:

"Change of Control" means the acquisition (whether directly or indirectly) by a person or a group of persons acting in concert (as such term is defined in the City Code) of:

- (a) more than 50 per cent of the issued ordinary share capital of the Company; or
- (b) the right to determine the composition of the majority of the board of directors of the Company.

6.8 *Conflicts of interest*

The Investment Manager shall maintain and apply effective organisational and administrative arrangements in accordance with the Fair Allocation Policy, with a view to taking all reasonable steps to ensure fair allocation of real estate transactions to the Company. The Investment Manager shall also take all reasonable steps to ensure the fair treatment of all Shareholders. In particular, the Investment Management Agreement contains provisions relating to conflicts of interest which reflect the statement under the heading "*Potential Conflicts of Interest*" in paragraph 12 of Part I (*Information on the Company*) of this Prospectus.

6.9 *Confidentiality*

The Investment Management Agreement provides that subject to certain exceptions, neither party shall, without the written consent of the other party, be able to use or disclose to any person confidential information of the other party that it has or acquires or the contents of the Investment Management Agreement.

6.10 *Governing law*

The Investment Management Agreement is governed by English law.

6.11 *Other*

The Investment Manager has a rebate position with respect to Aviva Life Fund in relation to a portion of the Management Fee.

7. The Portfolio Management Agreement

Pursuant to the Portfolio Management Agreement between the Investment Manager and the Portfolio Manager dated 14 November 2017, the Investment Manager has appointed the Portfolio Manager to provide certain portfolio management and property management services (where applicable, as the delegate of Investment Manager).

Pursuant to the Portfolio Management Agreement, all investment related services will be delegated to the Portfolio Manager by the Investment Manager, including asset sourcing and conducting initial due diligence on the commercial characteristics of potential investment opportunities. In consideration of the Portfolio Manager carrying out its duties and obligations, the Investment Manager shall pay the Portfolio Manager fees relative to the services delivered by the Portfolio Manager out of some or all of the fees received by the Investment Manager from the Company.

The Investment Manager shall reimburse or pay the Portfolio Manager, against appropriate evidence of payment, all disbursements which are related wholly and exclusively to the Investment Manager. All costs and expenses incurred by the Portfolio Manager in performing the services under the Portfolio Management Agreement on a day-to-day basis shall be borne by the Portfolio Manager.

The Portfolio Manager shall take all reasonable steps to identify and manage any conflicts of interest as outlined in Article 14(1) of AIFMD and to assist the Investment Manager to fulfil its equivalent duties to the Company, and the Portfolio Manager shall take all reasonable steps to resolve such conflicts fairly in line with the Investment Manager's conflict of interest policies.

The Portfolio Management Agreement shall continue in force unless and until it is terminated in accordance with the terms of the Portfolio Management Agreement. The Portfolio Management Agreement may be terminated as follows:

- (a) by the Investment Manager immediately by written notice to the Portfolio Manager if:
 - (i) the Portfolio Manager is not or ceases to be authorised and regulated by the FCA to provide the services under the Portfolio Management Agreement (unless no such authorisation or regulatory status is required by applicable law or regulation);
 - (ii) the Portfolio Manager commits or knowingly permits the commission of any illegal, fraudulent or dishonest act;
 - (iii) there is a material or recurring breach by the Portfolio Manager of its obligations under the Portfolio Management Agreement and, where the breach is capable of remedy, the Portfolio Manager has not commenced to remedy such breach within ten Business Days of written notice from the Investment Manager requiring the breach to be remedied or has failed to complete doing so within 30 Business Days of service of such notice;
 - (iv) an event of insolvency occurs in relation to the Portfolio Manager;
 - (v) the Company enters into administration or a voluntary arrangement with its creditors;
 - (vi) the Investment Manager considers it would be in the best interests of the Shareholders; or
 - (vii) upon termination of the Investment Management Agreement; and
- (b) by the Portfolio Manager immediately by written notice to the Investment Manager if:
 - (i) the Investment Manager is not or ceases to be authorised and regulated by the FCA to provide the services under the Portfolio Management Agreement (unless no such authorisation or regulatory status is required by applicable law or regulation);
 - (ii) there is a material or recurring breach by the Investment Manager of its obligations under the Portfolio Management Agreement and, where the breach is capable of remedy, the Investment Manager has not commenced to remedy such breach within ten Business Days of written notice

from the Portfolio Manager requiring the breach to be remedied or has failed to complete doing so within 30 Business Days of service of such notice;

- (iii) an event of insolvency occurs in relation to the Investment Manager; or
- (iv) the Investment Manager ceases to be the appointed investment manager of the Company.

In the event of termination of the Portfolio Management Agreement, the Portfolio Manager shall be entitled to all fees up to the date of termination on a pro rata basis.

8. The Property Management Agreement

Pursuant to the Property Management Agreement between the Portfolio Manager and the Property Manager dated 14 November 2017, the Property Manager has been appointed by the Portfolio Manager to deliver property management services to the Portfolio Manager with effect from Admission, including the day-to-day management of the Company's assets.

In consideration of the Property Manager carrying out its duties and obligations, the Portfolio Manager shall procure that the Company pays the Property Manager fees relative to the services delivered by the Property Manager (subject to adjustments as a result of a material modification to the obligations of the Property Manager or for additional services requested by the Portfolio Manager or as agreed between the parties from time to time). The Portfolio Manager shall procure that the Company reimburses or pays the Property Manager certain costs and expenses incurred by the Property Manager in the performance of its duties and obligations under the Property Management Agreement. The Property Manager shall submit a quarterly fee schedule, including details of services performed and the basis upon which amounts being claimed have been calculated, to the Portfolio Manager for approval.

Either the Property Manager or the Portfolio Manager may terminate the Property Management Agreement on or after the expiry of the initial term of three years by giving the other party not less than three months' written notice. However, the Property Manager's appointment shall continue beyond the initial term unless either party notifies the other party in writing no later than three months prior to the expiry of the initial term of its wish for the Property Management Agreement to expire at the end of the initial term.

Either party may terminate the Property Management Agreement on written notice to the other party (the "defaulting party" for the purposes of this paragraph) immediately by written notice if the defaulting party (i) becomes insolvent or (ii) is in material or persistent breach of its obligations under the Property Management Agreement and has not been remedied to within 28 days of the non-defaulting party giving written notice to the defaulting party specifying the breach and requiring its remedy.

In the event of termination of the Property Management Agreement in accordance with its terms, the Property Manager shall be entitled to such proportion of the fees (and expenses) as is reasonable in all of the circumstances in relation to the services carried out by the Property Manager up to the date of termination.

PART IV—DIRECTORS, CORPORATE GOVERNANCE AND ADMINISTRATION

1. Directors

The Directors, all of whom are non-executive and independent of the Investment Manager are responsible for the determination of the investment policy of the Company and have overall responsibility for the Company's activities including its investment activities, reviewing the performance of the Company's portfolio and for overseeing the performance of the Investment Manager.

Andrew Cunningham, Suzanne Avery, Steffan Francis and Marlene Wood are each considered independent for the purposes of Chapter 15 of the Listing Rules.

The Directors, all of whom are non-executive, are listed below:

Andrew Cunningham (*Non-Executive Chairman*)

Andrew Cunningham is a Fellow of the Institute of Chartered Accountants and of the Royal Institution of Chartered Surveyors. He was appointed to the board of directors of Grainger plc as finance director in 1996 and became deputy chief executive in 2002 and chief executive in 2009. He retired from Grainger at the end of 2015. Before joining Grainger plc, Andrew was a partner in a predecessor firm of PricewaterhouseCoopers. Until late 2015, Andrew was also a member of the policy committee of the British Property Federation.

Andrew is currently an independent non-executive director of Harworth Group plc.

Suzanne Avery (*Non-Executive Director*)

Suzanne Avery has over 25 years' experience in corporate banking, holding various Managing Director roles at RBS, latterly as Managing Director of the London Real Estate Finance Group & Sustainability where she was responsible for REITs, Funds and London based private property companies.

Suzanne was recently appointed to be a Church Commissioner and is currently senior advisor to Centrus Advisors, non-executive director of Richmond Housing Partnership Limited and A2Dominion Developments Ltd. Suzanne is also a trustee of LandAid and co-founder of Real Estate Balance.

David Steffan Francis (*Non-Executive Director*)

Steffan Francis has almost 40 years of experience in the real estate industry and is a Fellow of the Royal Institution of Chartered Surveyors. Until retirement in early 2016, Steffan was Director of Fund Management at M&G Real Estate where he was responsible for the £6 billion "Long Income" business. He was also involved in creating and ensuring the long term success of a number of real estate funds, including the M&G Secured Property Income Fund, which within 10 years of being launched, became the largest property fund on the AREF/IPD UK Quarterly Property Fund Index.

Currently Steffan is an independent adviser to the British Steel Pension Fund Trustee and is also a non-executive director of The PRS REIT plc.

Marlene Wood (*Non-Executive Director*)

Marlene Wood is a chartered accountant with a broad range of experience in both private and public sectors. She spent 20 years with the Miller Group, a major UK property business, predominantly as finance director for Miller Developments, the property development and investment arm, and latterly as group accounting and treasury director.

Marlene is currently a non-executive director and chair of the audit committee of RM Secured Direct Lending PLC and a non-executive director and chair of the audit committee of GCP Student Living plc. In addition, she is a non-executive director and chair of the audit committee for the Scottish Funding Council for Further and Higher Education and also sits on their remuneration committee. She is also currently a non-executive director and treasurer for One Parent Families Scotland.

2. Corporate Governance for the Company

The Board supports high standards of corporate governance and the development of corporate governance policies and procedures in compliance with the requirements of the AIC Code and the UK Corporate Governance Code.

As a newly incorporated company, the Company does not comply with the UK Corporate Governance Code or the AIC Code as at the date of this Prospectus. However, arrangements have been put in place so that with effect from Admission, the Company will comply with the principles of good governance contained in the AIC Code (which complements the UK Corporate Governance Code and provides a framework of best practice for listed investment companies), and in accordance with the AIC Code, will comply with the UK Corporate Governance Code.

Save as disclosed below, the Company will comply with the provisions of the UK Corporate Governance Code from Admission. The areas of non-compliance are as follows:

- there is no chief executive position and there is no senior independent director which is not in accordance with A.2.1 and A.4.1 of the UK Corporate Governance Code, respectively. As an investment company the Company has no employees and therefore no requirement for a chief executive or a senior independent director;
- the recommendations in D.1.1. of the UK Corporate Governance Code relating to executive directors' remuneration are not relevant to the Company as all the Directors are Non-Executive Directors; and
- the recommendations in C.3.2 of the UK Corporate Governance Code relating to the need for an internal audit function is not relevant to the Company as it is an externally managed investment company.

3. The Board

As at the date of this Prospectus, there are four Directors, all of whom are Non-Executive Directors.

Andrew Cunningham, Suzanne Avery, Steffan Francis and Marlene Wood are each considered independent for the purposes of Chapter 15 of the Listing Rules. The Board's policy on tenure is that continuity and experience are considered to add significantly to the strength of the Board and, as such, no total limit on the overall length of service of any of the Company's Directors, including the Chairman, has been imposed, subject to each Director's re-election in accordance with the Articles (as set out in paragraph 4.9 of Part X (*Additional Information*) of this Prospectus. The initial term of appointment for each of the Directors is three years from Admission.

There are no specific requirements for the frequency or timing of meetings of the Board. The Board intends to meet at least four times in each calendar year and all Directors are to be given full and timely access to the information necessary to assist them in the performance of their duties. As a general rule, an agenda and board papers will be circulated to the Directors in advance of Board meetings to allow them an adequate opportunity for review and preparation for Board meetings. The Company Secretary will be responsible for ensuring Board procedures are followed and all Directors have access to its advice and services. Where they judge it appropriate and, after consulting the Board, all Directors shall have access to independent professional advice at the expense of the Company, subject always to the Articles.

The Directors are responsible for the determination of the investment policy of the Company and have overall responsibility for overseeing the performance of the Investment Manager and the Company's activities. The Company has, however, entered into an Investment Management Agreement with the Investment Manager, pursuant to which, among other things, the Investment Manager is required to prepare for approval of the Board an annual business plan and budget setting out the Investment Manager's strategy with respect to the operation and management of the business of the Company. The Investment Manager will also be required to report regularly to the Board on the status of the approved business plan and on the performance of the Company against the approved business plan.

The Investment Manager has full discretionary authority to enter into transactions for and on behalf of the Company subject to certain matters which require the consent of the Board and certain transactions which are subject to consultation rights of the Board. The Board has put in place a corporate governance structure to ensure that any matter which requires the consent of the Board is approved at a Board meeting attended by an appropriate number of Directors, all of whom will be independent of the Investment Manager.

In the performance of its duties, the Board is committed to maintaining a good understanding of the views of Shareholders and considerable importance will be given to communicating with Shareholders. Regular contact will be kept with institutional investors and presentations will be given by members of the management team on the release of the Company's annual and interim results.

Directors are expected to attend all Board meetings and the annual general meeting.

4. Board Committees

The Company has established an audit committee, nomination committee and management engagement committee with formally delegated duties and responsibilities, and written terms of reference, which have been approved by the Board.

The Company has not established a separate remuneration committee as the Company has no executive officers and the Board is satisfied that any relevant issues that arise can be properly considered by the Board.

Membership and chairmanship of each committee is intended to be reviewed by the Board at least every three years.

The terms of reference for each of the committees are summarised below.

4.1 Audit Committee

The Company's Audit Committee will meet formally at least twice a year for the purpose, amongst other things, of considering the appointment, independence and remuneration of the auditors and reviewing the annual statutory accounts and half-yearly reports. Where non-audit services are to be provided to the Company by the auditors, full consideration of the financial and other implications on the independence of the auditors arising from any such engagement will be considered before proceeding. The principal duties of the Audit Committee will be to consider the appointment of external auditors, to discuss and agree with the external auditors the nature and scope of the audit, to keep under review the scope, results and cost effectiveness of the audit and the independence and objectivity of the auditors, to review the external auditors' letter of engagement and management letter and to analyse the key procedures adopted by the Company's service providers.

The Audit Committee is chaired by Marlene Wood and, due to the size and independent nature of the Board, will consist of all the Directors.

4.2 Nomination Committee

The Company has established a nomination committee with the primary purpose of filling vacancies on the Board. The Nomination Committee has other duties including to regularly review the Board structure, size and composition, to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of that Director and to make a statement in the annual report about its activities. The Nomination Committee chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall at least once a year review its own performance, composition and terms of reference and recommend any changes it considers necessary to the Board for approval. The Nomination Committee shall meet at least once a year and otherwise as required. Members of the Nomination Committee shall be appointed by the Board and the committee shall be made up of at least three members. A majority of the members of the Nomination Committee shall be independent Non-Executive Directors of the Company.

The Nomination Committee is chaired by Suzanne Avery and, due to the size and independent nature of the Board, will consist of all the Directors.

4.3 Management Engagement Committee

The Company has also established a management engagement committee with formal duties and responsibilities. These duties and responsibilities include the regular review of the performance of and contractual arrangements with the Investment Manager and the preparation of the Management Engagement Committee's annual opinion as to the Investment Manager's services.

The Management Engagement Committee is chaired by Steffan Francis and, due to its size and the independent nature of the Board, will consist of all the Directors.

5. Directors' share dealings

The Board has agreed to adopt and implement a dealing code for Directors which imposes restrictions on conducting transactions in the Company's securities beyond those imposed by law. Its purpose is to ensure that the Directors and their closely associated persons do not abuse, and do not place themselves under suspicion of abusing, inside information they may be thought to have, in particular during periods leading up to an announcement of the Company's results.

6. Matters reserved for the Board

The Board has overall responsibility for the Company's activities, including reviewing its investment activity, performance, business conduct and policy and, unless required to be performed by the Investment Manager as a matter of law or in order to respond to a bona fide emergency, certain matters have been reserved for consideration by the Board, including (but not limited to):

- approving the Company's long-term objective and any decisions of a strategic nature including any change in investment objective, policy and restrictions, including those which may need to be submitted to Shareholders for approval;
- approving the annual business plan and budget prepared by the Investment Manager;
- the acquisition or entering into any agreement to acquire any property investment where the acquisition is proposed to be made through a joint venture or co-investment structure;
- the appointment or removal of key delegates and services providers including but not limited to registrar, depository, valuer, legal advisers, listing sponsors, auditors and any other significant service providers and any material amendments to the agreements or contractual arrangements with any key delegates or service providers;
- any interim dividends, any recommendation to shareholders in respect of final dividends and the Company's dividend policy;
- the acquisition or disposal of any property from or to the Investment Manager or any of its affiliates or shareholders, or the entering into any contract or arrangement of any nature between the Investment Manager and any of its affiliates or shareholders; and
- approving any actual or potential conflicts of interest.

7. Company Secretary

Link Company Matters Limited has been appointed as company secretary to the Company pursuant to the Company Secretarial Agreement (further details of which are set out in paragraph 7.8 of Part X (*Additional Information*) of this Prospectus). The Company Secretary will be responsible for providing certain company secretarial and other support services for the Company.

Shareholders should note that it is not possible for the Company Secretary to provide any investment advice to Shareholders.

8. Administrator

RBC Investor Services Bank S.A. has been appointed as administrator to the Company pursuant to the Administration Agreement (further details of which are set out in paragraph 7.5 of Part X (*Additional Information*) of this Prospectus). The Administrator will be responsible for the Company's general administrative requirements such as the calculation of the Net Asset Value and NAV per Share and maintenance of the Company's accounting and statutory records.

Shareholders should note that it is not possible for the Administrator to provide any investment advice to Shareholders.

9. Depositary

RBC Investor Services Bank S.A., London Branch has been appointed as depositary to the Company pursuant to the Depositary Agreement (further details of which are set out in paragraph 7.4 of Part X (*Additional Information*) of this Prospectus). The Depositary will be responsible for providing cash monitoring, safekeeping and asset verification and oversight functions as prescribed by the AIFMD. The Depositary is a "*société anonyme*" incorporated and existing under the laws of the Grand Duchy of Luxembourg, acting through its UK Branch, having its offices at Riverbank House, 2 Swan Lane, London, EC4R 3BF. The Depositary is authorised by the *Commission de Surveillance du Secteur Financier* and European Central Bank and subject to limited regulation by the FCA and Prudential Regulation Authority.

The Depositary intends to delegate custody of certain financial instruments and assets to RBC Investor Services Trust (UK Branch), the UK branch of a trust company incorporated under the laws of Canada with its UK address at Riverbank House, 2 Swan Lane, London EC4R 3AF. RBC Investor Services Trust (UK Branch) is authorised and regulated by the Office of the Superintendent of Financial Institutions of Canada, authorised by the Prudential Regulation Authority and subject to regulation by the FCA and limited regulation by the Prudential Regulation Authority.

Shareholders should note that, from time to time, conflicts of interest may arise between the Depositary and any of its delegates. Further details of the Depositary’s conflicts management policy is set out in the section headed “*Important Information*” of this Prospectus.

Shareholders should note that it is not possible for the Depositary to provide any investment advice to Shareholders.

10. Registrar

Computershare Investor Services PLC has been appointed as registrar to the Company pursuant to the Registrar Agreement (further details of which are set out in paragraph 7.6 of Part X (*Additional Information*) of this Prospectus).

Shareholders should note that it is not possible for the Registrar to provide any investment advice to Shareholders.

11. Receiving Agent

Computershare Investor Services PLC has been appointed as receiving agent to the Company pursuant to the Receiving Agent Agreement (further details of which are set out in paragraph 7.7 of Part X (*Additional Information*) of this Prospectus). The Receiving Agent has agreed to provide receiving agent duties and services to the Company in respect of the Issue.

12. Fees and expenses

12.1 Formation and initial expenses

The formation and initial expenses of the Company are those which are necessary for the incorporation of the Company and the Issue. These expenses (including fees and expenses payable under the Sponsor’s and Placing Agreement, registration, listing and admission fees, printing, advertising and distribution costs and professional advisory fees, including legal fees, and any other applicable expenses other than acquisition expenses) will be borne by the Company to the extent that they amount to two per cent of the Gross Issue Proceeds (or such lower percentage as agreed by the Investment Manager). If the costs and expenses of the Issue are such that the NAV per Share at Admission would be less than 98 pence, the Investment Manager has agreed to pay such proportion of the expenses of the Issue (which would ordinarily be payable by the Company) so as to ensure that the NAV per Share at Admission will be 98 pence. Assuming Gross Issue Proceeds of £200 million are raised pursuant to the Issue, the costs and expenses payable by the Company will not exceed £4 million.

12.2 Ongoing expenses

(a) Acquisition expenses

Acquisition expenses are those costs, (predominantly legal and due diligence costs) incurred by the Company and its subsidiaries in connection with the acquisition of its investments.

(b) Management Fee

For the provision of services under the Investment Management Agreement, the Investment Manager will be paid a Management Fee semi-annually in arrears based upon a percentage of Adjusted NAV on the following basis:

| <u>Adjusted NAV</u> | <u>Annual management fee (percentage of Adjusted NAV)</u> |
|---|---|
| Up to and including £250 million | 0.75 per cent |
| Above £250 million and up to and including £500 million | 0.70 per cent |
| Above £500 million and up to and including £1.0 billion | 0.65 per cent |
| Above £1.0 billion and up to and including £2.0 billion | 0.60 per cent |
| Above £2.0 billion | 0.55 per cent |

For the avoidance of doubt, the different percentages set out above shall be applied incrementally and not as against the total Adjusted NAV.

The first payment of the Management Fee shall be a fee to be agreed between the Company and the Investment Manager in respect of the period from the date of Admission to 30 June 2018. The last payment of the Management Fee shall be due in respect of the six-month period or any part of it to (and including) the date of termination of the Investment Management Agreement.

(c) General Expenses

The Company will also incur the following ongoing expenses:

(i) Directors of the Company

The fees and expenses payable to the Directors pursuant to their letters of appointment are set out in paragraph 5.8 of Part X (*Additional Information*) of this Prospectus.

(ii) Company Secretary

In consideration for the provision of company secretarial services by the Company Secretary, the Company has agreed to pay an annual fee of £60,000. Any additional services provided by the Company Secretary will incur additional charges. Further details of the Company Secretarial Agreement are set out in paragraph 7.8 of Part X (*Additional Information*) of this Prospectus.

(iii) Administration

The Administrator is entitled to receive a one-off fee of £8,800 and an annual aggregate fee of £63,380 (and an additional fee of 0.25 basis points on the part of the GAV that is above £88 million) for its various services in relation to the Company. The fees for any further services provided by the Administrator will be agreed between the parties from time to time. Further details of the Administration Agreement are set out in paragraph 7.5 of Part X (*Additional Information*) of this Prospectus.

(iv) Registrar

Under the terms of the Registrar Agreement the Registrar is entitled to an annual fee calculated on the basis of the number of shareholders in the Company. Any additional services provided by the Registrar will incur additional charges. Further details of the Registrar Agreement are set out in paragraph 7.6 of Part X (*Additional Information*) of this Prospectus.

(v) Receiving Agent

For the provision of receiving agent services under the Receiving Agent Agreement, the Receiving Agent is entitled to a fee of £8,000 in connection with the Issue. Further details of the Receiving Agent Agreement are set out in paragraph 7.7 of Part X (*Additional Information*) of this Prospectus.

(vi) Audit

The Auditor will provide audit services to the Company. The annual report and accounts will be prepared in compliance with IFRS. Since the fees charged by the Auditor will depend on the services provided and the time spent by the Auditor on the affairs of the Company, there is therefore no maximum amount payable.

(vii) Depositary

In consideration for its services, the Depositary is entitled to receive an annual fee of 1.50 basis points on the GAV if the GAV is below £2,200 million and an annual fee of 1.25 basis points on the part of the GAV that is in excess of £2,200 million, subject to a minimum annual fee of £13,200. Any additional services provided by the Depositary will incur additional charges. The fee levels increase from the third year of the Depositary's appointment. Further details of the Depositary Agreement are set out in paragraph 7.4 of Part X (*Additional Information*) of this Prospectus.

(viii) Valuer

The Investment Manager intends to appoint a professional independent valuer, to conduct valuations of the Company's properties semi-annually as at 30 June and 31 December in each year, and at such other times as the Investment Manager determines in its discretion.

(ix) Other Expenses

Other ongoing operational expenses (excluding fees paid to service providers as detailed above) of the Company will be borne by the Company including travel, accommodation, printing, audit and legal fees, and all professional fees and costs relating to the acquisition, holding or disposal of investments and any proposed investments that are reviewed or contemplated but which do not proceed to completion. These expenses will be deducted from the assets of the Company (inclusive of the costs of directors' and officers' liability insurance for the Directors, which is estimated to be approximately £25,000 per year). All out-of-pocket expenses of the Investment Manager, the Portfolio Manager, the Property Manager, the Directors, the Administrator, the Company Secretary, the Depositary, the Auditor, the valuer, the Registrar and the Receiving Agent relating to the Company will be borne by the Company.

PART V—THE TARGET PORTFOLIO

The Portfolio Manager has entered into exclusivity arrangements and/or advanced negotiations on behalf of the Company in respect of the acquisition of the following four assets of approximately £85 million (collectively, the “**Target Portfolio**”).

| | Asset 1 | Asset 2 | Asset 3 | Asset 4 |
|--|-------------|--------------|--------------|--------------|
| Property sector | Hotel | GP Surgery | Office | Supermarket |
| Location | South East | South East | North West | South West |
| Valuation | £20.3m | £21.1m | £22.2m | £22.2m |
| Net Initial Yield | 7.6% | 4.4% | 4.3% | 4.8% |
| Unexpired lease term | 13.5 years | 14.5 years | 19.0 years | 14.9 years |
| Rent review terms | Annual RPIX | 5 yearly RPI | 5 yearly RPI | 5 yearly RPI |
| Tenant credit rating* | BBB | A | BBB– | BB+ |

*As rated by Aviva Investors’ credit analysis team.

| | |
|--|---|
| Total Valuation | £85.8m |
| Net Initial Yield | 5.6% |
| Weighted Average Unexpired Lease Term | 15.2 years |
| Geographical breakdown | 48% South East, 26% South West and 26% North West |
| Tenant credit rating breakdown* | 25% A, 24% BBB, 26% BBB– and 26% BB+ |

*As rated by Aviva Investors’ credit analysis team.

The assets comprising the Target Portfolio are consistent with the investment policy of the Company set out in paragraph 4 of Part I (*Information on the Company*) of this Prospectus.

The assets comprising the Target Portfolio are subject to ongoing due diligence by the Portfolio Manager and its professional advisers and no contractually binding obligations have been, and will not prior to Admission be, entered into for their sale and purchase.

In addition, the acquisition of two of the assets comprising the Target Portfolio are expected to be related party transactions for the purposes of the Listing Rules and, accordingly, will be subject to approval by the Shareholders at a general meeting. There can be no assurance that the Company will complete the acquisitions of any or all of the assets comprising the Target Portfolio.

In addition to the Target Portfolio, through the Portfolio Manager’s existing industry relationships and market access, the Company expects to be able to have access to a strong pipeline of potential investments. It is engaged in discussions and negotiations with a number of owners of assets, sourced by the Portfolio Manager off-market. The identified pipeline (excluding the Target Portfolio) comprises assets with an estimated value in excess of £400 million.

PART VI—THE ISSUE

1. The Issue

The Company intends to issue up to 200 million Ordinary Shares at 100 pence per Ordinary Share pursuant to the Issue, raising proceeds of £200 million, before commissions and other estimated costs and expenses. Assuming Gross Issue Proceeds of £200 million are raised pursuant to the Issue, the costs and expenses payable by the Company will not exceed £4 million. The Directors have reserved the right, in consultation with Jefferies, to increase the size of the Issue to a maximum of £250 million. The Issue comprises the Aviva Subscription and the Offer. The Offer comprises the Placing and the Intermediaries Offer.

Pursuant to the Aviva Subscription Agreement, Aviva Life Fund has committed to subscribe for such number of Ordinary Shares as comprises approximately 19.99 per cent of the issued ordinary share capital of the Company immediately following Admission. Pursuant to the Aviva Subscription Agreement, Aviva Life Fund may elect in its absolute discretion to increase its subscription to up to a maximum of 25 per cent of the issued ordinary share capital of the Company immediately following Admission. Aviva Life Fund intends to hold the Ordinary Shares acquired by it pursuant to the Issue for the long-term.

The actual number of Ordinary Shares to be issued pursuant to the Issue, and therefore the Gross Issue Proceeds, are not known as at the date of this Prospectus but will be notified by the Company via a Regulatory Information Service announcement prior to Admission.

The Ordinary Shares are being offered pursuant to the Issue at the Issue Price. The Ordinary Shares to be issued pursuant to the Issue will rank *pari passu* in all respects with the existing Ordinary Shares, including as regards the right to vote and the right to receive all dividends and other distributions declared, made or paid on the Company's share capital after Admission. The Ordinary Shares will, immediately on and from Admission, be freely transferable, subject to the Articles.

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

- the Sponsor's and Placing Agreement becoming unconditional in all respects (save as to Admission) and not having been terminated on or before 8 December 2017 (or such later date, not being later than 31 December 2017, as the Company and the Investment Manager may agree with Jefferies);
- Admission becoming effective by not later than 8.00 a.m. (London time) on 8 December 2017 (or such later time and/or date, not being later than 8.00 a.m. (London time) on 31 December 2017, as the Company and the Investment Manager may agree with Jefferies); and
- the Minimum Net Proceeds being raised.

Accordingly, if any such conditions are not satisfied, the Issue will not proceed and any applications made in respect of the Issue will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk) without payment of interest, as soon as practicable thereafter. Provided that the Minimum Net Proceeds are raised, all Ordinary Shares subscribed for may be allotted, even though the target of 200 million Ordinary Shares is not achieved.

When admitted to trading, the Ordinary Shares will be registered with ISIN GB00BZ7MK705 and SEDOL BZ7MK70 and it is expected the Company will trade under ticker symbol is AISI.

Immediately following Admission, it is expected that more than 75 per cent of the Company's issued Ordinary Share capital will be held in public hands (within the meaning of Listing Rule 6.1.19).

2. Reasons for the Issue and Use of Proceeds

The reason for the Issue is to raise funds to pay (i) the consideration for the Target Portfolio of approximately £85 million, together with associated costs and expenses (assuming the Company proceeds to acquire all of the assets comprising the Target Portfolio); (ii) the fees and expenses of the Issue payable by the Company in the amount of up to £4 million (assuming Gross Issue Proceeds of £200 million are raised); and (iii) for new investments to be sourced and acquired in accordance with the Company's investment objective and policy.

Until the Net Proceeds are fully invested in accordance with the Company's investment policy, and pending re-investment or distribution of cash receipts, the Company intends to hold such funds in cash and cash equivalents, or to invest them in near cash instruments and money market instruments.

3. The Placing

Subject to the restrictions on sales set out in Part IX (*Restrictions on Sales*) of this Prospectus, the Ordinary Shares will be offered to institutional and other sophisticated investors.

Assuming an Issue size of 200 million Ordinary Shares and no Ordinary Shares are subscribed for pursuant to the Intermediaries Offer, the Placing comprises an offer of up to 160,020,000 Ordinary Shares. The procedure for prospective investors participating in the Placing, including the terms and conditions thereof, is set out in Part XI (*Terms and Conditions of the Placing*) of this Prospectus.

The Company, the Investment Manager, the Directors and Jefferies have entered into the Sponsor's and Placing Agreement pursuant to which, subject to certain conditions, Jefferies has agreed to use its reasonable endeavours to procure subscribers for the Ordinary Shares under the Placing at the Issue Price. The Sponsor's and Placing Agreement contains certain conditions and provisions entitling Jefferies to terminate the Sponsor's and Placing Agreement (and the arrangements associated with it) at any time before Admission in certain circumstances. If this right of termination is exercised by Jefferies, the Placing will lapse and any monies received in respect of the Placing will be returned to applicants without interest and at their own risk. If this right of termination is exercised, the Intermediaries Offer and the Aviva Subscription will also lapse and any moneys received in respect of the Intermediaries Offer and/or the Aviva Subscription will be returned to applicants and Aviva Life Fund (as the case may be) without interest and at their own risk.

Further details of the Sponsor's and Placing Agreement are set out in paragraph 7.1 of Part X (*Additional Information*) of this Prospectus.

4. The Intermediaries Offer

Investors may also subscribe for Ordinary Shares at the Issue Price of 100 pence per Ordinary Share pursuant to the Intermediaries Offer. The Company has agreed to reserve a minimum of such number of Ordinary Shares as comprises 20 per cent of the issued share capital of the Company immediately following Admission for allocation under the Intermediaries Offer. The actual number of Ordinary Shares to be allocated as between the Intermediaries will be determined by the Company (in consultation with Jefferies, the Investment Manager and the Intermediaries Offer Adviser). In the event that the aggregate number of Ordinary Shares applied for pursuant to the Intermediaries Offer is less than 20 per cent of the issued share capital of the Company, additional Ordinary Shares may be allocated to the Placing, subject to there being sufficient demand for such Ordinary Shares from institutional investors.

Only the Intermediaries' retail investor clients in the United Kingdom, the Channel Islands and the Isle of Man are eligible to participate in the Intermediaries Offer. Investors may apply to any one of the Intermediaries to be accepted as their client. The Intermediaries who have been appointed by the Company prior to the date of this Prospectus are listed in paragraph 21 of Part X (*Additional Information*) of this Prospectus. Further Intermediaries may be appointed after the date of this Prospectus.

Underlying applicants are not allowed to make more than one application under the Intermediaries Offer (whether on their own behalf or through other means, including, but without limitation, through a trust or pension plan).

No Ordinary Shares allocated under the Intermediaries Offer will be registered in the name of any person whose registered address is outside the United Kingdom, the Channel Islands or the Isle of Man except in certain limited circumstances with the consent of Jefferies. For the avoidance of doubt, applicants in the United States will not be able to participate in the Intermediaries Offer.

An application for Ordinary Shares in the Intermediaries Offer means that the applicant agrees to acquire the Ordinary Shares at the Issue Price. The minimum application amount in the Intermediaries Offer is £1,000.

Each underlying applicant must comply with the appropriate money laundering checks required by the relevant Intermediary. Where an application is not accepted or there are insufficient Ordinary Shares available to satisfy an application in full, the relevant Intermediary will be obliged to refund the underlying applicant as required and all such refunds will be made in accordance with the terms provided by the Intermediary to the underlying applicant. The Company, the Investment Manager and Jefferies accept no responsibility with respect to the obligation of the Intermediaries to refund monies in such circumstances.

Each Intermediary has agreed, or will on appointment agree, to the Intermediaries Terms and Conditions, which regulate, *inter alia*, the conduct of the Intermediaries Offer on market standard terms and provide for the payment of commission to any Intermediary that elects to receive commission from Jefferies.

Pursuant to the Intermediaries Terms and Conditions, in making an application, each Intermediary will also be required to represent and warrant that they are not located in the United States and are not acting on behalf of anyone located in the United States. Under the Intermediaries Offer, Ordinary Shares will be offered to persons outside the United States in reliance on Regulation S under the Securities Act. In addition, the Intermediaries may prepare certain materials for distribution or may otherwise provide information or advice to retail investors in the United Kingdom, the Channel Islands and the Isle of Man subject to the Intermediaries Terms and Conditions. Any such materials, information or advice are solely the responsibility of the relevant Intermediary and shall not be reviewed or approved by any of the Company, the Investment Manager, Jefferies or the Intermediaries Offer Adviser. Any liability relating to such documents shall be for the Intermediaries only. Any Intermediary that uses this Prospectus must state on its website that it uses this Prospectus in accordance with the Company's consent and the conditions attached thereto.

Intermediaries are required to provide the terms and conditions of the relevant offer made by the Intermediary to any prospective investor who has expressed an interest in participating in the Intermediaries Offer. Any expenses incurred by any Intermediary are for its own account. Investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offer.

Each Intermediary will be informed by the Receiving Agent of the aggregate number of Ordinary Shares allocated to, and to be acquired by, the Intermediary on behalf of its underlying clients (or to the Intermediaries themselves) and the total amount payable in respect thereof.

Pursuant to the Intermediaries Terms and Conditions, the Intermediaries have undertaken to make payment on their own behalf (and not on behalf of any other person) of the consideration for the Ordinary Shares allocated, at the Issue Price, to Jefferies in accordance with details to be communicated to them, by means of the CREST system against delivery of the Ordinary Shares at the time and/or date set out in the section of this Prospectus headed "*Expected Timetable of Principal Events*".

5. Allocations and Scale Back

Allocation of Ordinary Shares under the Offer will be determined by the Company (in consultation with Jefferies and the Investment Manager and, in the case of the Intermediaries Offer only, after consultation with Jefferies, the Investment Manager and the Intermediaries Offer Adviser) and there is no obligation for such Ordinary Shares to be allocated proportionally, save that the Company has agreed to reserve a minimum of such number of Ordinary Shares as comprises 20 per cent of the issued share capital of the Company immediately following Admission for allocation under the Intermediaries Offer. In the event that the aggregate number of Ordinary Shares applied for pursuant to the Intermediaries Offer is less than 20 per cent of the issued share capital of the Company, additional Ordinary Shares may be allocated to the Placing, subject to there being sufficient demand for such Ordinary Shares from institutional investors.

In the event that commitments under the Issue exceed the maximum number of Ordinary Shares available, applications under the Issue will be scaled back at the discretion of the Company (in consultation with Jefferies and the Investment Manager and, in the case of the Intermediaries Offer only, after consultation with Jefferies, the Investment Manager and the Intermediaries Offer Adviser). In any event, the rights of Aviva Life Fund to subscribe under the Aviva Subscription will take precedence.

6. Restrictions due to lack of registration under the US Securities Act and US Investment Company Act

The Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Ordinary Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into the United States or to, or for the account or benefit of, US Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

The Ordinary Shares are being offered and sold outside the United States to non-US Persons in reliance on Regulation S under the US Securities Act.

The Company has not been and will not be registered under the US Investment Company Act and investors will not be entitled to the benefits of the US Investment Company Act.

7. Costs and expenses of the Issue

The commissions and other estimated costs and expenses of the Issue will be borne by the Company from the Gross Issue Proceeds, provided that if the costs and expenses of the Issue are such that the NAV per Share as at Admission would be less than 98 pence, the Investment Manager has agreed to pay such proportion of the costs and expenses of the Issue (which would ordinarily be payable by the Company) so as to ensure that the NAV per Share as at Admission will be 98 pence. Assuming Gross Issue Proceeds of £200 million are raised pursuant to the Issue, the costs and expenses payable by the Company will not exceed £4 million.

8. CREST

Ordinary Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST.

CREST is a paperless settlement procedure enabling securities to be evidenced other than by certificates and transferred other than by written instrument. The Articles permit the holding of the Ordinary Shares under the CREST system and the Directors intend to apply for the Ordinary Shares to be admitted to CREST as participating securities with effect from Admission. Accordingly, it is intended that settlement of transactions in the Ordinary Shares following Admission, once issued and fully paid, may take place within the CREST system if the relevant Shareholders so wish.

CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so upon request from the Registrar.

If a Shareholder or transferee requests Ordinary Shares to be issued in certificated form, a share certificate will be despatched either to them or their nominee (at their own risk) as soon as practicable. Shareholders holding definitive certificates may elect at a later date to hold their Ordinary Shares through CREST in uncertificated form provided that they surrender their definitive certificates to the Registrar on behalf of the Company.

9. Dealings

The Issue is subject to the satisfaction (or waiver) of certain conditions contained in the Sponsor's and Placing Agreement, including Admission occurring and becoming effective by 8.00 a.m. (London time) on 8 December 2017 or such later time or date as may be determined in accordance with the Sponsor's and Placing Agreement (not being later than 31 December 2017).

Applications will be made for the Ordinary Shares to be admitted to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence at 8.00 a.m. on 8 December 2017. It is expected that CREST accounts will be credited with Ordinary Shares on 8 December 2017 and, if applicable, definitive share certificates for the Ordinary Shares will be dispatched by 15 December 2017 or as soon as practicable thereafter. No temporary documents of title will be issued. Pending the despatch by post of definitive share certificates where applicable, transfers will be certified against the register held by the Registrar.

The above dates and times may be brought forward or extended and any changes will be notified via RIS announcement.

10. Lock-up and Orderly Market Arrangements

The Company has agreed with Jefferies not to issue any further Ordinary Shares in the Company during a period of 180 days from the date of Admission, without the prior written consent of Jefferies. Aviva Life Fund has agreed with Jefferies and the Company that, for a period of 24 months from the date of Admission, it shall not dispose of the Ordinary Shares acquired by it pursuant to the Issue unless, *inter alia*, it has consulted with Jefferies as to the terms of the disposal and the disposal is brokered through Jefferies at Jefferies' standard rate of commission as at the relevant date (provided that such commission is overall competitive with that charged by other brokers), in all cases with a view to maintain an orderly market in the Company's publicly traded securities.

PART VII—TAXATION

The statements on taxation referred to in this Part VII (*Taxation*) of this Prospectus are for general information purposes only and are not intended to be a comprehensive summary of all technical aspects of the structure and are not intended to constitute legal or tax advice to potential investors.

The statements on taxation below are intended to be a general summary of certain tax consequences that may arise for prospective investors in relation to the Ordinary Shares (which may vary depending upon the particular individual circumstances and status of prospective investors), and a general guide to the tax treatment of the Company once it has elected to join the REIT regime. The tax position of the Company prior to entry into the REIT regime will be that of a UK company, whereby the Company is subject to UK corporation tax on all its profits and gains. Dividends paid to investors would not be subject to UK withholding tax, but may be taxable in the hands of investors in line with the comments set out below in paragraph 2.4(e) of this Part VII (*Taxation*) of this Prospectus.

The comments below are based on the laws and published practices as at the time of writing and may be subject to future revision. This note is not intended to constitute advice to any person and should not be so construed.

Each prospective Shareholder should consult their own tax advisers as to the possible tax consequences of buying, holding or selling Shares under the laws of their country of citizenship, residence or domicile or other jurisdictions in which they are subject to tax.

1. United Kingdom

This summary only covers the principal UK tax consequences for the absolute beneficial owners of Ordinary Shares and any dividends paid in respect of them, in circumstances where the dividends paid are regarded for UK tax purposes as that person's own income (and not the income of some other person), and, except in so far as express reference is made to the treatment of individuals who are non-UK tax resident and/or non-UK domiciled, individuals who are resident and domiciled in the UK for tax purposes. In addition, the summary (i) only addresses the tax consequences for holders who hold the Ordinary Shares as capital assets; (ii) does not address the tax consequences which may be relevant to certain other categories of holders, for example, dealers, charities, registered pension schemes, insurance companies, or collective investment schemes; (iii) assumes that the holder does not control or hold directly or indirectly, either alone or together with one or more associated or connected persons, 10 per cent or more of the shares and/or voting power of the Company; (iv) assumes that the holder has not acquired (nor has been deemed for tax purposes to have acquired) shares by reason of an office or employment; (v) assumes that the Ordinary Shares will not be paired with shares issued by any company incorporated in the UK; and (vi) assumes that the Company is resident in the UK for tax purposes.

2. Taxation of Property Income Distributions

2.1 *UK taxation of Shareholders who are individuals*

Subject to certain exceptions, a PID will generally be treated in the hands of Shareholders who are individuals as the profit of a single UK property business (as defined in Part 3 of the Income Tax (Trading and Other Income) Act 2005). A PID is, together with any property income distribution from any other company to which Part 12 of CTA 2010 applies, treated as a separate UK property business. Income from any other UK property business (a "different UK property business") carried on by the relevant Shareholder must be accounted for separately. This means that any surplus expenses from a Shareholder's different UK property business cannot be offset against a PID as part of a single calculation of the profits of the Shareholder's UK property business. A Shareholder who is subject to income tax at the basic rate will be liable to pay income tax at 20 per cent, on the PID. Higher rate and additional rate taxpayers will be taxable at the respective prevailing rates.

Higher rate taxpayers will be subject to tax at 40 per cent, and additional rate taxpayers at 45 per cent. A credit will be available in respect of the basic rate tax withheld by the Company on the PID.

The £1,000 property income allowance that is proposed by the second 2017 Finance Bill (section 783BD ITTOIA 2005) will not apply to PIDs.

2.2 *UK taxation of UK tax resident corporate Shareholders*

Subject to certain exceptions, a PID will generally be treated in the hands of Shareholders who are within the charge to corporation tax as the profit of a property business (as defined in Part 4 of CTA 2009) ("**Part 4 property business**"). A PID is, together with any property income distribution from any other company to which Part 12 of CTA 2010 applies, treated as a separate Part 4 property business. Income from any other

Part 4 property business (a “**different Part 4 property business**”) carried on by the relevant Shareholder must be accounted for separately. This means that any surplus expenses from a Shareholder’s different Part 4 property business cannot be offset against a PID as part of a single calculation of the relevant shareholder’s property business profits.

A Shareholder within the charge to corporation tax will generally be subject to corporation tax at the prevailing rates applicable to the respective investor.

2.3 UK taxation of Shareholders who are not resident for tax purposes in the United Kingdom

Where a Shareholder who is not resident for tax purposes in the UK receives a PID, the PID will generally be chargeable to UK income tax as profit of a UK property business and this tax will generally be collected by way of a withholding tax. Under Section 548(7) of CTA 2010, this income is expressly not non-resident landlord income for the purposes of regulations under section 971 of the Income Tax Act 2007.

Prospective non-UK tax resident shareholders should consult their own professional advisers on the implications in the relevant jurisdictions of any non-UK implications of receiving PIDs.

2.4 Withholding tax and PIDs

(a) General

Subject to certain exceptions summarised below, the Company is required to withhold income tax at source at the basic rate (currently 20 per cent) from its PIDs (whether paid in cash or in the form of a stock dividend). The Company will provide Shareholders with a certificate setting out the gross amount of the PID, the amount of tax withheld, and the net amount of the PID.

(b) Shareholders solely resident in the United Kingdom

Where tax has been withheld at source, Shareholders who are individuals may, depending on their particular circumstances, be liable to further tax on their PID at their applicable marginal rate, incur no further liability on their PID, or be entitled to claim repayment of some or all of the tax withheld on their PID. Shareholders who are corporate entities will generally be liable to pay corporation tax on their PID and if (exceptionally) income tax is withheld at source, the tax withheld can be set against their liability to corporation tax, or income tax which they are required to withhold, in the accounting period in which the PID is received.

(c) Shareholders who are not resident for tax purposes in the United Kingdom

It is not possible for a Shareholder to make a claim under a double taxation convention for a PID to be paid by the Company gross or at a reduced rate. The right of a Shareholder to claim repayment of any part of the tax withheld from a PID will depend on the existence and terms of any double taxation convention between the United Kingdom and the country in which the Shareholder is resident and the ability of the shareholder to secure the benefits of the respective double taxation convention. Shareholders who are not resident for tax purposes in the United Kingdom should obtain their own tax advice concerning tax liabilities on PIDs received from the Company.

(d) Exceptions to requirements to withhold income tax

Shareholders should note that, in certain circumstances the Company is not required to withhold income tax at source from a PID. These include where the Company reasonably believes that the person beneficially entitled to the PID is a company resident for tax purposes in the United Kingdom, or a company resident for tax purposes outside the United Kingdom with a permanent establishment in the UK, which is required to bring the PID into account in computing its chargeable profits or certain charities. They also include where the Company reasonably believes that the PID is paid to the scheme administrator of a UK approved pension scheme, the sub-scheme administrator or certain pension sub-schemes, the account manager of an individual savings account, the plan manager of a personal equity plan, or the account provider for a child trust fund, in each case, provided the Company reasonably believes that the PID will be applied for the purposes of the relevant scheme, account plan or fund. In order to pay a PID without withholding tax, the Company will need to be satisfied that the shareholder concerned is entitled to that treatment. For that purpose, the Company will require such Shareholders to submit a valid claim form. Shareholders should note that the Company may seek recovery from Shareholders if the statements made in their claim form are incorrect and the Company suffers tax as a result. The Company will, in some circumstances, suffer tax if its reasonable belief as to the status of a Shareholder turns out to have been mistaken.

(e) UK Taxation of Non-PID Dividends

Since 6 April 2016, an individual shareholder who is resident in the UK (for tax purposes) and who receives a Non-PID Dividend from the Company will be entitled to an annual tax-free allowance of £5,000 of dividend income (which is taxed at 0 per cent). To the extent that dividend income exceeds this £5,000 threshold, tax will currently be imposed at the rates of 7.5 per cent for basic rate taxpayers, 32.5 per cent for higher rate taxpayers and 38.1 per cent for additional rate taxpayers. It should be noted that the £5,000 annual allowance is planned to reduce to £2,000 for fiscal years commencing 6 April 2018.

Shareholders who are within the charge to UK corporation tax will be subject to corporation tax on Non-PID Dividends paid by the Company, unless the Non-PID Dividends fall within an exempt class set out in Part 9A of the Corporation Tax Act 2009 and certain other conditions are met. Whether an exempt class applies and whether the other conditions are met will depend on the circumstances of the particular Shareholder, although it is expected that the Non-PID Dividends paid by the Company will normally be exempt.

The Company will not be required to withhold tax at source when paying a Non-PID Dividend (whether in cash or in the form of a stock dividend).

2.5 UK taxation of chargeable gains in respect of Shares

For the purpose of UK tax on chargeable gains, the amount paid by a Shareholder for Shares will constitute the base cost of his holding. If a Shareholder disposes of all or some of his Shares, a liability to tax on chargeable gains may arise. This will depend on the base cost and incidental costs of acquisition and disposal, which can be allocated against the proceeds and also the Shareholder's circumstances and any reliefs to which he is entitled. In the case of corporate Shareholders, indexation allowance will apply to the amount paid for the Shares.

2.6 UK taxation of Shareholders who are UK tax resident individuals

Subject to the availability of any exemptions, reliefs and/or allowable losses, a gain on disposal of Shares by individuals, trustees and personal representatives will generally be subject to capital gains tax at the rate of 20 per cent

2.7 UK taxation of UK tax resident corporate Shareholders

Subject to the availability of any exemptions, reliefs and/or allowable losses, a gain on disposal of Shares by a Shareholder within the charge to UK corporation tax will generally be subject to corporation tax at the prevailing rates applicable to the respective investor.

2.8 UK taxation of Shareholders who are not resident in the United Kingdom for tax purposes

Shareholders who are not resident in the United Kingdom for tax purposes may not, depending on their personal circumstances, be liable to UK taxation on chargeable gains arising from the sale or other disposal of their Shares (unless they carry on a trade, profession or vocation in the United Kingdom through a branch or agency with which their Shares are connected, or, in the case of a corporate shareholder, through a permanent establishment in connection with which the Shares are held). Individual Shareholders who are temporarily not UK resident and who dispose of all or part of their Shares during that period may be liable to UK capital gains tax on chargeable gains realised on their return to the United Kingdom, subject to any available exemptions or reliefs.

Shareholders who are resident for tax purposes outside the United Kingdom may be subject to foreign taxation on capital gains depending on their circumstances.

2.9 Stamp Duty and Stamp Duty Reserve Tax ("SDRT") on transfers of Shares

No UK stamp duty or stamp duty reserve tax will generally be payable on the issue, allotment and registration of the Shares.

UK legislation provides for a 1.5 per cent, stamp duty or SDRT charge where shares are transferred (in the case of stamp duty) or issued or transferred (in the case of SDRT) (i) to or to a nominee or agent for, a person whose business is or includes the provision of clearance services or (ii) to, or to a nominee or agent for, a person whose business is, or includes, issuing depositary receipts. However, following litigation, HMRC has confirmed that it will no longer seek to apply the 1.5 per cent SDRT charge on an issue of shares or securities into a clearance service or depositary receipt arrangements on the basis that the charge is not compatible with EU Law. The non-compatible legislation remains, however, and may become effective if the United Kingdom leaves the European Union. The 1.5 per cent SDRT or stamp duty charge will continue to apply to transfers of shares or securities into a clearance service or depositary receipt arrangement unless they are an integral part of

an issue of share capital. In addition, the Finance Act 2016 includes legislation providing that shares transferred into a clearance service or depository receipt arrangement as a result of the exercise of an option granted on or after 25 November 2015 and exercised on or after 23 March 2016 will be subject to stamp duty or SDRT at a rate of 1.5 per cent on the higher of the market value of the shares and the option strike price. Accordingly, it may be appropriate to seek specific professional advice before incurring a 1.5 per cent stamp duty or SDRT charge.

Clearance services may opt, under certain conditions, for the normal rates of stamp duty or SDRT (being 0.5 per cent of the amount or value of the consideration for the transfer rounded up in the case of stamp duty to the nearest £5.00) to apply to a transfer of shares into, and to transaction within, the service instead of the higher rate of 1.5 per cent, referred to above.

2.10 Transfers on sale

Shares will generally be subject to UK stamp duty at the rate of 0.5 per cent of the amount or value of the consideration given for the transfer rounded up to the next £5.00. The purchaser is liable for the stamp duty. An exemption from stamp duty will be available on an instrument transferring the Shares where the amount or value of the consideration is £1,000.00 or less and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000.00. An agreement to transfer Ordinary Shares will normally give rise to a charge to SDRT at the rate of 0.5 per cent of the amount or value of the consideration payable for the transfer. If a duly stamped transfer in respect of the agreement is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional), any SDRT paid is repayable, generally with interest, and otherwise the SDRT charge is cancelled. SDRT is, in general, payable by the purchaser.

Agreements to transfer shares within the CREST system will generally be liable to SDRT (rather than stamp duty) at the rate of 0.5 per cent of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system. Deposits of Shares into CREST will not generally be subject to SDRT unless the transfer into CREST is itself for consideration in money or money's worth.

Prospective purchasers of Shares should consult their own tax advisers with respect to the tax consequences to them of acquiring, holding and disposing of Shares

PART VIII—THE UNITED KINGDOM REIT REGIME

1. Introduction

The summary of the REIT Regime applicable in the UK (the “**REIT Regime**”) below is intended to be a general guide only and constitutes a high-level summary of the Company’s understanding of certain aspects of current UK law and HMRC practice relating to the UK REIT Regime, each of which is subject to change, possibly with retrospective effect. It is not an exhaustive summary of all applicable legislation in relation to the REIT Regime.

On the basis that the Company may in due course acquire subsidiary companies and submit a notice to become a group REIT, the comments below also make reference to the tax position that would apply to a group REIT.

2. The REIT Regime

The following paragraphs are intended as a general guide only and do not constitute advice to any Shareholder, prospective investor in the Company or other person.

2.1 Overview

Investing in property through a UK taxable corporate investment vehicle generally has the disadvantage that, in comparison to a direct investment in property assets, some categories of shareholder effectively suffer tax twice on the same income: first, indirectly, when the vehicle pays UK direct tax on its profits; and second when the shareholder receives a dividend. UK non-tax paying entities, such as UK pension funds, bear tax indirectly when investing through a taxable closed-ended corporate vehicle that is not a REIT in a manner which they would not suffer if they were to invest directly in property assets.

The Company, as a UK REIT will not pay UK direct taxes on profits and capital gains from its “Qualifying Property Rental Business” (within the meaning of section 205 of CTA 2009 or an overseas property business within the meaning of section 206 of CTA 2009), but in each case, excluding certain specified types of business (as per section 519(3) of CTA 2010) in the UK and elsewhere. Instead distributions in respect of the tax-exempt Qualifying Property Rental Business are treated for UK tax purposes as UK property income in the hands of Shareholders.

Gains arising in UK resident companies on the disposal of shares in property owning companies may, however, be subject to UK corporation tax. In addition, a REIT remains subject to overseas direct taxes in respect of any property rental business carried on outside the UK and UK (and, if relevant, overseas) direct taxes are still payable in respect of income and gains from the REIT’s Group’s businesses (generally including any property trading business) not included in its Qualifying Property Rental Business (the “**Residual Business**”).

Whilst within the REIT Regime, the Qualifying Property Rental Business is “ring-fenced” and treated for UK corporation tax purposes as a separate business from the Residual Business. Accordingly, a loss incurred in the Qualifying Property Rental Business cannot be set off against profits of the Residual Business (and vice versa) and cannot be carried forward to set off against any profits arising if the Company were to cease to be a REIT.

A dividend paid by the Company relating to profits or gains of the Qualifying Property Rental Business is referred to as a “**PID**” or a “**Property Income Distribution**”. Other normal dividends paid by the Company (including dividends relating to the Residual Business) are referred to as “Non-PID Dividends”. Under the REIT Regime, both PIDs and Non-PID Dividends are capable of being satisfied by stock dividends.

You should note that the Company intends to carry on Qualifying Property Rental Business only. Further details of the UK tax treatment of Shareholders as a consequence of participation in the REIT Regime are contained in Part VII (*Taxation*) of this Prospectus.

In this Part VIII (*The United Kingdom REIT Regime*) of this Prospectus, references to a company’s accounting period are to its accounting period for UK corporation tax purposes. This period can differ from a company’s accounting period for other purposes.

2.2 Qualification as a REIT

A company becomes a REIT by serving a notice to HMRC before the date from which it wishes to enter the REIT Regime. In order to qualify as a REIT, the REIT must satisfy certain conditions set out in Part 12 of CTA 2010. A non-exhaustive summary of the material conditions is set out below. Broadly, the Company (or principal company of a group REIT) must satisfy the conditions set out in the paragraphs below.

(a) Company conditions

The Company must be a solely UK tax-resident company, admitted to trading on a recognised stock exchange and it must not be an open-ended investment company. The Company's shares must either be listed on a recognised stock exchange throughout each accounting period or traded on a recognised stock exchange in each accounting period. This listing/traded requirement is relaxed in the REIT's first three accounting periods but the REIT can benefit from this relaxation only once. The Company must also not (apart from in circumstances where it is only a close company because it has as a participator an institutional investor as defined in section 528(4A) of CTA 2010) be a "close company" (as defined in Part 10 of CTA 2010 as amended by section 528(5) of CTA 2010) (the "**close company condition**"). In summary, the close company condition amounts to a requirement that the Company cannot be under the control of five or fewer participators, or of participators who are directors (and participators for these purposes is defined in section 454 of CTA 2010), subject to certain exceptions. The close company condition is relaxed for the REIT's first three years. Hence the Company must cease to be closely held within three years.

An institutional investor includes the trustee or manager of an authorised unit trust (or overseas equivalent), the trustee or manager of a pension scheme, a person acting in the course of a long-term insurance business (or overseas equivalent), UK REIT or overseas equivalent, a person who cannot be liable for corporation tax or income tax on the grounds of sovereign immunity, a charity, a limited partnership which is a collective investment scheme, a registered social landlord or an open-ended investment company (or overseas equivalent).

The Board intends that the Company will not be a close company when it converts. However, if it were to be treated as close on conversion, it would not lose its REIT status due to this initial breach of the company conditions provided it ceased to be close within three years.

(b) Share capital restrictions

The Company must have only one class of ordinary shares in issue. The only other shares it may issue are non-voting restricted preference shares, including shares which would be restricted preference shares but for the fact that they carry a right of conversion into shares or securities in the Company.

(c) Borrowing restrictions

The Company must not be party to any loan in respect of which the lender is entitled to interest which exceeds a reasonable commercial return on the consideration lent or where the interest depends to any extent on the results of any of its business or on the value of any of its assets. In addition, the amount repayable must either not exceed the amount lent or must be reasonably comparable with the amount generally repayable (in respect of an equal amount lent) under the terms of issue of securities listed on a recognised stock exchange.

(d) Financial Statements

If in due course the Company acquires subsidiary entities and notifies HMRC that it will become a group REIT, it must prepare financial statements in accordance with statutory requirements set out in sections 532 and 533 of CTA 2010 and submit these to HMRC. In particular, the financial statements must contain the information about the Qualifying Property Rental Business and any Residual Business separately. These provisions do not apply to a company REIT.

(e) Qualifying Property Rental Business Conditions (including the Balance of Business conditions)

The Company (or group REIT) must satisfy, amongst other things, the following conditions in respect of each accounting period during which it is to be treated as a REIT.

- (i) the Qualifying Property Rental Business must, throughout the accounting period, involve at least three properties;
- (ii) throughout the accounting period, no one property may represent more than 40 per cent of the total value of all the properties involved in the Qualifying Property Rental Business. Assets must be valued in accordance with IFRS and at fair value when IFRS offers a choice between a cost basis and a fair value basis;
- (iii) the profits arising from the Qualifying Property Rental Business must represent at least 75 per cent of the Company's (or group REIT's) total profits for the accounting period (the "**75 per cent profits test**"). Profits for this purpose means profits calculated in accordance with IFRS, before deduction of tax, and excludes (among other items) realised and unrealised gains and losses on the disposal of property; and

(iv) at the beginning of the accounting period, the value of the assets in the Qualifying Property Rental Business must represent at least 75 per cent of the total value of assets held by the Company (or group REIT) (the “**75 per cent assets test**”). Cash held on deposit and gilts or relevant UK REIT shares are included in the value of assets relating to the Qualifying Property Rental Business for the purpose of meeting the 75 per cent assets test. Non-cash assets must be valued in accordance with IFRS and at fair value where IFRS offers a choice of valuation between cost basis and fair value.

In addition, the Qualifying Property Rental Business does not include any property which is classified as owner-occupied in accordance with generally accepted accounting practice (subject to certain exceptions).

(f) Distribution condition

As a REIT, the Company is required (to the extent permitted by law) to distribute to Shareholders (by way of cash or stock dividend), on or before the filing date for the Company’s tax return for the accounting period in question, at least 90 per cent, of its property rental business profits (broadly, calculated using normal UK corporation tax rules) arising in its Qualifying Property Rental Business (the “**90 per cent distribution condition**”). Failure to meet this requirement will result in a tax charge calculated by reference to the extent of the failure, although in certain circumstances where the profits of the period are increased from the amount originally calculated and filed with HMRC, this charge can be mitigated if an additional dividend is paid within a specified period which brings the amount of profits distributed up to the required level. For the purpose of satisfying the 90 per cent distribution condition, any dividend withheld in order to comply with the excessive shareholder rule (as described below) will be treated as having been paid.

2.3 *Investment in other REITs*

The Finance Act 2013 enacted certain amendments to the REIT Regime rules in order to facilitate investment by REITs in other REITs. The legislation exempts a distribution of profits or gains of the Qualifying Property Rental Business of one REIT to another REIT. The investing REIT is required to distribute 100 per cent of such distributions to its shareholders. The investment by one REIT in another REIT will effectively be treated as a Qualifying Property Rental Business asset for the purposes of the 75 per cent assets test.

2.4 *Effect of becoming a REIT*

(a) Tax exemption

As a REIT, the Company will not pay UK tax on profits and gains from the Qualifying Property Rental Business. UK tax is still charged in the normal way in respect of any Residual Business.

Corporation tax could also be payable were the shares in a subsidiary of the Company to be sold (as opposed to property involved in the Qualifying Property Rental Business). The REIT will also continue to pay all other applicable taxes including VAT, stamp duty land tax, stamp duty, PAYE, business rates and national insurance contributions in the normal way.

(b) The Excessive Shareholder rule

The Company may become subject to an additional tax charge if it pays a distribution to, or in respect of, a person beneficially entitled, directly or indirectly, to ten per cent, or more of the Company’s dividends or share capital or that controls, directly or indirectly, ten per cent or more of the voting rights in the Company. REIT Shareholders should note that this tax charge only applies where a distribution is paid to persons that are companies or are treated as bodies corporate in accordance with the law of an overseas jurisdiction with which the United Kingdom has a double taxation agreement or in accordance with such a double taxation agreement. It does not apply where a nominee has such a ten per cent or greater holding unless the persons on whose behalf the nominee holds the shares meet the test in their own right.

The tax charge will not be incurred if the Company has taken reasonable steps to avoid paying distributions to such a person. HMRC guidance describes certain actions that might be taken to show it has taken such “reasonable steps”. One of these actions is to include restrictive provisions in the Articles to address this requirement. The Company’s Articles (as summarised in paragraph 4 of Part X (*Additional Information*) of this Prospectus) are consistent with the provisions described in the HMRC guidance.

(c) Dividends

When the principal company of a REIT pays a dividend (including a stock dividend), that dividend will be a PID to the extent necessary to satisfy the 90 per cent distribution condition. If the dividend exceeds the amount required to satisfy that condition, the REIT may determine that all or part of the balance is a Non-PID Dividend to the extent there are any profits of the current or previous years which derive from activities of a

kind in respect of which corporation tax is chargeable in relation to income (for example, profits of the Residual Business). Any remaining balance of the dividend (or other distribution) will generally be deemed to be a PID: first, in respect of the remaining profits of the Qualifying Property Rental Business for the current year or previous years: and, secondly, in respect of chargeable gains which are exempt from tax by virtue of the REIT Regime. Any remaining balance will be attributed to other Non-PID Dividends.

Subject to certain exceptions, PIDs will be subject to withholding tax at the basic rate of income tax (currently 20 per cent).

If the Company ceases to be a REIT, dividends paid by it may nevertheless be PIDs to the extent they are paid in respect of profits and gains of the Qualifying Property Rental Business that arose while the Company was within the REIT Regime.

(d) Profit: financing cost ratio

A tax charge will arise if, in respect of any accounting period, the ratio of the Company's profits (before capital allowances) to financing costs (in both cases in respect of its Qualifying Property Rental Business) is less than 1.25:1. The ratio is based on the cost of debt finance taking into account interest, amortisation of discounts or premiums, periodic payments and receipts relating to certain hedging instruments (and related amortisation of discounts and premia) and the financing expense implicit in payments made under finance leases. The amount (if any) by which the financing costs exceed the amount of those costs which would cause that ratio to equal 1.25 (subject to a cap of 20 per cent of the income profits) is chargeable to corporation tax.

(e) Certain tax avoidance arrangements

If HMRC considers that a REIT has been involved in certain tax avoidance arrangements, it may cancel the tax advantage obtained and, in addition, impose a tax charge equal to the amount of the tax advantage. These rules apply to both the Residual Business and the Qualifying Property Rental Business. In addition, if HMRC considers that the circumstances are sufficiently serious or if two or more notices in relation to the obtaining of a tax advantage are issued by HMRC in a ten year period, it may require the Company to exit the REIT Regime.

(f) Property development and property trading by a REIT

A property development undertaken by the Company (or a member of a group REIT) can be within the Qualifying Property Rental Business provided certain conditions are met. However, if the costs of the development exceed 30 per cent of the fair value of the asset at the later of: (i) the date on which the relevant company becomes a member of a REIT; and (ii) the date of the acquisition of the development property, and the REIT sells the development property within the three years beginning with the completion of the development, the property will be treated as never having been part of the Qualifying Property Rental Business for the purposes of calculating any gain arising on disposal of the property (and any tax exempt market value deemed disposal of the property or entry to the UK REIT Regime will be ignored). Any gain will be chargeable to corporation tax.

If the Company disposes of a property (whether or not a development property) in the course of a trade, the property will be treated as never having been within the Qualifying Property Rental Business for the purposes of calculating any profit arising on disposal of the property (and any tax exempt market value deemed disposal of the property on entry to the REIT Regime will be ignored). Any profit will be chargeable to corporation tax.

(g) Movement of assets in and out of the Qualifying Property Rental Business

In general, where an asset owned by the Company (or a UK resident member of a group REIT) and used for the Qualifying Property Rental Business begins to be used for the Residual Business, there will be a tax-exempt market value disposal of the asset. Similarly, where an asset used for the Residual Business begins to be used for the Qualifying Property Rental Business, this will generally constitute a taxable market value disposal of the asset for UK corporation tax purposes, except for capital allowances purposes.

(h) Joint ventures

The REIT Regime also makes certain provisions for corporate joint ventures. If the Company is beneficially entitled, in aggregate, to at least 40 per cent of the profits available for distribution to equity holders in a joint venture company and at least 40 per cent of the assets of the joint venture company available to equity holders in the event of a winding up, that joint venture company (or its subsidiaries) is carrying on a Qualifying Property Rental Business which satisfies the 75 per cent profits condition and the 75 per cent assets condition (the "**JV company**") and certain other conditions are satisfied, the Company may, by giving notice to HMRC, elect for the assets and income of the JV company to be included in the Qualifying Property Rental Business

for tax purposes (on a proportionate basis). In such circumstances, the income of the JV company will count towards the 90 per cent, distribution condition and the 75 per cent profits condition and its assets will count towards the 75 per cent assets condition (on a proportionate basis).

The Company's (or group REIT's) share of the underlying income and gains arising from any interest in a tax transparent vehicle carrying on a Qualifying Property Rental Business, including offshore unit trusts or partnerships, should fall within the REIT tax exemption and should also count towards the 75 per cent profits and assets conditions provided the REIT is entitled to more than 20 per cent. Qualifying Property Rental Business profits arising will also count in the calculation of the 90 per cent distribution condition.

(i) Acquisitions and takeovers

If a REIT is taken over by another REIT, the acquired REIT does not necessarily cease to be a REIT and will, provided the applicable conditions continue to be met, continue to enjoy tax exemptions in respect of the profits of its Qualifying Property Rental Business and chargeable gains on disposal of properties in the Qualifying Property Rental Business.

The position is different where a REIT is taken over by an acquirer which is not a REIT. In these circumstances, the acquired REIT is likely in most cases to fail to meet the requirements for being a REIT (unless the acquirer qualifies as an Institutional Investor and the REIT's shares continue to be admitted to trading on a recognised stock exchange and are either listed or traded) and will therefore be treated as leaving the REIT Regime at the end of its accounting period preceding the takeover and ceasing from the end of this accounting period to benefit from tax exemptions on the profits of its Qualifying Property Rental Business and chargeable gains on disposal of property forming part of its Qualifying Property Rental Business. The properties in the Qualifying Property Rental Business are treated as having been sold and re-acquired at market value for the purposes of UK corporation tax on chargeable gains immediately before the end of the preceding accounting period. These disposals should be tax exempt as they are deemed to have been made at a time when the acquired REIT was still in the REIT Regime and future chargeable gains on the relevant assets will, therefore, be calculated by reference to a base cost equivalent to this market value. If the acquired REIT ends its accounting period immediately prior to the takeover becoming unconditional in all respects, dividends paid as PIDs before that date should not be re-characterised retrospectively as normal dividends.

2.5 *Excessive Shareholders*

(a) The Excessive Shareholder Rule

As noted above, under the REIT Regime, a tax charge may be levied on the Company (or principal company of a group REIT) if it makes a distribution to, or in respect of, certain bodies that are beneficially entitled, directly or indirectly, to ten per cent or more of the Company's dividends or share capital or that controls, directly or indirectly, ten per cent or more of the voting rights in the Company (an "**Excessive Shareholder**").

This tax charge will not be incurred if the Company has taken "reasonable steps" to avoid such a distribution being paid.

The Articles contain relevant provisions intended to give the Board the powers it needs to demonstrate to HMRC that "reasonable steps" have been taken to avoid making distributions to Excessive Shareholder.

The Articles contain a special article for this purpose (the "**REIT Provisions**"), in line with HMRC guidance and recommendations.

2.6 *Exit from the REIT Regime*

The Company may give notice to HMRC that it wants to leave the REIT Regime at any time. The Board retains the right to decide that the Company should exit the REIT Regime at any time in the future without the consent of Shareholders if it considers this to be in the best interests of the Company at such time.

If the Company voluntarily leaves the REIT Regime within ten years of joining and disposes of any property or other asset that was involved in its Qualifying Property Rental Business within two years of leaving, any uplift in the base cost of any property held by the Company as a result of the deemed disposal on entry into and deemed disposal and re-acquisition at market value on exit from the REIT Regime (or as a movement from the Qualifying Property Rental Business to the Residual Business) is disregarded in calculating the gain or loss on the disposal.

It is important to note that it cannot be guaranteed that the Company will comply with all of the REIT conditions and that the REIT Regime may cease to apply in certain circumstances. HMRC may require the Company to exit the REIT Regime for a number of reasons, including that:

- (a) it regards a breach of the conditions relating to the REIT Regime, or an attempt to obtain a tax advantage, as sufficiently serious; or
- (b) the Company has committed a certain number of breaches of the conditions in a specified period; or
- (c) HMRC has given members of the Company two or more notices in relation to the obtaining of a tax advantage within a ten year period of the first notice having been given.

In addition, if the conditions for REIT status relating to the share capital of the Company and the prohibition on entering into loans with abnormal returns are breached or the Company ceases to be UK resident, becomes dual resident or an open-ended company, it will automatically lose REIT status. Where the Company automatically loses REIT status or is required by HMRC to leave the REIT Regime within ten years of joining, HMRC has wide powers to direct how it is to be taxed, including in relation to the date on which the Company is treated as having exited the REIT Regime.

Shareholders should note that it is possible that the Company could lose its status as a REIT as a result of actions by third parties (for example, in the event of a successful takeover by a company that is not a REIT, unless the acquirer qualifies as an Institutional Investor and the REIT's shares continue to be admitted to trading on a recognised stock exchange and are either listed or traded) or other circumstances outside the Company's control.

PART IX—RESTRICTIONS ON SALES

This Prospectus has been approved by the UKLA as a prospectus which may be used to offer securities to the public in the UK for the purposes of section 85 of the FSMA and of the Prospectus Directive. Issue or circulation of this Prospectus may be prohibited in countries other than those in relation to which notices are given below.

No action has been or will be taken in any jurisdiction (other than the United Kingdom) that would permit a public offer of the Ordinary Shares, or possession or distribution of this Prospectus or any other offering material, in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Prospectus comes should inform themselves about and observe any restrictions on the distribution of this Prospectus and the offer of Ordinary Shares contained in this Prospectus. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This Prospectus does not constitute an offer to acquire any of the Ordinary Shares to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

Notice to prospective investors in the EEA

In relation to each member state of the EEA which has implemented the Prospectus Directive (each, a “**Relevant Member State**”) except for the United Kingdom, with effect from and including the date on which the Prospectus Directive was implemented in that relevant member state (the “**Relevant Implementation Date**”), no Ordinary Shares have been offered or will be offered pursuant to the Placing to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that Relevant Member State, or where appropriate approved in another Relevant Member State and notified to the competent authority in that Relevant Member State all in accordance with the Prospectus Directive, except that an offer to the public in that Relevant Member State of any Ordinary Shares may be made at any time with effect from and including the Relevant Implementation Date under the following exemptions under the Prospectus Directive if they have been implemented in the Relevant Member State:

- (a) to any legal entity which is a qualified investor as defined under the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3, or a supplemental prospectus pursuant to Article 16, of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State and each person who initially acquires any Ordinary Shares or to whom any offer is made on the basis of (a) above will be deemed to have represented, acknowledged and agreed that it is a “**qualified investor**” within the meaning of Article 2(1)(e) of this Prospectus Directive.

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

In the case of any Ordinary Shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Ordinary Shares acquired by it in the Offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Ordinary Shares to the public outside the UK other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of Jefferies has been obtained to each such proposed offer or resale. The Company and Jefferies will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

Without prejudice to the foregoing restrictions, in order to comply with the AIFMD, the Investment Manager has notified the FCA, and the FCA has approved the Investment Manager's notification, of its intention to market the Ordinary Shares in the UK, Ireland and the Netherlands in accordance with regulation 54 of the UK Alternative Investment Fund Managers Regulations 2013 and article 32 of the AIFMD. The FCA has notified the Investment Manager that the FCA has transmitted the marketing notification to the competent authorities of Ireland and the Netherlands. The Ordinary Shares have not been and will not be marketed (for the purposes of AIFMD) in any other EEA member state except in accordance with article 32 of the AIFMD. The Company may issue Ordinary Shares to an investor domiciled in the EEA on the basis of a reverse enquiry.

Republic of Ireland

In addition to the restrictions under "*Note to prospective investors in the EEA*" above, the offering is not authorised or supervised by the Central Bank of Ireland (the "**Central Bank**"). The information in this Prospectus does not constitute a prospectus under Irish laws or regulations and this document has not been filed with or approved by any Irish regulatory authority. The Ordinary Shares may not be offered or sold by any person in the Republic of Ireland:

- (a) otherwise than to professional investors, in conformity with the provisions of the European Union (Alternative Investment Fund Managers) Regulations 2013 as amended and the requirements of the Central Bank;
- (b) otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3), or any codes of conduct issued in connection therewith, and the provisions of the Investor Compensation Act 1998;
- (c) otherwise than in conformity with the provisions of the Central Bank Acts 1942 to 2015 and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989;
- (d) otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended by the Prospectus Directive (2003/71/EC) Amendment Regulations 2012) and any rules issued under the Companies Act 2014 by the Central Bank; and
- (e) otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued under the Companies Act 2014 by the Central Bank.

The Netherlands

In addition to the restrictions under "*Note to prospective investors in the EEA*" above, the Ordinary Shares may only be offered, sold, transferred or delivered in the Netherlands at any time and this Prospectus may only be circulated, as part of the initial distribution of the Ordinary Shares or anytime thereafter, directly or indirectly to professional investors (*professionele beleggers*) as such term is defined in Section 1:1 of the Act on Financial Supervision (*Wet op het financieel toezicht*) in the Netherlands.

Guernsey

The Issue referred to in this Prospectus has not been authorised or approved by any regulatory body in Guernsey. Accordingly, the Issue may only be promoted in or from within the Bailiwick of Guernsey either by persons who are (a) licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) (the "**POI Law**") or (b) exempt from the requirement to be so in compliance with section 29(1)(c) of the POI Law.

The Issue referred to in this Prospectus is available, and may be made, in or from within the Bailiwick of Guernsey, and this Prospectus may only be distributed or circulated directly or indirectly in or from within the Bailiwick of Guernsey:

- (i) by persons licensed to do so under the POI Law; or
- (ii) by persons permitted to do so under the laws of a country specified in Schedule 3 to the Investor Protection (Designated Countries and Territories) Regulations, 1989 (as amended) provided such person has its main place of business in that country and does not carry on any restricted activity from a permanent place of business in the Bailiwick of Guernsey.

The Issue and this Prospectus are not available in or from within the Bailiwick of Guernsey other than in accordance with paragraphs (i) and (ii) above and must not be relied upon by any person unless made or received in accordance with such paragraphs. Neither the Company nor Jefferies is approved, supervised or

regulated by the Guernsey Financial Services Commission or the States of Guernsey Policy Council and neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

Jersey

Subject to certain exemptions (if applicable), the Company shall not raise money in Jersey by the issue anywhere of Ordinary Shares, and this Prospectus relating to the Ordinary Shares shall not be circulated in Jersey, without first obtaining consent from the Jersey Financial Services Commission pursuant to the Control of Borrowing (Jersey) Order 1958, as amended. No such consents have been obtained by the Company. Subject to certain exemptions (if applicable), offers for securities in the Company may only be distributed and promoted in or from within Jersey by persons with appropriate registration under the Financial Services (Jersey) Law 1998, as amended. It must be distinctly understood that the Jersey Financial Services Commission does not accept any responsibility for the financial soundness of or any representations made in connection with the Company. Neither the Company nor Jefferies is approved, supervised or regulated by the Jersey Financial Services Commission.

Isle of Man

This Prospectus has not been, and is not required to be, filed or lodged with any regulatory or other authority in the Isle of Man. The Company is not subject to any regulatory or other approval in the Isle of Man and subscribers of Ordinary Shares are not protected by any statutory compensation arrangements in the event of the Company's failure. The Isle of Man Financial Services Authority does not vouch for the financial soundness of the Company or for the correctness of any statements made or opinions expressed with regard to it.

PART X—ADDITIONAL INFORMATION

1. Persons responsible

The Company and its Directors, whose names appear on page 48 of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and contains no omissions likely to affect the import of such information.

2. Incorporation and Administration

- 2.1 The Company was incorporated as a public limited company in the United Kingdom under the Companies Act on 27 September 2017 with registered number 10985117.
- 2.2 The registered office and principal place of business of the Company is St. Helen's, 1 Undershaft, London EC3P 3DQ and the telephone number is +44 (0)20 7809 6000.
- 2.3 The Company operates under the Companies Act, has no employees and has no subsidiary undertakings.
- 2.4 The Company has given notice to the Registrar of Companies of its intention to carry on business as an investment company pursuant to section 833 of the Companies Act.
- 2.5 Save in respect of its entry into the material contracts summarised in paragraph 7 of this Part X (*Additional Information*) of this Prospectus and professional fees incurred, the Company has not commenced operations since incorporation and, as at the date of this Prospectus, no financial statements have been made up and no dividends have been declared by the Company.
- 2.6 The Investment Manager, Aviva Investors UK Fund Services Limited, is a limited liability company incorporated in the United Kingdom under the Companies Act 1985 on 20 December 1985 with registered number 01973412. The registered office of the Investment Manager is St Helen's, 1 Undershaft, London EC3P 3DQ and its telephone number is +44 (0)20 7809 6000.

3. Share Capital of the Company

- 3.1 On incorporation, one Ordinary Share was issued, fully paid, for the purposes of incorporation to Aviva Investors Real Estate. On 8 November 2017, 50,000 Redeemable Preference Shares of £1.00 each were issued at par to Aviva Investors Real Estate. The Redeemable Preference Shares are fully paid up as to their nominal value and will be redeemed in full following Admission out of the proceeds of the Issue.
- 3.2 Set out below is the issued share capital of the Company (a) as at the date of this Prospectus; and (b) immediately following the Issue (assuming the Issue will be in respect of 200 million Ordinary Shares and following redemption of the Redeemable Preference Shares). All Ordinary Shares will be fully paid on Admission.

| | Ordinary Shares | | Redeemable Preference Shares | |
|---|-------------------------|------------------|------------------------------|------------------|
| | Aggregate Nominal Value | Number of shares | Aggregate Nominal Value | Number of shares |
| As at the date of this Prospectus | £0.01 | 1 | £50,000 | 50,000 |
| Immediately following the Issue | £2,000,000.01 | 200,000,001 | — | — |

- 3.3 The Ordinary Shares being issued in connection with the Issue are being issued at 100 pence per Ordinary Share. The effect of the Issue will be to increase the net assets of the Company. On the assumption that the Gross Issue Proceeds are £200 million, the Issue is expected to increase the net assets of the Company by approximately £196 million.
- 3.4 At a general meeting of the Company held on 13 November 2017, the sole shareholder of the Company approved resolutions to:
 - (a) in addition to all existing authorities, generally and unconditionally authorise the Directors for the purposes of section 551 of the Companies Act to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares up to an aggregate nominal amount (within the meaning of section 551(3) and (6) of the Companies Act) of £2,500,000. This authorisation shall expire at the conclusion of the first annual general meeting of the Company or, if earlier, on 31 December 2018 (save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted, or rights to be granted, after such

expiry and the directors may allot shares or grant rights to subscribe for or to convert any security into shares, in pursuance of any such offer or agreement as if the authorisations conferred hereby had not expired);

- (b) in addition to all existing authorities and conditional on and effect from Admission, generally and unconditionally authorise the Directors for the purposes of section 551 of the Companies Act to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares up to an aggregate nominal amount of £500,000 (or, if less, 20 per cent of the nominal amounts of the issued ordinary share capital of the company immediately following Admission). This authorisation shall expire at the conclusion of the first annual general meeting of the Company or, if earlier, on 30 June 2019 (save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted, or rights to be granted, after such expiry and the directors may allot shares or grant rights to subscribe for or to convert any security into shares, in pursuance of any such offer or agreement as if the authorisations conferred hereby had not expired);
- (c) give the Directors power pursuant to section 570(1) of the Companies Act to allot equity securities (as defined in section 560 of the Companies Act) of the Company for cash pursuant to the authorisation conferred by the resolution at paragraph 3.4(a) as if section 561 of the Companies Act did not apply to any such allotment . This power shall expire at the conclusion of the first annual general meeting of the Company or, if earlier, on 31 December 2018 (save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted, or rights to be granted, after such expiry and the directors may allot shares or grant rights to subscribe for or to convert any security into shares, in pursuance of any such offer or agreement as if the authorisations conferred hereby had not expired);
- (d) give the Directors power pursuant to section 570(1) of the Companies Act to allot equity securities (as defined in section 560 of the Companies Act) of the Company for cash pursuant to the authorisation conferred by the resolution at paragraph 3.4(b) as if section 561 of the Companies Act did not apply to any such allotment . This power shall expire at the conclusion of the first annual general meeting of the Company or, if earlier, on 30 June 2019 (save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted, or rights to be granted, after such expiry and the directors may allot shares or grant rights to subscribe for or to convert any security into shares, in pursuance of any such offer or agreement as if the authorisations conferred hereby had not expired);
- (e) conditional on Admission, generally and unconditionally authorise the Company to make market purchases (within the meaning of section 693(4) of the Companies Act) of any of its Ordinary Shares on such terms and in such manner as the Directors may from time to time determine, provided that:
 - (i) the maximum number of Ordinary Shares authorised to be purchased is 37,500,000 (or, if less, such number as shall represent 14.99 per cent of the Company's issued share capital as at Admission);
 - (ii) the minimum price that may be paid for each Ordinary Share (exclusive of expenses) is £0.01;
 - (iii) the maximum price (exclusive of expenses) that may be paid for each Ordinary Share is the higher of: (A) an amount equal to 105 per cent of the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five Business Days immediately preceding the day on which such share is contracted to be purchased; and (B) the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share on the trading venues where the purchase is carried out;
 - (iv) the authority shall expire on 30 June 2019 or at the close of the first annual general meeting of the Company, whichever shall be the earlier; and
 - (v) the Company may contract to purchase its Ordinary Shares under the authority prior to the expiry of such authority that will or might be executed wholly or partly after the expiration of such authority, and may purchase its Ordinary Shares in pursuance of any such contract; and
- (f) conditional on (i) Admission; (ii) the issue and registration in the Company's register of members of all Ordinary Shares issued in connection with Admission; and (iii) the accounting records of the Company having been updated to reflect the share premium arising on the issue of such shares, the

amount standing to the credit of the share premium account of the Company be reduced by £100 million.

3.5 All the Ordinary Shares will be in registered form and will be eligible for settlement in CREST. Temporary documents of title will not be issued.

3.6 Save as disclosed in this Prospectus:

- since the date of its incorporation, no share or loan capital of the Company has been issued or agreed to be issued, or is now proposed to be issued, either for cash or any other consideration;
- no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any such capital; and
- no share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.

4. Articles

The Articles, which were adopted on 13 November 2017, subject to and with effect from Admission, are available for inspection at the address specified in paragraph 2.2 above in this Part X (*Additional information*) of this Prospectus and at the offices of Ashurst LLP as set out in paragraph 23 of this Part X (*Additional Information*) of this Prospectus.

The Articles do not restrict the objects of the Company. The Articles contain (amongst other things) provisions to the following effect:

4.1 Voting rights

Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, on a show of hands every Shareholder present in person or by proxy at a general meeting of the Company and every duly authorised corporate representative shall have one vote, and on a poll, every Shareholder (whether in person or by proxy) has one vote for every share of which the Shareholder is a holder. If a proxy has been duly appointed by more than one Shareholder entitled to vote on the resolution and the proxy has been instructed by one or more of those Shareholders to vote for the resolution and by one or more other of those Shareholders to vote against it then the proxy shall have one vote for and one vote against the resolution. If a proxy has been duly appointed by more than one Shareholder entitled to vote on the resolution and has been granted both discretionary authority to vote on behalf of one or more of those Shareholders and firm voting instructions on behalf of one or more other Shareholders, the proxy shall not be restricted by the firm voting instructions in casting a second vote in any manner he so chooses under the discretionary authority conferred upon him. On a poll, a Shareholder, who is entitled to more than one vote, need not use all his votes or cast all the votes in the same way.

Unless the Board otherwise determines, no Shareholder shall have any right to vote at any general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, in respect of any share held by him unless all amounts presently payable by him in respect of that share, whether alone or jointly with any other person, have been paid.

4.2 Dividends

Subject to the provisions of the Companies Act, the Company may by ordinary resolution from time to time declare dividends in accordance with the respective rights of Shareholders, but no dividend shall exceed the amount recommended by the Board. Subject to the provisions of the Companies Act, the Directors may pay interim dividends, or dividends at a fixed rate, if it appears to them that they are justified by the profits of the Company available for distribution.

Provided that the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those preferential rights.

Subject to the rights of persons (if any) entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. If any share is issued on terms that it ranks for dividend as from a particular date, it shall rank for dividend accordingly. In any other case, dividends shall be apportioned and paid proportionately to the amount paid up on the shares during any portion(s) of the period in respect of which the dividend is paid.

All dividends unclaimed for 12 months after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not thereby be constituted a trustee in respect thereof. Any dividend unclaimed after a period of 12 years from the date when it was declared or became due for payment shall be forfeited and shall revert to the Company.

4.3 Distribution of assets on a winding-up

If the Company shall be wound up the liquidator may, with the authority of a special resolution passed at a general meeting of the Company and any other sanction required by the Companies Act, divide among the Shareholders in specie or kind the whole or any part of the assets of the Company (whether or not the assets shall consist of property of one kind or not), and may for such purposes set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like authority, vest the whole or any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator with the like authority shall think fit, but no Shareholder shall be compelled to accept any shares or other property in respect of which there is a liability.

4.4 Transfer of shares

Any Shareholder may transfer all or any of his uncertificated shares by means of a relevant system in such manner provided for, and subject as provided, in the CREST Regulations and the rules of any relevant system.

Any Shareholder may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the Board may approve. The instrument of transfer shall be executed by or on behalf of the transferor and (in the case of a partly paid share) the transferee. The transferor shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the register in respect of it. All instruments of transfer, when registered, may be retained by the Company.

Subject to the provisions of the Companies Act, the Board may, in its absolute discretion, decline to register any transfer of any share which is not fully paid, provided that where such a share is a member of a class of shares admitted to the Official List, such discretion may not be exercised in such a way as to prevent dealings in shares of that class from taking place on an open and proper basis.

The Board may decline to register any transfer of a certificated share unless the instrument of transfer:

- is left at the registered office of the Company or such other place as the Board may from time to time determine accompanied (save in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued) by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to show the right of the person executing the instrument of transfer to make the transfer;
- is in respect of only one class of shares; and
- is not in favour of more than four transferees.

The Board may decline to register a transfer of an uncertificated share in the circumstances set out in the CREST Regulations, and the facilities and requirements of the relevant system.

If the Directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of refusal, or, in the case of an uncertificated share notify such person as may be required by the CREST Regulations and the requirements of the relevant system concerned.

If at any time the holding or beneficial ownership of any shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Directors: (i) would cause the assets of the Company to be treated as “plan assets” of any Benefit Plan Investor; (ii) would or might result in the Company and/or its shares and/or any of its appointed investment managers or investment advisers being required to be registered or qualified under the US Investment Company Act and/or the US Advisers Act and/or the US Securities Act and/or the US Exchange Act and/or any similar legislation (in any jurisdiction) that regulates the offering and sale of securities; (iii) may cause the Company not to be considered a “Foreign Private Issuer” under the US Exchange Act; (iv) may cause the Company to be a “controlled foreign corporation” for the purpose of the Code; (v) may cause the Company to become subject to any withholding tax or reporting obligation under FATCA or any similar legislation in any territory or jurisdiction (including the United Kingdom’s International Tax Compliance Regulations 2015 (SI 2015/878)), or to be unable to avoid or reduce any such tax or to be unable to comply with any such reporting obligation (including by reason of the failure of the shareholder concerned to provide promptly to the Company such information and documentation as the Company may have

requested to enable the Company to avoid or minimise such withholding tax or to comply with such reporting obligation); or (vi) may cause the Company to be in violation of the US Investment Company Act, the US Exchange Act, the US Commodity Exchange Act, ERISA, the Code or any applicable federal, state, local, non-US or other laws or regulations that are substantially similar to section 406 of ERISA or Section 4975 of the Code, then the Directors may declare the Shareholder in question a “**Non-Qualified Holder**” and the Directors may require that any shares held by such Non-Qualified Holder shall (unless the Shareholder concerned satisfies the Directors that he is not a Non-Qualified Holder) be transferred to another person who is not a Non-Qualified Holder, failing which the Company may itself dispose of such Prohibited Shares at the best price reasonably obtainable and pay the net proceeds to the former holder.

4.5 Restrictions on shares

If a Shareholder, or any other person appearing to be interested in shares held by that Shareholder, fails to provide the information requested in a notice given to him under section 793 of the Companies Act by the Company in relation his interest in shares (the “default shares”) within 14 days of the notice, sanctions shall apply unless the Directors determine otherwise. The sanctions available are the suspension of the right to attend or vote (whether in person or by representative or proxy) at any general meeting or any separate meeting of the holders of any class or on any poll and, where the default shares represent at least 0.25 per cent of their class (excluding treasury shares), the withholding of any dividend payable in respect of those shares and the restriction of the transfer of those shares (subject to certain exceptions).

4.6 Variation of rights attaching to shares

Subject to the provisions of the Companies Act, all or any of the rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be varied either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of those shares.

At every such separate general meeting the necessary quorum shall be at least two persons present holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question (but at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum), any holder of shares of the class present in person or by proxy may demand a poll and every such holder shall on a poll have one vote for every share of the class held by him.

4.7 Alteration of share capital

The Company may by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger nominal value than its existing shares;
- (b) sub-divide its shares, or any of them, into shares of smaller nominal value than its existing shares; and
- (c) determine that, as between the shares resulting from such a sub-division, one or more shares may, as compared with the others, have any such preferred, deferred or other rights or be subject to any such restrictions as the Company has power to attach to unissued or new shares.

4.8 General Meetings

The Board shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of the Companies Act and at such time and place as the Board shall appoint.

An annual general meeting shall be convened by not less than twenty-one clear days’ notice in writing.

Upon Admission, the Company will be a “traded company” for the purposes of the Companies Act and as such will be required to give at least twenty-one clear days’ notice of any other general meeting unless a special resolution reducing the period to not less than fourteen clear days has been passed at the immediately preceding annual general meeting or at a general meeting held since that annual general meeting or, prior to the Company’s first annual general meeting following Admission, or at any other general meeting following Admission.

Notice of every general meeting shall be given to all Shareholders other than any who, under the provisions of the Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company.

No business shall be transacted at any general meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised corporate representative, shall be a quorum.

A Shareholder is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a general meeting of the Company. A Shareholder may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. Subject to the provisions of the Companies Act, any corporation (other than the Company itself) which is a Shareholder may, by resolution of its directors or other governing body, authorise such person(s) to act as its representative(s) at any meeting of the Company, or at any separate meeting of the holders of any class of shares.

Delivery of an appointment of proxy shall not preclude a Shareholder from attending and voting at the meeting or at any adjournment of it.

Directors may attend and speak at general meetings and at any separate meeting of the holders of any class of shares, whether or not they are shareholders.

A poll on a resolution may be demanded at a general meeting either before a vote on a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared. A poll may be demanded by the Chairman or by: (a) not less than five members having the right to vote at the meeting; or (b) a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or (c) a member or members holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

4.9 Directors

Unless otherwise determined by ordinary resolution of the Company, the number of Directors shall not be less than two.

The Company may by ordinary resolution appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director. Without prejudice to this power the Board may appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director. A person appointed as a Director by the Board is required to retire at the Company's next annual general meeting and shall then be eligible for re-appointment.

Each Director shall retire from office at the third annual general meeting after the annual general meeting at which he was elected or re-elected (as the case may be) unless he was appointed or re-appointed by the Company in the general meeting at, or since, either such meeting.

4.10 Powers of Directors

The business of the Company shall be managed by the Directors who, subject to the provisions of the Articles and to any directions given by special resolution, may exercise all the powers of the Company.

Any Director may appoint any other Director, or any other person approved by resolution of the Directors and willing to act and permitted by law to do so, to be an alternate Director.

4.11 Borrowing powers

Subject to the provisions of the Companies Act, the Board may exercise all the powers of the Company to borrow money, to indemnify, to guarantee and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

4.12 Directors' fees

The Directors shall be paid out of the funds of the Company by way of fees for their services as directors, such sums (if any) as the Board may from time to time determine (not exceeding in aggregate £250,000 per annum or such other sum as the Company in general meeting shall from time to time determine).

The Directors are entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors.

4.13 Directors' interests

Subject to the provisions of the Companies Act and save as therein provided, no contract, transaction or arrangement with the Company or in which the Company has a (direct or indirect) interest shall be liable to be avoided on the grounds of the Director's interest, nor shall any Director be liable to account to the Company for any remuneration or other benefit which derives from any such contract, transaction or arrangement or interest by reason of such Director holding that office or of the fiduciary relationship thereby established, but he shall declare the nature of his interest in accordance with the requirements of the Companies Act.

Save as provided for in the Articles, a Director shall not vote or be counted in the quorum at a meeting of the Directors in respect of any contract, arrangement or transaction in which he has an interest which is to his knowledge a material interest otherwise than by virtue of interests in shares or other securities of or otherwise in or through the Company.

If any question shall arise at any meeting of the Directors as to an interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be decided by the chairman of the meeting.

The Board may, subject to the provisions of the Articles and the Companies Act, authorise any matter which would otherwise involve a Director breaching his or her duty under the Companies Act to avoid conflicts of interest. Any authorisation will only be effective if any quorum requirement at any meeting at which the matter was considered is met without counting the Director in question or any other interested Director and the matter was agreed to without their voting or would have been agreed to if their votes had not been counted. The Board may impose limits or conditions on any such authorisation or may vary or terminate it at any time.

4.14 Indemnity of Directors

To the extent permitted by the Companies Act, the Company may indemnify any Director or former Director of the Company or of any associated company against any liability and may purchase and maintain for any Director or former Director of the Company or of any associated company insurance against any liability.

4.15 REIT Provisions

(a) Introduction

The Articles contain provisions designed to enable the Company to demonstrate to HMRC that it has taken "reasonable steps" to avoid paying a dividend (or making any other distribution) to any Substantial Shareholder. If a distribution is paid to a Substantial Shareholder and the Company has not taken reasonable steps to avoid doing so, the Company would become subject to a UK corporation tax charge. The Articles contain special articles for this purpose.

The REIT Provisions:

- provide Directors with powers to identify its Substantial Shareholders (if any);
- prohibit the payment of dividends on Ordinary Shares that form part of a Substantial Shareholding, unless certain conditions are met;
- allow dividends to be paid on Ordinary Shares that form part of a Substantial Shareholding where the Shareholder has disposed of sufficient interests in all or some of the shares concerned, including the rights to dividends on its Ordinary Shares; and
- seek to ensure that if a dividend is paid on Ordinary Shares that form part of a Substantial Shareholding and arrangements of the kind referred to in the preceding paragraph are not met, the Substantial Shareholder concerned does not become beneficially entitled to that dividend.

The effect of the REIT Provisions is explained in more detail below.

(b) Identification of Substantial Shareholders

The share register of the Company records the legal owner and the number of Ordinary Shares they own but does not identify the persons who are beneficial owners of the Ordinary Shares or are entitled to control the voting rights attached to the Ordinary Shares or are beneficially entitled to dividends. While the requirements for the notification of interests in shares provided in Part VI of the Companies Act and the Board's rights to require disclosure of such interests (pursuant to Part 22 of the Companies Act) should assist in the identification of Substantial Shareholders, those provisions are not on their own sufficient.

Accordingly, the REIT Provisions require a Substantial Shareholder and any registered Shareholder holding Ordinary Shares on behalf of a Substantial Shareholder to notify the Company if his Ordinary Shares form part of a Substantial Shareholding. Such a notice must be given as soon as reasonably practicable but not later than the earlier of (i) two Business Days; or (ii) prior to the Company making a distribution. The REIT Provisions give the Board the right to require any person to provide information in relation to any Ordinary Shares in order to determine whether the Ordinary Shares form part of a Substantial Shareholding. If the required information is not provided within the time specified (which is seven days after a request is made or such other period as the Board may decide), the Board is entitled to impose sanctions, including withholding dividends (as described in paragraph 4.15(c) below) and/or requiring the transfer of the Ordinary Shares to another person who is not, and does not thereby become, a Substantial Shareholder (as described in paragraph 4.15(f) below).

(c) Preventing payment of a dividend to a Substantial Shareholder

The REIT Provisions provide that a dividend will not be paid on any Ordinary Shares that the Board believes may form part of a Substantial Shareholding unless the Board is satisfied that the Substantial Shareholder is not beneficially entitled to the dividend.

If in these circumstances payment of a dividend is withheld, the dividend will be paid subsequently if the Board is satisfied that:

- the Substantial Shareholder concerned is not beneficially entitled to the dividends (see also paragraph 4.15(d) below);
- the shareholding is not part of a Substantial Shareholding;
- all or some of the Ordinary Shares and the right to the dividend have been transferred to a person who is not, and does not thereby become, a Substantial Shareholder (in which case the dividends will be paid to the transferee); or
- sufficient Ordinary Shares have been transferred (together with sufficient rights including the right to the dividends) such that the Ordinary Shares retained are no longer part of a Substantial Shareholding (in which case the dividends will be paid on the retained Ordinary Shares).

For this purpose references to the “transfer” of an Ordinary Share include the disposal (by any means) of beneficial ownership of, control of voting rights in respect of and beneficial entitlement to dividends in respect of, that Ordinary Share.

(d) Payment of a dividend where rights to it have been transferred

The REIT Provisions provide that dividends may be paid on Ordinary Shares that form part of a Substantial Shareholding if the Board is satisfied that the right to the dividend has been transferred to a person who is not, and does not thereby become, a Substantial Shareholder and the Board may be satisfied that the right to the dividend has been transferred if it receives a certificate containing appropriate confirmations and assurances from the Substantial Shareholder. Such a certificate may apply to a particular dividend or to all future dividends in respect of Ordinary Shares forming part of a specified Substantial Shareholding, until notice rescinding the certificate is received by the Company. A certificate that deals with future dividends will include undertakings by the person providing the certificate:

- to ensure that the entitlement to future dividends will be disposed of; and
- to inform the Company immediately of any circumstances which would render the certificate no longer accurate.

The Directors may require that any such certificate is copied or provided to such persons as they may determine, including HMRC.

If the Board believes a certificate given in these circumstances is or has become inaccurate, then it will be able to withhold payment of future dividends. In addition, the Board may require a Substantial Shareholder to pay to the Company the amount of any tax payable (and other costs incurred) as a result of a dividend having been paid to a Substantial Shareholder in reliance on the inaccurate certificate. The Board may require a sale of the relevant Ordinary Shares and retain the amount claimed from the proceeds.

Certificates provided in the circumstances described above will be of considerable importance to the Company in determining whether dividends can be paid. If the Company suffers loss as a result of any misrepresentation or breach of undertaking given in such a certificate, it may seek to recover damages directly from the person who has provided it. Any such tax may also be recovered out of dividends to which the Substantial Shareholder concerned may become entitled in the future or from the proceeds of selling the relevant Ordinary Shares.

The effect of these provisions is that there is no restriction on a person becoming or remaining a Substantial Shareholder provided that the person who does so makes appropriate arrangements to divest itself of the entitlement to dividends.

(e) Trust arrangements where rights to dividends have not been disposed of by a Substantial Shareholder

The REIT Provisions provide that if a dividend is in fact paid on Ordinary Shares forming part of a Substantial Shareholding (which might occur, for example, if a Substantial Shareholding is split among a number of nominees and is not notified to the Company prior to a dividend payment date) the dividends so paid are to be held on trust by the recipient for any person (who is not a Substantial Shareholder) nominated by the Substantial Shareholder concerned. The person nominated as the beneficiary could be the purchaser of the Ordinary Shares if the Substantial Shareholder is in the process of selling down their holding so as not to cause the Company to breach the Substantial Shareholder rule. If the Substantial Shareholder does not nominate anyone within 12 years, the dividend concerned will be held on trust for the Company or such charity as the Board may nominate.

If the recipient of the dividend passes it on to another without being aware that the Ordinary Shares in respect of which the dividend was paid were part of a Substantial Shareholding, the recipient will have no liability as a result. However, the Substantial Shareholder who receives the dividend should do so subject to the terms of the trust and as a result may not claim to be beneficially entitled to those dividends.

(f) Mandatory sale of Substantial Shareholdings

The REIT Provisions also allow the Board to require the disposal of Ordinary Shares forming part of a Substantial Shareholding if:

- a Substantial Shareholder has been identified and a dividend has been announced or declared and the Board has not been satisfied that the Substantial Shareholder has transferred the right to the dividend (or otherwise is not beneficially entitled to it);
- there has been a failure to provide information requested by the Board; or
- any information provided by any person proves materially inaccurate or misleading.

In these circumstances, if the Company incurs a charge to tax as a result of one of these events or the requirements of a disposal notice are not complied with to the satisfaction of the Board within the specified period, the Board may, instead of requiring the Shareholder to dispose of the Ordinary Shares, arrange for the sale of the relevant Ordinary Shares and for the Company to retain from the sale proceeds an amount equal to any tax so payable.

(g) Takeovers

The REIT Provisions do not prevent a person from acquiring control of the Company through a takeover or otherwise, although as explained above, such an event may cause the Company to cease to qualify as a REIT.

(h) Other

The REIT Provisions also give the Company power to require any Shareholder who applies to be paid dividends without any tax withheld to provide such certificate or declarations as the Board may require from time to time.

The REIT Provisions may be amended by special resolution passed by the Shareholders in the future, including to give powers to the Directors to ensure that the Company can comply with the close company condition described in paragraph 2.2(a) of Part VIII (*The United Kingdom REIT Regime*) of this Prospectus, which powers may include the ability to arrange for the sale of Ordinary Shares on behalf of Shareholders.

5. Directors' and other interests

5.1 The Directors have confirmed to the Company that they intend to subscribe for the number of Ordinary Shares under the Issue set out in the table below.

| <u>Name</u> | <u>Number of Shares</u> | <u>Per cent of share capital⁽¹⁾</u> |
|-----------------------------|-------------------------|--|
| Andrew Cunningham | 25,000 | 0.01 |
| Suzanne Avery | 20,000 | 0.01 |
| Steffan Francis | 20,000 | 0.01 |
| Marlene Wood | 20,000 | 0.01 |

Note:

(1) Assuming a total issue size of 200 million Ordinary Shares.

Except as disclosed in this paragraph 5.1 and paragraph 5.2, the Company is not aware of interests of any Director, including any connected person of that Director, the existence of which is known to, or could with reasonable diligence be ascertained by, that Director whether or not held through another party, in the share capital of the Company, together with any options in respect of such capital immediately following the Issue.

5.2 As at the date of this Prospectus, except as set out below and in paragraph 5.1 above, in so far as is known to the Company no person is or will, immediately following the Issue, be directly or indirectly interested in three per cent or more of the Company's capital or voting rights.

| <u>Name</u> | <u>Number of Ordinary Shares acquired under the Issue⁽¹⁾</u> | <u>Percentage of issued share capital immediately following Admission⁽¹⁾</u> |
|---------------------------|---|---|
| Aviva Life Fund | 39,980,000 | 19.99 per cent |

Note:

(1) Assuming a total issue size of 200 million Ordinary Shares and that Aviva Life Fund does not elect to increase the size of its subscription pursuant to the Aviva Subscription Agreement.

Such Shareholders listed in the table above will not have different voting rights to other Shareholders. The Disclosure Guidance and Transparency Rules provide that certain persons (including Shareholders) will be obliged to notify the Company if the proportion of the Company's voting rights which they own reaches, exceeds or falls below specific thresholds (the lowest of which is currently three per cent).

5.3 Pending the allotment and issue of the Ordinary Shares pursuant to the Issue, one Ordinary Share has been issued to Aviva Investors Real Estate. The Company is not aware of any other person who directly or indirectly, jointly or severally, exercises or, immediately following Admission, could exercise control over the Company.

5.4 Save as set out in this paragraph 5, no Director is considered to be subject to any conflicts of interest between his/her duties to the Company and his/her private interests or other duties.

5.5 No loan has been granted to, nor any guarantee provided for the benefit of, any Director by the Company.

5.6 Each Director has a letter of appointment dated 14 November 2017 which is effective as of the date of Admission. No Director has a service contract with the Company, nor are any such service contracts proposed. Each Director's appointment is subject to and conditional upon Admission. The Directors hold their office in accordance with their letters of appointment and the Articles. The Directors' appointments are for an initial period of three years from Admission and can be terminated on one months' notice given by either the Director or the Company. The letters of appointment provide that the office of Director shall be terminated with immediate effect without notice or payment in lieu of notice in certain circumstances including fraud, dishonesty or serious misconduct or, any conduct which (in the reasonable opinion of the Board) tends to bring the Company into disrepute or is materially adverse to the interests of the Company, bankruptcy, conviction of any arrestable criminal offence, disqualification as a director, or a material breach of obligations under their respective letters of appointment or a material breach of the Articles.

5.7 No employees of the Investment Manager, Portfolio Manager or Property Manager have any service contracts with the Company.

5.8 The aggregate remuneration and benefits in kind of the Directors in respect of any financial year will be payable out of the assets of the Company. Each of the Directors (other than the Chairman) will receive an initial fee of £35,000 per year. The Chairman will receive an initial fee of £50,000 per year. Marlene Wood will receive a supplemental fee of £5,000 per year for chairing the Audit Committee. In addition to

the above fees, the Directors will be reimbursed for all reasonable and properly documented expenses that are wholly, necessarily and exclusively incurred in performing their duties, subject to any expenses policy of the Company from time to time.

5.9 In addition to their directorships of the Company, the Directors hold or have held the following directorships, and are or were members of the following partnerships, within the five years ending on 13 November 2017 (being the latest practicable date prior to the date of publication of this Prospectus):

| <u>Name</u> | <u>Current directorships/partnerships</u> | <u>Past directorships/partnerships</u> |
|-------------------|---|---|
| Andrew Cunningham | The Banks Group Limited | Atlantic Metropolitan (U.K.) Limited |
| | Cussins Limited | BPT Limited |
| | Cussins (North East Limited) | BPT (Assured Homes) Limited |
| | Harworth Group plc | BPT (Bradford Property Trust) Limited |
| | | BPT (Full Reversions) Limited |
| | | BPT (Home Reversions) Limited <i>(dissolved)</i> |
| | | BPT (Residential Investments) Limited |
| | | BPT (Residential Management Services) Limited |
| | | BPT Bridgewater (Home Reversions) Limited |
| | | The Bradford Property Trust Limited |
| | | Bridgewater (Home Reversions) Limited <i>(dissolved)</i> |
| | | Bridgewater (Home Reversions Number 1) Limited |
| | | Bridgewater (Home Reversions Number 2) Limited |
| | | Bridgewater Contractual Tenancies Limited |
| | | Bridgewater Equity Release Limited |
| | | Bridgewater Equity Release Nominees (No 1) Limited |
| | | Bridgewater Equity Release Nominees (No 2) Limited |
| | | Bridgewater Lifetime Mortgages Limited |
| | | Bridgewater Property Holdings Limited |
| | | Bridgewater Tenancies Limited |
| | | Bridgewater Tenancies Nominees Limited |
| | | Bromley No 1 Limited |
| | | Bromley No.1 Holdings Limited |
| | | Bromley Property Holdings Limited |
| | | Bromley Property Investments Limited |
| | | Chrisdell Limited |
| | | City North 5 Limited |
| | | City North Group Limited |
| | | City North Properties Limited |

| <u>Name</u> | <u>Current directorships/partnerships</u> | <u>Past directorships/partnerships</u> |
|----------------------------------|---|--|
| Andrew Cunningham (continued) | | City Property Developments Limited (in liquidation) City Property Developments (No. 2) Limited (dissolved) Crossco (No. 103) Limited Derwent Developments Limited Derwent Developments (Curzon) Limited Derwent Nominees (No 2) Limited Eastbourne Artisans Dwellings Company Limited (dissolved) Economic Reversions Limited Ekacroft Limited (in liquidation) EL Investments Limited ELM Reversions Limited Equity Release (Increments) Limited Equity Release (Increments) Nominees No.1 Limited Equity Release (Increments) Nominees No.2 Limited Equity Release (Increments) Nominees No.3 Limited Equity Release (Increments) Nominees No.4 Limited Equity Release (Increments) Nominees No.5 Limited Equity Release (Increments) Nominees No.6 Limited Equity Release (Increments) Nominees No.7 Limited Equity Release (Increments) Nominees No.8 Limited Equity Release (Increments) Nominees No.9 Limited Equity Release Investment Properties Limited The Farm Housing Enterprise Limited (dissolved) Faside Estates Limited Formation Homes Limited (dissolved) Frincon Holdings Limited Frincon Holdings 1986 Limited |

| <u>Name</u> | <u>Current directorships/partnerships</u> | <u>Past directorships/partnerships</u> |
|----------------------------------|---|--|
| Andrew Cunningham (continued) | | G W Dray & Son Limited (dissolved) |
| | | Gibson Gardens (Paignton) Limited (dissolved) |
| | | GIP Limited |
| | | Globe Brothers Estates Limited |
| | | Grainger plc |
| | | Grainger (Aldershot) Limited |
| | | Grainger (Barnsbury) Limited (dissolved) |
| | | Grainger (Clapham) Limited |
| | | Grainger (Elder) Limited (dissolved) |
| | | Grainger (Hadston) Limited |
| | | Grainger (Hornsey) Limited |
| | | Grainger (London) Limited |
| | | Grainger (Octavia Hill) Limited |
| | | Grainger (Peachey) Limited |
| | | Grainger (Peachey Number 2) Limited (dissolved) |
| | | Grainger (Samuel) Limited (dissolved) |
| | | Grainger (Shoreditch) Limited (dissolved) |
| | | Grainger (603) Limited (dissolved) |
| | | Grainger Czech Republic Limited (dissolved) |
| | | Grainger Developments Limited |
| | | Grainger Employees Limited |
| | | Grainger Enfranchisement No. 1 (2012) Limited |
| | | Grainger Enfranchisement No. 2 (2012) Limited |
| | | Grainger Enfranchisement No. 3 (2012) Limited |
| | | Grainger Europe Limited |
| | | Grainger Europe (No. 2) Limited |
| | | Grainger Europe (No. 3) Limited |
| | | Grainger Europe (No. 4) Limited |
| | | Grainger Finance (Tricomm) Limited |
| | | Grainger Finance Company Limited |
| | | Grainger Homes Limited |

| <u>Name</u> | <u>Current directorships/partnerships</u> | <u>Past directorships/partnerships</u> |
|----------------------------------|---|---|
| Andrew Cunningham (continued) | | Grainger Homes (Gateshead) Limited Grainger Housing & Developments Limited Grainger Invest (No.1 Holdco) Limited Grainger Kensington & Chelsea Limited Grainger Land Limited <i>(dissolved)</i> Grainger Land & Regeneration Limited Grainger Maidenhead Limited Grainger Mckay Limited <i>(dissolved)</i> Grainger Newbury Limited Grainger OCCC Limited Grainger Pearl Limited Grainger Pearl Holdings Limited Grainger Pimlico Limited Grainger Properties Limited Grainger Property Services Limited Grainger PRS Limited Grainger Ramp Limited Grainger Real Estate Limited Grainger Res Limited <i>(dissolved)</i> Grainger Residential Limited Grainger Residential Management Limited Grainger Rural Limited Grainger Rural Developments Limited <i>(dissolved)</i> Grainger Serviced Apartments Limited Grainger Seven Sisters Limited Grainger Southwark Limited The Grainger Trust Employee Trustee Limited <i>(dissolved)</i> Grainger Unitholder No 1 Limited Grainger Upminster Limited <i>(in liquidation)</i> Greit Limited Greit Management Limited <i>(dissolved)</i> Greit Properties Limited <i>(dissolved)</i> |

| <u>Name</u> | <u>Current directorships/partnerships</u> | <u>Past directorships/partnerships</u> |
|----------------------------------|---|---|
| Andrew Cunningham (continued) | | <p>H I Tricomm Holdings Limited</p> <p>Hamsard 2342 Limited</p> <p>Hamsard 2492 Limited</p> <p>Hamsard 2517 (New Business) Limited</p> <p>Hamsard 2517 Limited</p> <p>Hamsard 2518 Limited</p> <p>Harborne Tenants Limited</p> <p>Hatch Warren Limited (dissolved)</p> <p>Holdfield Limited (dissolved)</p> <p>Home Properties Limited</p> <p>Home SGO Properties Limited</p> <p>Hurlingham Business Park Limited (dissolved)</p> <p>Infrastructure Investors Defence Housing (Bristol) Limited</p> <p>King Street Developments (Hammersmith) Limited</p> <p>Langwood Properties Limited</p> <p>Letpress Limited (in liquidation)</p> <p>Margrave Estates Limited</p> <p>Milford Reversions Limited</p> <p>N & D London Limited</p> <p>N & D Properties (Midlands) Limited</p> <p>N & D Southern Limited (in liquidation)</p> <p>New Sovereign Reversions Limited</p> <p>Nitro 2 Limited</p> <p>Northumberland & Durham Property Trust Limited</p> <p>The Owners Of The Middlesbrough Estate Limited</p> <p>Park Developments (Liverpool) Limited</p> <p>Park Estates (Liverpool) Limited</p> <p>Park Estates Investments (Liverpool) Limited</p> <p>PHA Limited</p> <p>PHA Housing Limited (dissolved)</p> <p>Planfirst Limited (in liquidation)</p> |

| <u>Name</u> | <u>Current directorships/partnerships</u> | <u>Past directorships/partnerships</u> |
|---|--|---|
| Andrew Cunningham <i>(continued)</i> | | Portland House Holdings Limited Residential Leases Limited Residential Tenancies Limited Retirement Bridge Limited Retirement Bridge Housing Limited Retirement Bridge Management Limited Retirement Housing No. 1 (2007) Limited Reversions Financing Limited Reversions Financing (No.1) 2011 Limited Rotation Finance Limited RPQH Limited <i>(dissolved)</i> Seaton Valley Properties Limited <i>(dissolved)</i> Southvale Investments Limited <i>(in liquidation)</i> Sovereign Nominees Limited Sovereign Nominees No. 2 Limited Sovereign Reversions Holdings Limited Sowerby Holdings Limited <i>(dissolved)</i> St. Andrew's Property Holdings Limited <i>(dissolved)</i> Suburban Homes Limited The Tilt Estate Company Limited <i>(dissolved)</i> Trafford Park Dwellings Limited <i>(dissolved)</i> Tricomm Housing Limited Tricomm Housing (Holdings) Limited Victoria Court (Southport) Limited Wansbeck Lodge Management Limited Warren Court Limited West Waterlooville Developments Limited |
| Suzanne Avery | A2Dominion Developments Limited A2Dominion Housing Finance Limited A2Dominion Treasury Limited Church Commissioners For England | A2Dominion Residential Limited |

| <u>Name</u> | <u>Current directorships/partnerships</u> | <u>Past directorships/partnerships</u> |
|------------------------------|---|--|
| Suzanne Avery (continued) | Impact Invest SA Ltd Landaid Charitable Trust Limited Real Estate Balance Limited Richmond Housing Partnership Ltd The Penny Trust | |
| Steffan Francis | The PRS REIT plc The PRS REIT Development Company Limited The PRS REIT Holding Company Limited The PRS REIT Memberco Limited Sigma PRS Investments (Baytree II) Limited Sigma PRS Investments I Limited Sigma PRS Investments II Limited Sigma PRS Investments III Limited | N/A |
| Marlene Wood | GCP Bloomsbury Limited GCP Brighton Limited GCP Brunswick Limited GCP Holdco Limited GCP Holdco 2 Limited GCP Operations Limited GCP QMUL Limited GCP Student Living plc GCP Topco Limited GCP Topco 2 Limited GCP Scape East Limited GCP SG Limited GCP RHUL Limited GCP RHUL 2 Limited GCP Wembley Limited GCP Wembley 2 Limited GCP WL Limited One Parent Families Scotland RM Secure Direct Lending PLC Scottish Funding Council 2010 Finance Limited | Edinburgh Printmakers Limited |

5.10 Save as disclosed in this paragraph, at the date of this Prospectus:

- (a) none of the Directors has any convictions in relation to fraudulent offences for at least the previous five years;
- (b) none of the Directors was a director of a company, a member of an administrative, management or supervisory body or a senior manager of a company within the previous five years which has entered into any bankruptcy, receivership or liquidation proceedings; and
- (c) none of the Directors has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

5.11 The Company will maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

6. Related party interests in the Company

Certain Directors intend to subscribe for Ordinary Shares in the amounts set out in paragraph 5.1 of this Part X (*Additional Information*) of this Prospectus.

7. Material Contracts

The following are all of the contracts, not being contracts entered into in the ordinary course of business, that have been entered into by the Company since its incorporation and are, or may be, material or that contain any provision under which the Company has any obligation or entitlement which is or may be material to the Company as at the date of this Prospectus.

7.1 Sponsor's and Placing Agreement

The Sponsor's and Placing Agreement, dated 14 November 2017, has been entered into between the Company, the Directors, the Investment Manager and Jefferies, under which Jefferies has agreed, subject to certain conditions that are typical for an agreement of this nature, to use its reasonable endeavours to procure subscribers for the Ordinary Shares under the Placing at the Issue Price. In addition, under the Sponsor's and Placing Agreement, Jefferies has been appointed as sponsor in connection with the proposed applications for Admission.

Jefferies will be entitled to a variable fixed fee by reference to the Gross Issue Proceeds and a separate commission by reference to the Gross Issue Proceeds excluding the subscription by Aviva Life Fund (where no gross commission shall be payable). Jefferies will also be entitled to a reimbursement of all costs, charges and expenses of, or incidental to, the Issue and/or Admission incurred by Jefferies (including the fees of Jefferies' legal advisers up to a capped amount).

The obligations of Jefferies under the Sponsor's and Placing Agreement will be subject to certain conditions that are typical for an agreement of this nature. These conditions include, among others, Admission becoming effective by not later than 8.00 a.m. on 8 December 2017 (or such later time and/or date, not being later than 8.00 a.m. on 31 December 2017, as the Company and the Investment Manager may agree with Jefferies).

The Company, the Directors and the Investment Manager have given certain market standard warranties and, in the case of the Company and the Investment Manager, indemnities to Jefferies concerning, *inter alia*, the accuracy of the information contained in this Prospectus.

The liability of the Company and the Investment Manager under the Sponsor's and Placing Agreement is unlimited as to time and amount.

The Sponsor's and Placing Agreement can be terminated by Jefferies giving notice to the Company and the Investment Manager in certain circumstances that are typical for an agreement of this nature at any time on or before Admission. These circumstances include: (i) a breach by the Company, any of the Directors or the Investment Manager of any of the representations, warranties or undertakings contained in the Sponsor's and Placing Agreement; (ii) the occurrence of certain material adverse changes in the condition of the Company; or (iii) certain adverse changes in financial, political or economic conditions.

The Company has undertaken that it will not, for a period of 180 days from the date of Admission, without the prior written consent of Jefferies, directly or indirectly, offer, issue, lend, sell or contract to sell, issue options in respect of or otherwise dispose of, directly or indirectly, or announce an offering or issue of, any Ordinary

Shares (or any interest therein or in respect thereof) or any other securities exchangeable for or convertible into, or substantially similar to, Ordinary Shares or enter into any swap or other agreement or any other transaction with the same economic effect as, or agree to do, any of the foregoing. For the avoidance of doubt, this lock-up restriction does not apply to any issue of Ordinary Shares by the Company pursuant to the Issue.

The Sponsor's and Placing Agreement is governed by English law.

7.2 Aviva Subscription Agreement

Pursuant to the Aviva Subscription Agreement dated 14 November 2017, Aviva Life Fund has committed to subscribe for such number of Ordinary Shares as comprises approximately 19.99 per cent of the issued ordinary share capital of the Company immediately following Admission. Pursuant to the Aviva Subscription Agreement, Aviva Life Fund may elect in its absolute discretion to increase its subscription to up to a maximum of 25 per cent of the issued ordinary share capital of the Company immediately following Admission.

The Aviva Subscription Agreement is conditional on (a) Admission occurring by 8.00 a.m. on 8 December 2017 (or such later time and/or date, not being later than 8.00 a.m. on 31 December 2017, as the Company, the Investment Manager and Jefferies may agree) and (b) the Sponsor's and Placing Agreement becoming otherwise unconditional in all respects and not having been terminated on or before Admission.

The Aviva Subscription Agreement is governed by English law.

Pursuant to the Orderly Market Deed dated 14 November 2017 between the Company, Aviva Life Fund and Jefferies, Aviva Life Fund has agreed with Jefferies and the Company that, for a period of 24 months from the date of Admission, it shall not dispose of the Ordinary Shares acquired by it pursuant to the Issue unless, *inter alia*, it has consulted with Jefferies as to the terms of the disposal and the disposal is brokered through Jefferies at Jefferies' standard rate of commission as at the relevant date (provided that such commission is overall competitive with that charged by other brokers), in all cases with a view to maintain an orderly market in the Company's publicly traded securities.

7.3 Investment Management Agreement

The Company is party to an Investment Management Agreement with the Investment Manager dated 14 November 2017, pursuant to which the Investment Manager has been appointed as the Company's AIFM to manage, on a discretionary basis, all of the assets and investments of the Company, subject to the Company's investment policy. The Investment Manager is entitled to delegate certain of its functions or duties under the Investment Management Agreement to one or more of its associates. For further details on the Investment Management Agreement, please see Part III (*Information on the Investment Manager*) of this Prospectus.

7.4 Depositary Agreement

Pursuant to the Depositary Agreement dated 14 November 2017 entered into between the Depositary, the Investment Manager and the Company, the safekeeping of the Company's assets will be entrusted to the Depositary who will be required to provide depositary services to the Company in fulfilment of the AIFMD requirements. The Depositary shall also be responsible for ensuring that the Company's cash flows are properly monitored and shall periodically review the cash monitoring procedures relating to the Company.

In consideration for its services, the Depositary is entitled to receive an annual fee of 1.50 basis points on the GAV if the GAV is below £2,200 million and an annual fee of 1.25 basis points on the part of the GAV that is in excess of £2,200 million, subject to a minimum annual fee of £13,200. Any additional services provided by the Depositary will incur additional charges. The fee levels increase from the third year of the Depositary's appointment as follows:

| <u>On the part of the GAV that is:</u> | <u>Annual fee</u> |
|--|-------------------|
| Up to £220 million | 2.35 basis points |
| Above £220 million to £440 million | 2.25 basis points |
| Above £440 million to £880 million | 1.75 basis points |
| Above £880 million to £2,200 million | 1.50 basis points |
| Above £2,200 million | 1.25 basis points |

The Depositary Agreement has an initial term of four years from the date of Admission. The Company and/or the Investment Manager may terminate the Depositary Agreement by giving to the Depositary not less than 12 months' written notice if the Investment Manager ceases to be the AIFM of the Company as a result of the Investment Management Agreement being terminated.

Any party may terminate the Depositary Agreement after the initial term on 90 days' prior written notice to the other parties. In addition, the Company and/or the Investment Manager may terminate the Depositary Agreement immediately if, among other circumstances, (i) the Depositary is in material breach of any of its obligations under the Depositary Agreement and, if such breach is capable of remedy, has not remedied such breach within 30 days of receipt of written notice requiring it to do so; (ii) the Depositary is in an event of insolvency, (iii) the Depositary ceases to be authorised under applicable laws or (iv) the parties fail to resolve a dispute in relation to the performance by the Company and/or the Investment Manager of their respective obligations under the Depositary Agreement by way of the dispute resolution procedures provided for under the agreement. The Depositary has similar rights of immediate termination in relation to the actions and/or omissions of the Company and the Investment Manager. The Company and the Investment Manager may also terminate the Depositary Agreement if they are so instructed by a regulator or if the Depositary is found by a regulator or a competent court to be guilty of the offence of money laundering.

If the Company or the Investment Manager terminates the Depositary Agreement during the initial term of four years, the Depositary will be entitled to payment of an early termination fee equal to 80 per cent of the total fees due from the Company during the initial term, less any fees already paid. The Depositary Agreement provides for certain circumstances when such early termination fee would not be payable.

The Depositary may delegate some of its custody functions to a sub-custodian and some of its safekeeping duties in relation to other assets, in each case in accordance with applicable law. Subject to the requirements of applicable law, the Depositary Agreement provides that the Depositary may be discharged of liability imposed by the AIFMD for any sub-custodian to which the Depositary has delegated safe-keeping duties, provided there is a written agreement between the Depositary and the relevant sub-custodian which allows for the Company or the Investment Manager (acting on behalf of the Company) to make a claim against such sub-custodian in respect of the loss of financial instruments or for the Depositary to make a claim on their behalf.

Unless expressly authorised by the Investment Manager or the Company, the Depositary is not authorised to re-use, and shall ensure that its sub-custodians do not re-use, any assets belonging to the Company which are held in custody.

The Depositary Agreement contains certain customary warranties, undertakings and indemnities by the Company and the Investment Manager in favour of the Depositary.

The Depositary Agreement is governed by English law.

7.5 Administration Agreement

Pursuant to an Administration Agreement dated 14 November 2017 between the Company, the Investment Manager and the Administrator, the Administrator was appointed to provide day-to-day administration of the Company including assisting the Company with the calculation of the Net Asset Value and NAV per Share and in complying with all relevant statutory and regulatory obligations.

The Administrator is entitled to receive a one-off fee of £8,800 and an annual aggregate fee of £63,380 (and an additional fee of 0.25 basis points on the part of the GAV that is above £88 million) for its various services in relation to the Company. The fees for any further services provided by the Administrator will be agreed between the parties from time to time.

The Administration Agreement has an initial term of four years from the date of Admission. The Company and/or the Investment Manager may terminate the Administration Agreement by giving to the Administrator not less than 12 months' written notice if the Investment Manager ceases to be the AIFM of the Company as a result of the Investment Management Agreement being terminated. After the end of the initial term, the Administrator may terminate the Administration Agreement on six months' prior written notice. The Company and the Investment Manager may terminate the Administration Agreement at any time on three months' notice. In such case, the Administrator will be entitled to payment of an early termination fee equal to 80 per cent of the total fees due from the Company during the initial term, less any fees already paid. The Administration Agreement provides for specific circumstances when such early termination fee would not be payable.

The Administration Agreement may also be terminated by the Company and/or the Investment Manager immediately in certain circumstances, including if (i) the Administrator commits any material breach of the provisions of the Administration Agreement and, if capable of remedy, has not remedied the breach within 30 days of receipt of written notice from the Company and the Investment Manager requiring remedy; and (ii) the Administrator commits a persistent breach of the Administration Agreement.

The Administrator may, with the prior written consent of the Company or Investment Manager, as the case may be, delegate its duties under the Administration Agreement relating to activities falling within Annex I of the

AIFMD, provided that (i) such sub-contracting complies with the requirements of the AIFMD applicable to the Administrator in case of sub-delegation; and (ii) any necessary consent or notification to the relevant regulator(s) has been obtained or made by the Investment Manager. The Administrator may also, without the prior consent of the Company or Investment Manager, as the case may be, delegate any other service under the Administration Agreement (not falling within Annex I of the AIFMD) to an affiliate of the Administrator and there is no adverse impact on the provision of such service(s).

The Administrator will not, in the absence of negligence, fraud, bad faith or wilful default or breach of the Administration Agreement, be liable for any loss or damage suffered by the Company arising directly or indirectly out of any act or omission on the part of the Administrator or any of its employees in connection with its or their duties under the Administration Agreement. The Company will indemnify fully the Administrator and its employees, officers, directors, delegates against all proceedings, claims, demands, damages, reasonable amounts paid in settlement, reasonable costs and expenses, losses and liabilities incurred or suffered in the proper performance or non-performance of any of its obligations or duties to the extent such losses are not as a result of the Administrator's fraud, negligence, bad faith, wilful default or material breach of the Administration Agreement. The Company will have no liability to the Administrator under the indemnity unless the Administrator serves notice upon the Company within 12 months of the date the Administrator became, or ought reasonably to have become, aware of the circumstances giving rise to the Company's potential liability.

The Administration Agreement is governed by English law.

7.6 Registrar Agreement

The Company is a party to a Registrar Agreement with Computershare Investor Services PLC dated 14 November 2017 pursuant to which the Registrar has agreed to act as registrar to the Company and provide share registration and online services to the Company.

The Registrar is entitled to receive a monthly fee for the provision of its services under the Registrar Agreement, calculated on the basis of the number of shareholders in the Company. In addition to the monthly fee, the Registrar is entitled to reimbursement for all out-of-pocket expenses incurred by it in the performance of its services. Any additional services provided by the Registrar will incur additional charges.

The Registrar Agreement will continue for an initial fixed term of three years, and continue thereafter until terminated by either party giving the other not less than six months' prior written notice, such notice not to expire prior to the end of the initial fixed term.

The Registrar Agreement may be terminated at any time and with immediate effect by either party by written notice where the other party (i) commits a material breach of its obligations under the Registrar Agreement which has not been remedied within 30 days of a written notice requesting the same, or (ii) the other party goes into an insolvency or liquidation event and such insolvency or liquidation event is not stayed, revoked, withdrawn, or rescinded within 30 days or (iii) the other party ceases to have the appropriate authorisation to allow it to lawfully perform its functions under the Registrar Agreement. The Company may terminate the Registrar Agreement immediately in the event of a persistent breach by the Registrar. In addition, the Company may terminate the Registrar Agreement at any time by giving to the Registrar not less than three months' prior written notice. The parties have agreed that on termination or expiry of the Registrar Agreement, the maximum migration fee payable by the Company to the Registrar will be £100,000, save in the case of termination for fraud, negligence, wilful default, persistent or material breach by the Registrar, where no migration fee shall be payable by the Company.

The Company will indemnify the Registrar against, and hold it harmless from, any losses, damages, costs, and expenses whatsoever and howsoever arising, suffered or incurred (whether directly or indirectly) by the Registrar, including as a result of or in connection with the Registrar acting on any forged, fabricated or other inaccurate, invalid or unauthorised documents received by it in connection with the performance of its obligations under the Registrar Agreement and/or as a result of the Company's breach of applicable anti-bribery laws.

The Registrar will indemnify the Company and its officers and employees from and against any loss (excluding any indirect or consequential loss) arising from the fraud, fraudulent misrepresentation, negligence or wilful default of the Registrar or its officers, employees and agents.

The aggregate liability of the Registrar to the Company under the Registrar Agreement's indemnity provisions is limited in any 12 month period to an amount equal to two times the amount of fees payable under the Registrar Agreement. The Registrar will not be liable to the Company in respect of any claim unless written

notice of the claim has been given to the Registrar by or on behalf of the Company on or before the date which is 12 months after the date on which the Company became aware of the specific act, fact, circumstance or event which gave rise to the claim, or if earlier, the date on which it ought reasonably (having regard to all the circumstances) to have become so aware.

The Registrar may sub-contract the provision of the services under the Registrar Agreement, provided that the Registrar shall, at all times, remain responsible for the provision of such services and be liable to the Company for all acts and omissions of its sub-contractors to the extent that, had such acts and omissions been of the Registrar, the Registrar would have been liable to the Company.

The Registrar Agreement is governed by English law.

7.7 Receiving Agent Agreement

Pursuant to a Receiving Agent Agreement dated 14 November 2017 between the Company and the Receiving Agent, the Receiving Agent was appointed to provide receiving agent services to the Company in respect of the Issue.

Under the terms of the agreement, the Receiving Agent is entitled to a fee of £8,000. The Receiving Agent will also be entitled to reimbursement of all out of pocket expenses reasonably and properly incurred by it in connection with its duties. These fees will be for the account of the Company.

Unless earlier terminated in accordance with the terms of the agreement, the Receiving Agent Agreement will continue until completion of the services set out in the agreement. The Receiving Agent Agreement may be terminated by either party upon service of written notice to the other party in the event of a material breach which is not remedied within five Business Days of receipt of a written notice to do so, or if a resolution is made for winding up, dissolution or administration of the other party, or at any time after a force majeure event has resulted in the other party being unable to perform its obligations under the Receiving Agent Agreement.

The Receiving Agent Agreement contains a provision whereby the Company indemnifies the Receiving Agent against any loss, liability or expense in connection with the provision of the Receiving Agent's services under the agreement, save where such claims arise out of or are attributable to fraud, wilful default or negligence on the part of the Receiving Agent.

The Receiving Agent will indemnify the Company against any loss (excluding any indirect, consequential or special loss) which the Company may incur as a result of or in connection with the fraud, negligence or wilful default of the Receiving Agent relating to the services provided under the agreement. Subject to certain exclusions, including negligence and liability for fraud and any other liability that cannot be excluded by law, the maximum aggregate liability of the Receiving Agent and its affiliates, or its or their directors, officers, employees, or agents under the Receiving Agent Agreement over any twelve month period, whether such liability arises in contract or in tort, for misrepresentation, or any statutory duty or in any other way will not exceed an amount equal to five times the amount of fees payable under the Receiving Agent Agreement.

The Receiving Agent Agreement is governed by English law.

7.8 Company Secretarial Agreement

The Company Secretarial Agreement dated 14 November 2017 between the Company and Link Market Services, pursuant to which the Company Secretary is appointed to perform certain company secretarial services and related support to the Company.

Link Market Services is permitted under the Company Secretarial Agreement to sub-contract the provision of services to a third party, provided that Link Market Services remains liable for the acts and/or omissions of such person as if they were its own acts and/or omissions.

The Company Secretarial Agreement may be terminated by either party on three months' notice in writing, on service of written notice if the other party commits a material breach of its obligations which that party has failed to remedy within 45 days of receipt of a written notice to do so, or immediately in the event of insolvency of the other party.

In consideration for the administration and company secretarial services provided under the Company Secretarial Agreement, the Company has agreed to pay an annual fee of £60,000. Any additional services provided by the Company Secretary will incur additional charges.

Link Market Service's maximum aggregate liability under the Company Secretarial Agreement, whether in contract, tort, breach of statutory duty or otherwise, for any damage or other loss howsoever caused arising out of or in connection with the Company Secretarial Agreement or the provision of the services under the

agreement shall be limited to the lesser of £500,000 or an amount equal to five times the aggregate annual fee payable to the Company Secretary under the agreement.

The Company Secretary Agreement contains certain customary covenants, undertakings and indemnities by the Company in favour of Link Market Services.

The Company Secretary Agreement is governed by English law.

8. Related Party Transactions

Save as disclosed in paragraphs 7.2 and 7.3 of this Part X (*Additional information*) of this Prospectus in relation to the Aviva Subscription Agreement and Investment Management Agreement respectively, the Company has not entered into any related party transactions since incorporation.

As noted in Part V (*The Target Portfolio*) of this Prospectus, the acquisition of two of the assets comprising the Target Portfolio are expected to be related party transactions for the purposes of the Listing Rules and, accordingly, will be subject to approval by the Shareholders at a general meeting.

9. Litigation

Save as disclosed below, there are no, and have not been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) in the previous 12 months preceding the date of this Prospectus which may have, or have had in the recent past, a significant effect on the Company's financial position or profitability.

On 7 November 2017, the Investment Manager received an email from a listed investment company objecting to the Company's use of descriptive identifiers "secure" and "income" as these words are included in the name of that other listed investment company. The Company has received legal advice that any passing off claim that may be brought in relation to the similarity of its name with that of other investment vehicles is highly unlikely to succeed. No claim has been brought against the Company as at the date of this Prospectus and the amount of any potential claim has not been determined. All and any anticipated costs which may be incurred in defending a claim (and any related damages) will be borne by the Investment Manager, which has agreed to indemnify the Company and the Directors in respect of this matter.

10. Financial Information

10.1 PricewaterhouseCoopers LLP has been the only auditor of the Company since its incorporation. PricewaterhouseCoopers LLP is registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales and is independent of the Company. The annual report and accounts of the Company will be prepared in Sterling in accordance with IFRS.

10.2 The Company's accounting period will end on 31 December of each year, with the first year end on 31 December 2018 and copies of the annual report and accounts of the Company are expected to be sent to Shareholders within the following four months.

10.3 The Company has not commenced operations since its incorporation on 27 September 2017 and no financial statements of the Company have been made as at the date of this Prospectus.

10.4 As at the date of this Prospectus, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness. As at the date of this Prospectus, the Company's issued share capital consists of one Ordinary Share and 50,000 Redeemable Preference Shares.

10.5 The Company does not provide any pension, retirement or similar benefits.

10.6 The net assets of the Company will increase by the Net Proceeds of the Issue, being a minimum of £122.5 million, which will be earnings enhancing.

11. UK/US FATCA Agreement and the Common Reporting Standard

The UK signed a Model 1 (reciprocal) inter-governmental agreement with the United States (the "US IGA") on 12 September 2012 to give effect to FATCA. Subsequently UK regulations were made and Guidance Notes issued now contained within the HMRC International Exchange of Information Manual. These provide detail and guidance on the application of the US IGA and clarify, inter alia, the powers and responsibilities of the UK Government.

UK financial institutions (“**FIs**”) that comply with the US IGA and the enabling legislation will be treated as satisfying the due diligence and reporting requirements of FATCA and accordingly will be “deemed compliant” with the requirements of FATCA, will not be subject to withholding tax, and will not be required to close recalcitrant accounts.

The US IGA categorises FIs as either “Reporting FIs” or “Non-Reporting FIs”. By default, all UK FIs will be Reporting FIs, unless they qualify as Non-Reporting FIs. The categories of Non-Reporting FIs are specified in Annex II to the US IGA. A Reporting FI is

- (a) not required to enter an “**FFI agreement**” with the US Internal Revenue Service (“**IRS**”), but is:
- (b) required to register with the IRS to obtain a Global Intermediary Identification Number,
- (c) required to conduct due diligence on its investors to identify whether accounts are held directly or indirectly by “Specified US Persons”; and
- (d) required to report information on such Specified US Persons to HMRC. HMRC will exchange the information reported to it with the IRS annually on an automatic basis. While a Non-Reporting FI will not be subject to these requirements, it will need to provide self-certification, on US tax forms, to withholding agents to avoid the imposition of the 30 per cent withholding tax.

Under the terms of the US IGA and the relevant regulations, FATCA withholding tax will not be imposed on payments made to the REIT except to the extent the REIT, is unable to comply with its obligations under FATCA and/or the US IGA, as applicable. Such non-compliance may arise where the REIT’s investors or any other account holders fail to comply with their obligations under FATCA or the US IGA, or otherwise fails to comply with any other obligations they may have to the REIT.

If the REIT is subject to such withholding tax or is required to withhold under FATCA, this will generally be at the rate of 30 per cent of the relevant payment. If an amount in respect of FATCA withholding tax is deducted or withheld, the REIT will not pay any additional amounts as a result of the deduction or withholding. Under the terms of the US IGA, the REIT is not, however, currently required to withhold tax on payments made by the REIT on Ordinary Shares. However, there can be no assurances that the REIT, its agent or an intermediary paying agent will not, in the future, be required to withhold under FATCA in respect of payments on Ordinary Shares.

Subsequently, the “Standard for Automatic Exchange of Financial Account Information” or “the Standard” developed by the OECD in cooperation with the EU has been incorporated into domestic UK law. This is a global standardised automatic exchange model which builds on the FATCA IGA. The Standard includes both the Common Reporting Standard (the “**CRS**”) that contains due diligence rules for financial institutions and the Model Competent Authority Agreement that links the CRS to the legal basis for exchange, specifying the financial information to be exchanged.

The Standard was adopted in the UK with an entry into force date of 1 January 2016.

Consequently, this means that account information for 2016 onwards will be automatically reported in 2017 under the Standard in respect of the UK and all other participating jurisdictions (excluding the US) and under FATCA in respect of the US. The UK currently has 49 activated exchange agreements under CRS.

By investing (or continuing to invest) in the REIT, investors shall be deemed to acknowledge that:

- (a) the REIT (or its agent or other intermediary) may be required to disclose to HMRC certain confidential information in relation to the investor, including but not limited to the investor’s name, address, tax identification number (if any), social security number (if any) and certain information relating to the investor’s investment;
- (b) HMRC may be required to exchange automatically information as outlined above with the IRS, and other foreign fiscal authorities;
- (c) the REIT (or its agent or other intermediary) may be required to disclose to the IRS, HMRC and other foreign fiscal authorities certain confidential information when registering with such authorities and if such authorities contact the REIT (or its agent directly or other intermediary) with further enquiries;
- (d) the REIT (or its agent or other intermediary) may require the investor to provide additional information and/or documentation which the REIT (or its agent or other intermediary) may be required to disclose to HMRC or other foreign fiscal authorities;

- (e) in the event an investor does not provide the requested information and/or documentation, whether or not that actually leads to compliance failures by the REIT, or a risk of the REIT and or its investors being subject to withholding tax under the relevant legislative or inter-governmental regime, the REIT reserves the right to take any action and/or pursue all remedies at its disposal including, without limitation, withholding on payments in respect of the shares and compulsory redemption of the shares of the investor concerned; and
- (f) no investor affected by any such action or remedy shall have any claim against the REIT (or its agent) for any form of damages or liability as a result of actions taken or remedies pursued by or on behalf of the REIT in order to comply with either the US IGA or the CRS or any of the relevant underlying legislation.

The REIT will monitor its FATCA and CRS requirements and may provide information to relevant tax authorities should it be, or become, obligated to do so.

If prospective investors are in any doubt as to the consequences of their acquiring, holding or disposing of Ordinary Shares, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

12. Working Capital

The Company is of the opinion, taking into account the Minimum Net Proceeds, that the working capital available to it is sufficient for its present requirements, that is for at least the next 12 months from the date of this Prospectus.

13. No Significant Change

There has been no significant change in the trading or financial position of the Company since its incorporation.

14. City Code on Takeovers and Mergers

The City Code on Takeovers and Mergers applies, among other things, to offers for public companies (other than open-ended investment companies) which have their registered offices in the United Kingdom if any of their securities are admitted to trading on a regulated market in the United Kingdom or any stock exchange in the Channel Islands or the Isle of Man. As a company incorporated in the United Kingdom with shares admitted to trading on the main market of the London Stock Exchange, the Company is subject to the provisions of the City Code on Takeovers and Mergers.

Under Rule 9 of the City Code on Takeovers and Mergers, if:

- (a) a person acquires an interest in shares of the Company which, when taken together with shares already held by him or persons acting in concert with him, carry 30 per cent or more of the voting rights in the Company; or
- (b) a person who, together with persons acting in concert with him, is interested in not less than 30 per cent and not more than 50 per cent of the voting rights in the Company acquires additional interests in shares which increase the percentage of Ordinary Shares carrying voting rights in which that person is interested,

the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for any interests in the Ordinary Shares by the acquirer or its concert parties during the previous 12 months. A person and its concert parties would not be required to make a cash offer for the outstanding shares if he, together with persons acting in concert with him, is interested in more than 50 per cent of the voting rights in the Company.

15. General

15.1 As at the date of this Prospectus, the Company does not own any premises and does not lease any premises.

15.2 The Company intends to become a member of the AIC following Admission.

15.3 The Ordinary Shares being issued in connection with the Issue are being issued at 100 pence per Ordinary Share, of which 99 pence per Ordinary Share constitutes share premium.

16. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Board intends to apply for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly it is intended that settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if the relevant Shareholders so wish. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so upon request made to the Receiving Agent.

17. Consent

Jefferies International Limited has given and not withdrawn its written consent to the inclusion in this Prospectus of its name and references in the form and context in which it appears.

18. Third Party Sources

Where information has been sourced from a third party this information has been accurately reproduced and the source of such information has been identified. So far as the Company and the Directors are aware and are able to ascertain from information provided by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

19. Disclosure requirements and notification of interest in shares

Under Chapter 5 of the Disclosure Guidance and Transparency Rules, subject to certain limited exceptions, a person must notify the Company (and at the same time, notify the FCA) as soon as possible (and not later than two trading days) of the percentage of voting rights he holds or is deemed to hold through his direct or indirect holding of certain types of financial instruments if the percentage of those voting rights:

- (a) reaches, exceeds or falls below three per cent and each one per cent threshold thereafter up to 100 per cent as a result of an acquisition or disposal of shares or relevant financial instruments; or
- (b) reaches, exceeds or falls below an applicable threshold in the paragraph above as a result of events changing the breakdown of voting rights and on the basis of the total voting rights notified to the market by the Company.

Such notification must be made using the prescribed form TR-1 available from the FCA's website at <http://www.fca.org.uk>. Under the Disclosure Guidance and Transparency Rules, the Company must announce the notification to the public as soon as possible and in any event by not later than the end of the trading day following receipt of a notification in relation to voting rights. The FCA may take enforcement action against a person holding voting rights who has not complied with Chapter 5 of the Disclosure Guidance and Transparency Rules.

20. Capitalisation and Indebtedness

As at the date of this Prospectus, the Company:

- (a) does not have any secured, unsecured or unguaranteed indebtedness, including indirect and contingent;
- (b) has not granted any mortgage or charge over any of its assets; and
- (c) does not have any contingent liabilities or guarantees.

As at the date of this Prospectus, the Company's issued share capital is one Ordinary Share and 50,000 Redeemable Preference Shares.

21. Intermediaries

The intermediaries authorised as at the date of this Prospectus to use this Prospectus in connection with the Intermediaries Offer are:

- AJ Bell Securities Ltd
- Alliance Trust Savings Limited
- Barclays Bank PLC
- Cornhill Capital

- Equiniti Financial Services Limited
- Hargreave Hale Limited
- Hargreaves Lansdown Asset Management Limited
- iDealing.com Ltd
- Redmayne-Bentley LLP
- Rowan Dartington & Company Limited
- The Share Centre Limited
- TD Direct Investing (Europe) Limited
- Walker Crips Stockbrokers Limited

Any new information with respect to Intermediaries unknown at the time of approval of this Prospectus, including in respect of any Intermediaries who are appointed after the date of this Prospectus, will be made available on the Company's website, www.avivainvestors.com/aisir.

22. Recognition and enforcement of foreign judgments

Investors should note that the Company may be adversely affected by the ability to recognise and enforce a foreign judgment in England. There are a number of legal instruments providing for the recognition and enforcement of judgments obtained from certain jurisdictions relating to certain matters in England. Judgments obtained in jurisdictions or relating to matters not covered by such legal instruments may be enforceable in England at common law. Nevertheless, there is uncertainty regarding the ability to enforce foreign judgments in England, which may adversely affect the Company and the value of the Ordinary Shares.

23. Documents available for inspection

Copies of the following documents will be available for inspection at the registered office of the Company and the offices of Ashurst LLP, legal counsel to the Company, Broadwalk House, 5 Appold Street, London EC2A 2HA, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) for a period of 12 months from the date of publication of this Prospectus:

- (a) the Memorandum of Association and Articles of Association of the Company;
- (b) the consent letter referred to in paragraph 17 of this Part X (*Additional Information*) of this Prospectus; and
- (c) a copy of this Prospectus.

PART XI—TERMS AND CONDITIONS OF THE PLACING

1. Introduction

Each person who is invited to and who chooses to participate in the Placing (including individuals, funds or others) (a “**Placee**”) confirms its agreement (whether orally or in writing) to Jefferies to subscribe for Ordinary Shares under the Placing and that it will be bound by these terms and conditions and will be deemed to have accepted them.

Jefferies may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as Jefferies (in its absolute discretion) see fit.

2. Agreement to subscribe for Ordinary Shares

Conditional on: (i) Admission becoming effective by not later than 8.00 a.m. (London time) on 8 December 2017 (or such later time and/or date, not being later than 8.00 a.m. (London time) on 31 December 2017, as the Company and the Investment Manager may agree with Jefferies); (ii) the Sponsor’s and Placing Agreement becoming otherwise unconditional in all respects and not having been terminated on or before 8 December 2017 (or such later date, not being later than 31 December 2017, as the Company and the Investment Manager may agree with Jefferies); and (iii) Jefferies confirming to the Placees their allocation of Ordinary Shares, a Placee agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares allocated to it by Jefferies at the Issue Price. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

3. Payment for Ordinary Shares

- (a) Each Placee must pay the Issue Price for the Ordinary Shares issued to the Placee in the manner and by the time directed by Jefferies. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee’s application for Ordinary Shares may, at the discretion of Jefferies, either be rejected or accepted. In the case of acceptance, paragraph 3(b) below shall apply.
- (b) Each Placee is deemed to agree that if it does not comply with its obligation to pay the Issue Price for the Ordinary Shares allocated to it by Jefferies and Jefferies elects not to reject that Placee’s application, Jefferies may sell all or any of the Ordinary Shares allocated to such Placee on such Placee’s behalf and retain from the proceeds, for Jefferies’ own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such Ordinary Shares on such Placee’s behalf.

4. Representations and Warranties

By agreeing to subscribe for Ordinary Shares, each Placee which enters into a commitment to subscribe for Ordinary Shares will (for itself and any person(s) procured by it to subscribe for Ordinary Shares and any nominee(s) for any such person(s)) be deemed to represent and warrant to each of the Company, the Investment Manager and Jefferies that:

- (a) in agreeing to subscribe for the Ordinary Shares under the Placing, it is relying solely on this Prospectus and any supplementary prospectus published by the Company prior to Admission and not on any other information given, or representation or statement made at any time, by any person concerning the Company or the Placing. It agrees that none of the Company, the Investment Manager or Jefferies, nor any of their respective officers, agents or employees, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;
- (b) the content of this Prospectus is exclusively the responsibility of the Company and its Board and apart from the liabilities and responsibilities, if any, which may be imposed on Jefferies under any regulatory regime, none of Jefferies, any person acting on its behalf or any of their respective affiliates makes any representation, express or implied, or accepts any responsibility whatsoever for the contents of this Prospectus or for any other statement made or purported to be made by them or on its or their behalf in connection with the Company or the Ordinary Shares;
- (c) if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Ordinary Shares under the Placing, it warrants that it has complied with all such laws,

obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the Company, the Investment Manager or Jefferies or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing;

- (d) it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Ordinary Shares and it is not acting on a non-discretionary basis for any such person;
- (e) it has carefully read and understands this Prospectus in its entirety and it is acquiring Ordinary Shares solely on the basis of this Prospectus and any supplementary prospectus published by the Company prior to Admission and no other information and that in accepting a participation in the Placing it has had access to all information it believes necessary or appropriate in connection with its decision to subscribe for Ordinary Shares;
- (f) no person is authorised in connection with the Placing to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus published by the Company prior to Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the Investment Manager or Jefferies ;
- (g) it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;
- (h) if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, that it is a person to whom the Ordinary Shares may be lawfully offered under that other jurisdiction's laws and regulations;
- (i) if it is a resident in the EEA, it is a qualified investor within the meaning of the law in the Relevant Member State implementing Article 2(1)(e) of this Prospectus Directive and, if it is domiciled or has a registered office in an EEA state (i) that state is the UK, the Netherlands or Ireland; or (ii) it made the initial approach to acquire the Ordinary Shares without any person acting for or on behalf of the Company or the Investment Manager (including Jefferies or any Intermediaries) marketing (within the meaning of the AIFMD) the Ordinary Shares to them; or (iii) that state has not transposed the AIFM Directive as at the date of the Placée's commitment to subscribe is made;
- (j) if it is outside the United Kingdom, neither this Prospectus nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Ordinary Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Ordinary Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- (k) if it or any prospective legal or beneficial owner of the Ordinary Shares is, or at the time the Ordinary Shares are acquired will be, outside the United States and not a US Person, it is acquiring the Ordinary Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S under the US Securities Act and it is not acquiring the Ordinary Shares for the account or benefit of a US Person;
- (l) it acknowledges that the Company has not registered under the US Investment Company Act, that investors will not be entitled to the benefits of that Act, and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the US Investment Company Act;
- (m) it acknowledges that the Investment Manager is not registered in the United States with the SEC as an investment adviser in reliance on the exemption from registration for private fund advisers in Section 203(m) of the US Advisers Act, and Rule 203(m)- I thereunder and, as such, the investor will not be afforded the full protections provided by the US Advisers Act;
- (n) it acknowledges that if at any time it is an "affiliate" of the Company (as defined in Rule 405 under the US Securities Act), it will, for so long as it is an "affiliate" of the Company, unless it has received the Company's prior consent, offer, resell, pledge or otherwise transfer its Ordinary Shares only (i) in an

offshore transaction complying with the provisions of Regulation S to a person outside the United States and not known by the transferor to be a US Person, by prearrangement or otherwise; or (ii) to the Company or a subsidiary thereof;

- (o) the Ordinary Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Ordinary Shares under the securities laws of the United States, Australia, Canada, the Republic of South Africa or Japan and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, into or within the United States, Australia, Canada, the Republic of South Africa or Japan or in any country or jurisdiction where any action for that purpose is required;
- (p) if it is a pension fund or investment company, its acquisition of the Ordinary Shares is in full compliance with applicable laws and regulations;
- (q) it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other offering materials concerning the Issue or the Ordinary Shares to any persons within the United States or to any US Persons, nor will it do any of the foregoing;
- (r) neither Jefferies nor any of its affiliates nor any person acting on its or their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Issue or providing any advice in relation to the Issue, and its participation in the Placing is on the basis that it is not and will not be a client of Jefferies or any of its affiliates and that neither Jefferies nor any of its affiliates have any duties or responsibilities to it for providing protection afforded to their respective clients or for providing advice in relation to the Issue nor in respect of any representations, warranties, undertaking or indemnities contained in these terms;
- (s) where it is subscribing for Ordinary Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the Ordinary Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this Prospectus; and (iii) to receive on behalf of each such account any documentation relating to the Placing in the form provided by the Company and/or Jefferies. It agrees that the provision of this paragraph shall survive any resale of the Ordinary Shares by or on behalf of any such account;
- (t) it irrevocably appoints any Director and any director of Jefferies to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Ordinary Shares for which it has given a commitment under the Placing, in the event of its own failure to do so;
- (u) it accepts that if the Placing does not proceed or the conditions to the Sponsor's and Placing Agreement are not satisfied or the Ordinary Shares for which valid applications are received and accepted are not admitted to listing and trading on the Official List and the London Stock Exchange's main market for listed securities for any reason whatsoever then none of the Company, the Investment Manager or Jefferies or any of their affiliates, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- (v) it acknowledges that the Issue will not proceed if the Minimum Net Proceeds are not raised and that in such circumstances, any monies received in respect of the Issue will be returned to applicants without interest and at their own risk;
- (w) in connection with its participation in the Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and countering terrorist financing and that its application is only made on the basis that it accepts full responsibility for any requirement to identify and verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (2015/849 of the European Parliament and of the EC Council of 20 May 2015 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing) (the "**Money Laundering Directive**"); or (iii) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;

- (x) due to anti-money laundering and the countering of terrorist financing requirements, Jefferies and/or the Company may require proof of identity of a Placee and related parties and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the Placee to produce any information required for verification purposes Jefferies and/or the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Jefferies and/or the Company against any liability, loss or cost ensuing due to the failure to process this application, if such information as has been required has not been provided by it or has not been provided on a timely basis; and
- (y) Jefferies and the Company (and any agent on their behalf) are entitled to exercise any of their rights under the Sponsor's and Placing Agreement or any other right in their absolute discretion without any liability whatsoever to them (or any agent acting on their behalf).

The representations, undertakings and warranties contained in this Prospectus are irrevocable. It acknowledges that Jefferies, the Company, the Investment Manager and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of the Ordinary Shares are no longer accurate, it shall promptly notify Jefferies and the Company.

Where it or any person acting on behalf of it is dealing with Jefferies, any money held in an account with Jefferies on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Jefferies to segregate such money, as that money will be held by Jefferies under a banking relationship and not as trustee.

It accepts that the allocation of Ordinary Shares shall be determined by the Company (in consultation with Jefferies and the Investment Manager) in its absolute discretion.

Time shall be of the essence as regards its obligations to settle payment for the Ordinary Shares and to comply with its other obligations under the Placing.

5. Supply and disclosure of information

If Jefferies, the Company, the Investment Manager, the Registrar or any of their agents request any information in connection with a Placee's agreement to subscribe for Ordinary Shares under the Placing or to comply with any relevant legislation, such Placee must promptly disclose it to them.

6. Miscellaneous

The rights and remedies of Jefferies, the Company and the Investment Manager under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

Each Placee agrees to be bound by the Articles (as amended from time to time) once the Ordinary Shares, which the Placee has agreed to subscribe for pursuant to the Placing, have been acquired by the Placee. The contract to subscribe for Ordinary Shares under the Placing and the appointments and authorities mentioned in this Prospectus will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Jefferies, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against a Placee in any other jurisdiction.

In the case of a joint agreement to subscribe for Ordinary Shares under the Placing, references to a "Placee" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

Jefferies and the Company expressly reserve the right to modify the Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined.

The Placing is subject to the satisfaction of the conditions contained in the Sponsor's and Placing Agreement (which include but are not limited to those set out in paragraph 1 of Part VI (*The Issue*) of this Prospectus), and

such agreement not having been terminated. Jefferies has the right to waive or not to waive any such condition or terms and shall exercise that right without recourse or reference to Placees. Further details of the terms of the Sponsor's and Placing Agreement are contained in paragraph 7.1 of Part X (*Additional Information*) of this Prospectus.

It is expected that delivery of the Ordinary Shares will be made against payment therefore on or about 8 December 2017, which will be the third Business Day following the date of allocation of the Ordinary Shares (this settlement cycle being referred to as "**T+3**"). However, Placees should be aware that if they were to trade the Ordinary Shares on the initial allocation date of the Ordinary Shares, they would be required, by virtue of the fact that the Ordinary Shares initially will settle in T+3 Business Days, to specify alternative settlement arrangements at the time of any such trade to prevent a failed settlement and should consult their own advisor.

PART XII—DEFINITIONS AND GLOSSARY

The following definitions will apply throughout this Prospectus unless the context otherwise requires.

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| “€” or “EUR” or “Euro” | the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community as amended; |
| “£” or “Sterling” or “pounds” or “pence” | the lawful currency of the United Kingdom; |
| “\$” or “US\$” or “US Dollars” or “cents” | the lawful currency of the United States; |
| “Adjusted NAV” | means the published NAV as at the end of the six-month period in respect of which the Management Fee is being calculated, excluding (i) any accrual made in respect of the Management Fee for that or any other period; and (ii) the net proceeds of the Issue or any future equity capital raise (and for the avoidance of doubt, after deducting all equity issue costs and expenses) less cash invested (including related expenses) to the relevant NAV date to fund investments by the Company (including, for the avoidance of doubt, forward funded assets); |
| “Administration Agreement” | the administration agreement between the Company and the Administrator, dated 14 November 2017; |
| “Administrator” | RBC Investor Services Bank S.A.; |
| “Admission” | admission to the premium listing segment of the Official List and/or admission to trading on the main market for listed securities of the London Stock Exchange, as the context may require, of the Ordinary Shares becoming effective in accordance with the Listing Rules and/or the LSE Admission Standards as the context may require; |
| “AIC” | the Association of Investment Companies; |
| “AIC Code” | the AIC Code of Corporate Governance, as amended from time to time; |
| “AIF” | an alternative investment fund and has the meaning given in the AIFMD; |
| “AIFM” | an alternative investment fund manager and has the meaning given in the AIFMD; |
| “AIFMD” | Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and, where the context requires, includes references to Commission Delegated Regulation (EU) No 231/2013 and any applicable local laws implementing the AIFMD into the national law of an EEA member state; |
| “Articles of Association” or “Articles” | the articles of association of the Company, in force from time to time; |
| “Audit Committee” | the audit committee of the Company as described in Part IV (<i>Directors, Corporate Governance and Administration</i>) of this Prospectus; |
| “Auditor” | PricewaterhouseCoopers LLP; |
| “Aviva” | Aviva plc; |
| “Aviva Group” | each of Aviva’s subsidiary undertakings, affiliates, branches, associates, and parent undertakings (and subsidiary of any such parent undertakings); |
| “Aviva Investors” | the trading name of the entities carrying on the global assets management business of Aviva and whose ultimate parent company is Aviva; |
| “Aviva Investors Real Estate” | Aviva Investors Real Estate Limited; |
| “Aviva Life Fund” | Aviva Life & Pensions UK Limited; |

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| “Aviva Subscription” | the subscription by Aviva Life Fund of Ordinary Shares pursuant to the terms of the Aviva Subscription Agreement; |
| “Aviva Subscription Agreement” | the subscription agreement dated 14 November 2017 between the Company and Aviva Life Fund, a summary of which is set out in paragraph 7.2 of Part X (<i>Additional Information</i>) of this Prospectus; |
| “Benefit Plan Investor” | a benefit plan investor as defined in section 3(42) of the United States Employee Retirement Income Security Act of 1974, as amended from time to time, and any regulations promulgated thereunder; |
| “Board” or “Directors” | the directors of the Company as at the date of this Prospectus and whose names are set out in Part IV (<i>Directors, Corporate Governance and Administration</i>) of this Prospectus; |
| “Bribery Act” | the United Kingdom Bribery Act 2010 as amended from time to time; |
| “Business Day” | a day on which the London Stock Exchange and banks in London are normally open for business; |
| “certificated” or “certificated form” | not in uncertificated form; |
| “City Code” | the City Code on Takeovers and Mergers of the United Kingdom; |
| “Code” | the US Internal Revenue Code of 1986, as amended; |
| “Companies Act” | Companies Act 2006; |
| “Company” | Aviva Investors Secure Income REIT plc, a company incorporated under the Act 2006, company number 10985117; |
| “Company Secretarial Agreement” | the company secretarial agreement dated 14 November 2017 between the Company and the Link Market Services, a summary of which is set out in paragraph 7.8 of Part X (<i>Additional Information</i>) of this Prospectus; |
| “Company Secretary” | Link Company Matters Limited; |
| “control” | in relation to a person, means: (a) the direct or indirect ownership of more than 50 per cent of the equity share capital or voting capital or similar right of ownership of that person; or (b) the power to direct or cause the direction of the general management and policies of that person, whether directly or indirectly and whether through the ownership of voting capital, by contract or otherwise and the term “controlled” shall be construed accordingly; |
| “Controlling Person” | any person (other than a Benefit Plan Investor) that has discretionary authority or control with respect to the assets of the Company or that provides investment advice for a fee (direct or indirect) with respect to such assets or an “affiliate” (within the meaning of the Plan Asset Regulations) of such a person; |
| “Court” | High Court of Justice in England and Wales; |
| “CPI” | Consumer Prices Index; |
| “CREST” | the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as “Operator” pursuant to the Regulations; |
| “CREST Regulations” | the Uncertificated Securities Regulations 2001 (SI 2001/3755) |
| “CRS” | the Common Reporting Standard of the OECD; |
| “CTA 2009” | the Corporation Tax Act 2009 and any statutory modification or re-enactment thereof for the time being in force; |
| “CTA 2010” | the Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force; |

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| “Depository” | RBC Investor Services Bank S.A., London Branch; |
| “Disclosure Guidance and Transparency Rules” | the disclosure guidance and the transparency rules made under Part VI of FSMA; |
| “EEA” | the European Economic Area; |
| “EPRA” | European Public Real Estate Association; |
| “EPRA NAV” | the Net Asset Value adjusted in accordance with Best Practice Recommendations for EPRA NAV issued by EPRA (November 2016 version only, unless otherwise agreed between the Company and the Investment Manager); |
| “EU” | the European Union; |
| “Euroclear” | Euroclear UK & Ireland Limited; |
| “Europe” | the member states of the European Union and the members of the European Free Trade Association (EFTA), being Iceland, Liechtenstein and Norway and Switzerland; |
| “Excluded Territories” and each an “Excluded Territory” | the United States, Canada, Australia, Japan, Switzerland and the Republic of South Africa and any other jurisdiction where the extension or availability of the Issue would breach any applicable law; |
| “Fair Allocation Policy” | the fair allocation policy of the Investment Manager (acting through the Portfolio Manager), as further described in paragraph 12 of Part I (<i>Information on the Company</i>) of this Prospectus; |
| “FATCA” | sections 1471 through 1474 of the Code, any agreements entered into pursuant to section 1471(b)(1) of the Code and any intergovernmental agreements entered into in connection with sections 1471 through 1474 of the Code, including any fiscal or regulatory legislation, rules or practices adopted pursuant to such intergovernmental agreements; |
| “FCA” | the UK Financial Conduct Authority (or its successor bodies); |
| “FSMA” | the UK Financial Services and Markets Act 2000; |
| “GAV” | the gross asset value of the assets held or controlled by the Company, calculated in accordance with IFRS; |
| “GIC” | the Aviva Investors Global Investment Committee; |
| “Gross Issue Proceeds” | the gross proceeds of the Issue; |
| “HMRC” | HM Revenue and Customs of the United Kingdom; |
| “IFRS” | International Financial Reporting Standards as adopted by the EU; |
| “IGC” | the Aviva Investors Investment Governance Committee; |
| “Independent Directors” | the directors on the board of the Company who are independent of the Investment Manager and the Aviva Group; |
| “Independent Shareholders” | the shareholders of the Company other than any member of the Aviva Group; |
| “Intermediaries Booklet” | the booklet entitled “Aviva Investors Secure Income REIT plc share offer: Information for Intermediaries” and containing, among other things, the Intermediaries Terms and Conditions; |
| “Intermediaries” | the entities listed in paragraph 21 of Part X (<i>Additional Information</i>) of this Prospectus, together with any other intermediary (if any) that is appointed by the Company in connection with the Intermediaries Offer after the date of this Prospectus and “Intermediary” shall mean any one of them; |

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| “Intermediaries Offer Adviser” | Scott Harris UK Ltd; |
| “Intermediaries Offer” | the offer of Ordinary Shares by the Intermediaries to retail investors; |
| “Intermediaries Terms and Conditions” | the terms and conditions agreed between the Company, the Investment Manager and the Intermediaries in relation to the Intermediaries Offer and contained in the Intermediaries Booklet; |
| “Investment Management Agreement” | the investment management agreement dated 14 November 2017 between the Investment Manager and the Company under which it is appointed as the Investment Manager of the Company, a summary of which is set out in paragraph 6 of Part III (<i>Information on the Investment Manager</i>) of this Prospectus; |
| “Investment Manager” | Aviva Investors UK Fund Services Limited; |
| “IRS” | The US Internal Revenue Service; |
| “ISIN” | an International Securities Identification Number; |
| “Issue” | the Aviva Subscription and the Offer; |
| “Issue Price” | 100 pence per Ordinary Share; |
| “Jefferies” | Jefferies International Limited; |
| “Lime Property Fund” | Lime Property Fund Unit Trust, a fund established by Aviva Investors exclusively targeted at professional investors; |
| “Link Market Services” | Link Market Services Limited; |
| “Listing Rules” | the listing rules made by the UK Listing Authority under section 73A of FSMA; |
| “London Stock Exchange” or “LSE” | the London Stock Exchange plc; |
| “LSE Admission Standards” | the admission and disclosure standards issued by the London Stock Exchange in relation to the admission to trading of, and continuing requirements for, securities admitted to the Official List; |
| “Loan to Value” | the ratio of the aggregate of any debt incurred by the Company in respect of any monies borrowed by, or advanced to, the Company, to the aggregate market value of the assets of the business (including cash) of the Company; |
| “Management Engagement Committee” | the management engagement committee of the Company as described in Part IV (<i>Directors, Corporate Governance and Administration</i>) of this Prospectus; |
| “Management Fee” | the management fee to which the Investment Manager is entitled as described in Part III (<i>Information on the Investment Manager</i>) of this Prospectus; |
| “Minimum Net Proceeds” | the minimum net proceeds of the Issue, being £122.5 million; |
| “MSCI” | MSCI Inc.; |
| “NAV per Share” | the Net Asset Value per Ordinary Share; |
| “Net Asset Value” or “NAV” | the total aggregate value of the Company’s and its subsidiary undertaking’s consolidated assets less liabilities measured in accordance with IFRS and the Company’s accounting policies; |
| “Net Proceeds” | the aggregate value of all of the Ordinary Shares issued pursuant to the Issue less expenses relating to the Issue; |
| “NIA” | net internal area; |

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| “Nomination Committee” | the nomination committee of the Company as described in Part IV (<i>Directors, Corporate Governance and Administration</i>) of this Prospectus; |
| “Non-Executive Director” | a non-executive Director; |
| “Non-Qualified Holder” | any person, as determined by the Directors, to whom a sale or transfer of Ordinary Shares, or whose direct, indirect or beneficial ownership of Ordinary Shares, would or might (i) cause the Company to be required to register as an “investment company” under the US Investment Company Act (including because the holder of the Ordinary Shares is not a “qualified purchaser” as defined in the US Investment Company Act) or to lose an exemption or status thereunder to which it might otherwise be entitled; (ii) cause the Company to be required to register under the US Commodity Exchange Act; (iii) cause the Company to be required to register under the US Exchange Act or any similar legislation; (iv) cause the Company not to be considered a “foreign private issuer” as such term is defined in rule 3b-4(c) under the US Exchange Act; (v) result in any Ordinary Shares being owned, directly or indirectly, by Benefit Plan Investors or Controlling Persons other than, in the case of Benefit Plan Investors, persons that acquire the Ordinary Shares on or prior to Admission with the written consent of the Company, and, in the case of Controlling Persons, persons that acquire the Ordinary Shares with the written consent of the Company; (vi) cause the assets of the Company to be considered “plan assets” under the Plan Asset Regulations; (vii) cause the Company to be a “controlled foreign corporation” for the purposes of the Code; (viii) result in withholding obligations on payments to such person in connection with FATCA or otherwise prevent the Company from qualifying as, or complying with any obligations or requirements imposed on, a “Participating FFI” within the meaning of US Treasury Regulation Section 1.1471-1(b)(85) or a “deemed-compliant FFI” within the meaning of US Treasury Regulation Section 1.1471-5(f); or (ix) cause the Company to be in violation of the US Investment Company Act, the US Exchange Act, the US Commodity Exchange Act, ERISA, the Code or any applicable federal, state, local, non-US or other laws or regulations that are substantially similar to section 406 of ERISA or Section 4975 of the Code; |
| “OECD” | Organisation for Economic Cooperation and Development; |
| “Offer” | the Placing and the Intermediaries Offer; |
| “Official List” | the list maintained by the UK Listing Authority pursuant to Part VI of FSMA; |
| “Orderly Market Deed” | the orderly market deed dated 14 November 2017 entered into by the Company, Aviva Life Fund and Jefferies relating to the Ordinary Shares acquired by Aviva Life Funds pursuant to the Issue, a summary of which is set out in paragraph 7.2 of Part X (<i>Additional Information</i>) of this Prospectus; |
| “Ordinary Shares” | ordinary shares of one penny each in the capital of the Company issued and designated as “Ordinary Shares” and having the rights, restrictions and entitlements set out in the Articles; |
| “Placee” | a placee under the Placing; |
| “Placing” | the conditional placing of Ordinary Shares to eligible investors as described under this Prospectus; |
| “Plan Asset Regulations” | US Department of Labor regulation 29 C.F.R. Section 2510.3-101 (as modified by Section 3(42) of ERISA); |
| “Portfolio Manager” | the portfolio manager appointed by the Investment Manager from time to time to provide portfolio management services to the Company, being Aviva Investors Global Services Limited as at the date of this Prospectus; |

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| “Portfolio Management Agreement” | the delegated portfolio management agreement dated 14 November 2017 between the Portfolio Manager and the Investment Manager, a summary of which is set out in paragraph 7 of Part III (<i>Information on the Investment Manager</i>) of this Prospectus; |
| “Prohibited Shares” | Shares held by a Non-Qualified Holder; |
| “Property Income Distribution” or “PID” | the distribution by the Company of the profits of its Property Rental Business, including distributions received by it from other UK REITs, by way of a dividend in cash or the issue of share capital in lieu of a cash dividend in accordance with Section 530 of the CTA 2010; |
| “Property Manager” | Jones Lang LaSalle Limited; |
| “Property Management Agreement” | the property management agreement dated 14 November 2017 between the Property Manager and the Portfolio Manager, a summary of which is set out at paragraph 8 of Part III (<i>Information on the Investment Manager</i>) of this Prospectus; |
| “Prospectus” | this Prospectus; |
| “Prospectus Directive” | Directive 2003/71/EC as amended and includes any relevant implementing measure in each Relevant Member State; |
| “Prospectus Directive Regulation” | Commission Regulation (EC) No. 809/2004; |
| “Prospectus Rules” | the Prospectus rules made by the UK Listing Authority under section 73A Financial Services and Markets Act 2000; |
| “Qualifying Property Rental Business” | the qualifying property rental business in the UK and elsewhere of UK resident companies within a REIT and non-UK resident companies within a REIT with a UK qualifying property rental business, as defined in Part 4 of CTA 2009; |
| “Receiving Agent” | Computershare Investor Services PLC; |
| “Receiving Agent Agreement” | the receiving agent agreement between the Company and the Receiving Agent dated 14 November 2017, a summary of which is set out in paragraph 7.7 of Part X (<i>Additional Information</i>) of this Prospectus; |
| “Redeemable Preference Shares” | the redeemable preference shares of £1.00 each in the capital of the Company; |
| “Registrar” | Computershare Investor Services PLC; |
| “Registrar Agreement” | the registrar agreement between the Company and the Registrar, dated 14 November 2017, a summary of which is set out in paragraph 7.6 of Part X (<i>Additional Information</i>) of this Prospectus; |
| “Regulation S” | Regulation S under the US Securities Act; |
| “Regulatory Information Service” or “RIS” | one of the regulatory information services authorised by the FCA to receive, process and disseminate regulated information from listed companies; |
| “REIT” | a real estate investment trust as defined in Part 12 of CTA 2010; |
| “REIT Regime” | the REIT regime applicable in the UK and summarised in Part VIII (<i>The United Kingdom REIT Regime</i>) of this Prospectus; |
| “Relevant Member State” | a member state of the European Economic Area which has implemented the Prospectus Directive; |
| “RIS provider” | a regulatory information services provider; |

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| “RPI” | Retail Prices Index; |
| “Rules” | the rules and statements of principle and the applicable designated rules and codes made by the FCA, as amended from time to time; |
| “SDRT” | UK stamp duty and stamp duty reserve tax; |
| “SEC” | the US Securities and Exchange Commission; |
| “Share” | a share in the Company (of whatever class); |
| “Shareholder” | the registered holder of a Share; |
| “Similar Law” | any federal, state, local or non-US law that is similar to the prohibited transaction provisions of section 406 of ERISA and/or section 4975 of the Code; |
| “Sponsor’s and Placing Agreement” | the Sponsor’s and Placing agreement among the Company, the Directors, the Investment Manager and Jefferies dated 14 November 2017, a summary of which is set out in paragraph 7.1 of Part X (<i>Additional Information</i>) of this Prospectus; |
| “Substantial Shareholder” | means a company or body corporate that is beneficially entitled, directly or indirectly, to 10 per cent or more of the distributions paid by the Company and/or share capital of the Company, or which controls, directly or indirectly 10 per cent or more of the voting rights of the Company (referred to in section 553 of the CTA 2010 as a “holder of excessive rights”); |
| “Substantial Shareholding” | the holding of Ordinary Shares by a Substantial Shareholder; |
| “Target Portfolio” | the assets in respect of which the Portfolio Manager has entered into exclusivity arrangements and/or advanced negotiations on behalf of the Company for their acquisition, and further information on which is set out in Part V (<i>The Target Portfolio</i>) of this Prospectus; |
| “Track Record” | the track record and performance data of Aviva Investors; |
| “Total Return” | net total return, being the change in EPRA NAV over the relevant period plus dividends; |
| “UK” or “United Kingdom” | the United Kingdom of Great Britain and Northern Ireland; |
| “UK Corporate Governance Code” | the UK Corporate Governance Code as published by the Financial Reporting Council; |
| “UKLA” | the Financial Conduct Authority in its capacity as the United Kingdom Listing Authority; |
| “uncertificated ” or “in uncertificated form” | recorded on the register of members as being held in uncertificated form in CREST and title to which may be transferred by means of CREST; |
| “US” or “United States” | the United States of America, its territories and possessions, any state of the United States and the District of Columbia; |
| “US Advisers Act” | the US Investment Advisers Act 1940, as amended; |
| “US Commodity Exchange Act” | the US Commodity Exchange Act of 1936, as amended; |
| “US Exchange Act” | the US Securities Exchange Act of 1934, as amended; |
| “US Investment Company Act” | the US Investment Company Act of 1940, as amended; |
| “US Person” | has the meaning given in Regulation S under the US Securities Act; |

“US Securities Act” the US Securities Act of 1933, as amended; and

“VAT” (A) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common systems of value added tax (EC Directive 2006/112); and (B) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) or imposed elsewhere.

