

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from an independent financial adviser who specialises in advising on shares or other securities and who is authorised under the Financial Services and Markets Act 2000 (“FSMA”).

This document comprises a prospectus relating to Henderson International Income Trust plc (the “Company”) prepared in accordance with the Prospectus Rules made under section 84 of FSMA. This document has been approved by the Financial Conduct Authority (“FCA”) and has been filed with the FCA in accordance with Rule 3.2 of the Prospectus Rules.

Applications will be made to the UK Listing Authority and the London Stock Exchange for all of the C Shares to be issued pursuant to the Issue to be admitted to listing on the premium segment of the Official List and to trading on the premium segment of the London Stock Exchange’s main market for listed securities. It is expected that Admission will become effective and that dealings for normal settlement in the C Shares will commence on 8 May 2017.

Applications will be made to the UK Listing Authority and the London Stock Exchange for all of the Ordinary Shares to be issued in connection with each Subsequent Placing under the Placing Programme to be admitted to listing on the premium segment of the Official List and to trading on the premium segment of the London Stock Exchange’s main market for listed securities. It is expected that any Subsequent Admission pursuant to the Subsequent Placings under the Placing Programme will become effective and that dealings for normal settlement in the Ordinary Shares will commence during the period from 9 May 2017 to 4 April 2018.

The Company and the Directors, whose names appear on page 34 of this document, accept responsibility for the information contained in this document. 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 document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Shareholders and prospective investors should read the entire document and, in particular, the section headed “Risk Factors” beginning on page 19 when considering an investment in the Company.

Henderson International Income Trust plc

(Incorporated in England and Wales with company number 7549407 and registered as an investment company under section 833 of the Companies Act 2006)

**OPEN OFFER, PLACING, OFFER FOR SUBSCRIPTION AND INTERMEDIARIES
OFFER FOR A TARGET ISSUE OF 75 MILLION C SHARES AT 100 PENCE PER C SHARE¹**

and

PLACING PROGRAMME OF UP TO 50 MILLION ORDINARY SHARES

Manager

Henderson Global Investors Limited

Sponsor, Placing Agent and Intermediaries Offer Adviser

Panmure Gordon (UK) Limited

Panmure Gordon (UK) Limited (“Panmure Gordon”), which is authorised and regulated by the FCA, is acting for the Company and for no-one else in connection with the Issue, the Placing Programme or any Admission and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Panmure Gordon or for affording advice in relation to the contents of this document or any matters referred to herein. Panmure Gordon is not responsible for the contents of this document. This does not exclude or limit any responsibilities which Panmure Gordon may have under FSMA or the regulatory regime established thereunder.

Completed Application Forms and payments under the Open Offer must be received by 11.00 a.m. on 4 May 2017. The procedure for application and payments is set out on pages 69 to 78 of this document.

Completed Application Forms and payments under the Offer for Subscription must be received by 11.00 a.m. on 4 May 2017. The procedure for application and payments is set out on pages 87 to 90 of this document.

The Issue and the Placing Programme are conditional on the approval of Ordinary Shareholders. A Notice convening the General Meeting is set out in a circular to Ordinary Shareholders dated 5 April 2017.

¹ The Directors have reserved the right, in conjunction with Panmure Gordon, to increase the size of the Issue to a maximum of 150 million C Shares if overall demand exceeds 75 million C Shares, with any such increase being announced through a Regulatory Information Service.

Neither the C Shares nor the Ordinary Shares have been or will be registered under the United States Securities Act of 1933 (as amended) (the “**US Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold 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**”)). In addition, 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 the recipient of this document will not be entitled to the benefits of that Act. This document should not be distributed into the United States or to US Persons.

This document does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, C Shares or Ordinary Shares in any jurisdiction where such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company or Panmure Gordon. The distribution of this document in jurisdictions other than the UK, including any of the Restricted Jurisdictions, may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

Dated: 5 April 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). This summary contains all the Elements required to be included in a summary for these types of securities and issuer. Some Elements are not required to be addressed which means there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted into 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

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
A.1.	Warning	<p>This summary should be read as an introduction to this document. Any decision to invest in the securities should be based on consideration of this document as a whole by the investor. Where a claim relating to the information contained in this document is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating this document 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 document or it does not provide, when read together with the other parts of this document, 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 document by financial intermediaries in connection with the subsequent resale or final placement of securities by financial intermediaries.</p> <p>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 document is given commences on 6 April 2017 and closes on 4 May 2017, unless closed prior to that date.</p> <p>Any financial intermediary that uses this document must state on its website that it uses this document in accordance with the Company’s consent. 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. Information on the terms and conditions of any subsequent resale or final placement of securities by any financial intermediary is to be provided at the time of the offer by the financial intermediary.</p>

Section B – Issuer

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
B.1.	Legal and commercial name	Henderson International Income Trust plc.
B.2.	Domicile and legal form	The Company was incorporated in England and Wales on 2 March 2011 with registered number 7549407 as a public company limited by shares under the Act. The principal legislation under which the Company operates is the Act.

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>																																																												
B.5.	Group description	Not applicable. The Company is not part of a group.																																																												
B.6.	Major shareholders	<p>So far as is known to the Company, and which is notifiable under the Disclosure Guidance and Transparency Rules, as at the Latest Practicable Date, the following persons held, directly or indirectly, three per cent. or more of the Company's voting rights:</p> <table> <thead> <tr> <th><i>Name</i></th> <th><i>Number of voting rights held</i></th> <th><i>% of voting rights</i></th> </tr> </thead> <tbody> <tr> <td>Brewin Dolphin Limited</td> <td>11,370,449</td> <td>7.05</td> </tr> <tr> <td>Old Mutual</td> <td>9,362,885</td> <td>6.0</td> </tr> <tr> <td>Smith & Williamson Holdings Limited</td> <td>7,295,172</td> <td>4.66</td> </tr> </tbody> </table> <p>All Ordinary Shareholders have the same voting rights in respect of the share capital of the Company.</p> <p>As at the Latest Practicable Date, the Company and the Directors are not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.</p>	<i>Name</i>	<i>Number of voting rights held</i>	<i>% of voting rights</i>	Brewin Dolphin Limited	11,370,449	7.05	Old Mutual	9,362,885	6.0	Smith & Williamson Holdings Limited	7,295,172	4.66																																																
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B.7.	Historical key financial information	<p>The historical financial information set out below, which has been prepared in accordance with UK GAAP, has been extracted without material adjustments from the audited report and accounts of the Company for the periods ended 31 August 2014, 31 August 2015 and 31 August 2016 and from the unaudited financial statements of the Company for the six months ended 28 February 2017:</p> <table> <thead> <tr> <th></th> <th><i>As at 31 August 2014 £'000</i></th> <th><i>As at 31 August 2015 £'000</i></th> <th><i>As at 31 August 2016 £'000</i></th> <th><i>As at 28 February 2017 £'000</i></th> </tr> </thead> <tbody> <tr> <td><i>Company</i></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Fixed asset investments:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Investments held at fair value through profit or loss</td> <td>88,126</td> <td>97,328</td> <td>214,168</td> <td>241,459</td> </tr> <tr> <td>Current assets:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Debtors</td> <td>4,621</td> <td>4,153</td> <td>831</td> <td>838</td> </tr> <tr> <td>Cash at bank</td> <td>nil</td> <td>nil</td> <td>12,183</td> <td>815</td> </tr> <tr> <td></td> <td>4,621</td> <td>4,153</td> <td>13,014</td> <td>1,653</td> </tr> <tr> <td>Current liabilities:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Creditors: amounts falling due within one year</td> <td>(6,960)</td> <td>(9,887)</td> <td>(6,278)</td> <td>(5,240)</td> </tr> <tr> <td>Total net assets</td> <td><u>85,787</u></td> <td><u>91,594</u></td> <td><u>220,904</u></td> <td><u>237,872</u></td> </tr> <tr> <td>Net Asset Value per Ordinary Share (basic)</td> <td><u>118.4p</u></td> <td><u>115.6p</u></td> <td><u>141.5p</u></td> <td><u>151.9p</u></td> </tr> </tbody> </table> <p>During the period from 1 September 2013 to, and since, 28 February 2017, being the end of the last period for which financial statements have been published, there has been no significant change in the financial condition or operating results of the Company.</p>		<i>As at 31 August 2014 £'000</i>	<i>As at 31 August 2015 £'000</i>	<i>As at 31 August 2016 £'000</i>	<i>As at 28 February 2017 £'000</i>	<i>Company</i>					Fixed asset investments:					Investments held at fair value through profit or loss	88,126	97,328	214,168	241,459	Current assets:					Debtors	4,621	4,153	831	838	Cash at bank	nil	nil	12,183	815		4,621	4,153	13,014	1,653	Current liabilities:					Creditors: amounts falling due within one year	(6,960)	(9,887)	(6,278)	(5,240)	Total net assets	<u>85,787</u>	<u>91,594</u>	<u>220,904</u>	<u>237,872</u>	Net Asset Value per Ordinary Share (basic)	<u>118.4p</u>	<u>115.6p</u>	<u>141.5p</u>	<u>151.9p</u>
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B.8.	Key pro forma financial information	Not applicable. No pro forma financial information is included in this document.																																																												
B.9.	Profit forecast	Not applicable. No profit forecast or estimate is made in this document.																																																												

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
B.10.	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. The audited financial statements of the Company do not contain any qualifications.
B.11.	Insufficiency of working capital	Not applicable. The Company is of the opinion that the working capital available to it is sufficient for its present requirements, namely for at least the next 12 months from the date of this document.
B.34.	Investment objective and policy	<p>A resolution will be put forward at the General Meeting to seek approval from Shareholders to amend the current investment objective and policy of the Company. The current investment objective and policy of the Company are set out below. The proposed investment objective and policy that would come into effect on the date of the General Meeting if approved by Shareholders are set out below the current investment objective and policy.</p> <p><i>Current investment objective</i></p> <p>The Company's investment objective is to provide a high and rising level of dividends as well as capital appreciation over the long-term from a focused and internationally diversified portfolio of securities outside the UK.</p> <p><i>Current investment policy</i></p> <p>The Company invests in a diversified global portfolio consisting predominantly of listed equities and fixed interest asset classes. The portfolio is diversified by factors such as geography, industry sub-sector and investment size. The Company does not invest in issuers whose securities are, at the time of investment, listed only in the United Kingdom.</p> <p>The portfolio is ordinarily made up of interests in 40-60 companies, with no single investment accounting for more than 5 per cent. of net assets at the time of investment.</p> <p>The Company has an options strategy and may invest in derivative instruments; up to 20 per cent. of the Company's income may be generated by the options strategy. If considered appropriate the Company may hedge exposure to foreign currencies up to a maximum of 20 per cent. of Gross Assets.</p> <p>The Company will not invest more than 15 per cent. of Gross Assets in other listed investment companies, including investment trusts. The Company will not invest more than 10 per cent. of Gross Assets in companies that themselves may invest more than 15 per cent. of their gross assets in UK listed investment companies.</p> <p>The Company's articles of association allow borrowings up to 100 per cent. of Net Asset Value. In normal circumstances, the Manager may only utilise gearing up to 25 per cent. of net assets at the time of drawdown or investment (as appropriate) in accordance with the Board's policy and for these purposes "gearing" includes implied gearing through the use of derivatives.</p>

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
		<p><i>Proposed investment objective</i></p> <p>The Company seeks to provide Shareholders with a growing total annual dividend, as well as capital appreciation.</p> <p><i>Proposed investment policy</i></p> <p>The Company will invest in a focused and internationally diversified portfolio of 50-80 companies that are either listed in, registered in, or whose principal business is in countries that are outside the UK and will be made up of shares (equity securities) and fixed interest asset classes that are diversified by factors such as geography, industry and investment size. A maximum of 25 per cent. of Gross Assets may be invested in fixed interest securities. The Company does not hold investments in unlisted companies unless it is through subsequent delisting of a listed security.</p> <p>Investment in any single company (including any derivative instruments) will not, in gross terms, exceed 5 per cent. of net assets at the time of investment and no more than 15 per cent. of Gross Assets may be invested in other listed investment companies (including investment trusts) or collective investment schemes. No more than 10 per cent. of Gross Assets may be invested in companies that themselves invest more than 15 per cent. of their gross assets in UK listed investment companies or collective investment schemes.</p> <p>The Company may use financial instruments known as derivatives for the purpose of efficient portfolio management, for investment purposes or to generate additional income while maintaining a level of risk consistent with the risk profile of the Company. The Company may hedge exposure to foreign currencies up to a maximum of 20 per cent. of Gross Assets and may generate up to a maximum of 20 per cent. of gross income through investment in traded options.</p> <p>The Company can borrow to make additional investments with the aim of achieving a return that is greater than the cost of borrowing. The Company's articles of association allow borrowings up to 100 per cent. of Net Asset Value. In normal circumstances, the Manager may only utilise gearing up to 25 per cent. of net assets at the time of drawdown or investment (as appropriate) in accordance with the Board's policy and for these purposes "gearing" includes implied gearing through the use of derivatives.</p>
B.35.	Borrowing limits	The Company's articles of association allow borrowings up to 100 per cent. of Net Asset Value. In normal circumstances, the Manager may only utilise gearing up to 25 per cent. of net assets at the time of drawdown or investment (as appropriate) in accordance with the Board's policy and for these purposes "gearing" includes implied gearing through the use of derivatives.
B.36.	Regulatory status	As an investment trust, the Company is not regulated as a collective investment scheme by the Financial Conduct Authority. However, it is subject to the Listing Rules, the Prospectus Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation and the rules of the London Stock Exchange.

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
B.37.	Typical investor	The C Shares and the Ordinary Shares available under the Issue and the Placing Programme, respectively, are designed to be suitable for institutional investors and professionally-advised private investors seeking exposure to an internationally diversified portfolio of securities outside the UK. The C Shares and the Ordinary Shares may also be suitable for investors who are financially sophisticated, non-advised private investors provided that they are capable of evaluating the risks and merits of such an investment and have sufficient resources to bear any loss which may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in the C Shares or the Ordinary Shares.
B.38.	Investment of 20 per cent. or more of gross assets in single underlying asset or investment company	Not applicable. Investments in any one company shall not, at the time of acquisition, exceed 15 per cent. of the value of the Company's investment portfolio.
B.39.	Investment of 40 per cent. or more of gross assets in single underlying asset or investment company	Not applicable. Investments in any one company shall not, at the time of acquisition, exceed 15 per cent. of the value of the Company's investment portfolio.
B.40.	Applicant's service providers	<p><i>AIFM</i></p> <p>The Company has, pursuant to the Management Agreement, appointed Henderson Investment Funds Limited (“HIFL”) to act as its investment manager and as its alternative investment fund manager for the purposes of the AIFM Directive. HIFL has delegated portfolio management to Henderson Global Investors Limited pursuant to the Sub-Investment Management Agreement.</p> <p>Under the terms of the Management Agreement, HIFL is entitled to a management fee together with reimbursement of reasonable expenses incurred by it in the performance of its duties. The management fee is payable quarterly in arrear and is at the rate of 0.65 per cent. of the Company's Net Asset Value per annum in respect of Net Asset Value up to £250 million and 0.60 per cent. of Net Asset Value per annum in respect of Net Asset Value in excess of £250 million.</p> <p><i>Manager</i></p> <p>The AIFM has delegated portfolio management to Henderson Global Investors Limited pursuant to the Sub-Investment Management Agreement. Henderson is a leading independent global asset management group with £101 billion of assets under management (as at 31 December 2016) and employs over 1,000 people worldwide. Henderson manages 13 investment trusts and investment companies.</p>

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
		<p><i>Administrator</i></p> <p>Pursuant to the Management Agreement, HIFL has also been appointed to provide the day to day administration of the Company. In its capacity as administrator, it is responsible for the Company's general administrative functions, such as the calculation and publication of the Net Asset Value and maintenance of the Company's accounting records, accounting and administrative services. HIFL has contracted with BNP Paribas Securities Services to provide accounting and administration services.</p> <p><i>Corporate secretary</i></p> <p>Henderson Secretarial Services Limited has been appointed to provide the general secretarial functions required by the Act.</p> <p><i>Sponsor, broker, placing agent and intermediaries offer adviser</i></p> <p>Panmure Gordon has agreed to act as sponsor to the Issue and the Placing Programme and to use all reasonable endeavours to procure subscribers for C Shares at the Issue Price. In consideration for its services in relation to the Issue, Panmure Gordon is entitled to be paid a commission by the Company. Panmure Gordon is also entitled to receive a commission of up to 0.4 per cent. of the value of any Ordinary Shares issued pursuant to the Placing Programme.</p> <p><i>Registrar</i></p> <p>Computershare has been appointed as registrar to the Company. The Registrar is entitled to an annual fee of £10,175 for the provision of its services to the Company. The Registrar is also entitled to certain transaction fees under the Registrar Agreement.</p> <p><i>Receiving Agent</i></p> <p>Computershare has also been appointed as receiving agent to the Company to provide receiving agent duties and services in respect of the Issue. The Receiving Agent is entitled to a management fee plus various processing fees.</p> <p><i>Depositary and custodian</i></p> <p>HSBC Bank plc has been appointed as the Company's depositary for the purposes of the AIFM Directive and also provides custody services to the Company. Under the terms of the Depositary Agreement, the Depositary is entitled to be paid an annual fee equal to 0.01 per cent. of Net Asset Value, subject to a minimum annual fee of £20,000.</p> <p>The Depositary is also entitled to receive custody fees in accordance with a specified schedule of charges.</p>
B.41.	Regulatory status of investment manager and custodian	Each of the AIFM and the Manager is authorised and regulated by the FCA and, as such, is subject to its rules in the conduct of its investment business. The Depositary is authorised and regulated by the FCA and the PRA.
B.42.	Calculation and publication of Net Asset Value	The Net Asset Value per Ordinary Share (and per C Share, if any are in issue) is calculated in Sterling on a daily basis. Such calculations are notified daily through a Regulatory Information Service and are available on the Company's website.

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>																																																						
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.	No financial statements have been made up	Not applicable. The Company has commenced operations and historical financial information is included in this document. Please see the historical key financial information at B.7.																																																						
B.45.	Portfolio	<p>As at the Latest Practicable Date, the Company's portfolio comprised 63 listed equity investments, with an aggregate value of £244.1 million.</p> <p>There has been no material change in the Company's investments between the Latest Practicable Date and the date of this document.</p> <p>As at the Latest Practicable Date, the Company's top 25 investments, representing 56.33 per cent. of the value of the total portfolio were as follows:</p> <table border="0"> <thead> <tr> <th style="text-align: left;"><i>Company</i></th> <th style="text-align: right;"><i>Total Market Value (%)</i></th> </tr> </thead> <tbody> <tr><td>Microsoft</td><td style="text-align: right;">3.59%</td></tr> <tr><td>Roche</td><td style="text-align: right;">3.29%</td></tr> <tr><td>Novartis</td><td style="text-align: right;">3.14%</td></tr> <tr><td>Taiwan Semiconductor Manufacturing</td><td style="text-align: right;">2.76%</td></tr> <tr><td>Natixis</td><td style="text-align: right;">2.55%</td></tr> <tr><td>ING Groep</td><td style="text-align: right;">2.51%</td></tr> <tr><td>Cisco Systems</td><td style="text-align: right;">2.50%</td></tr> <tr><td>Deutsche Telekom</td><td style="text-align: right;">2.45%</td></tr> <tr><td>Chevron</td><td style="text-align: right;">2.44%</td></tr> <tr><td>Orange</td><td style="text-align: right;">2.39%</td></tr> <tr><td>Coca-Cola</td><td style="text-align: right;">2.39%</td></tr> <tr><td>Siemens</td><td style="text-align: right;">2.21%</td></tr> <tr><td>Las Vegas Sands</td><td style="text-align: right;">2.07%</td></tr> <tr><td>Icade</td><td style="text-align: right;">2.01%</td></tr> <tr><td>Samsung</td><td style="text-align: right;">1.98%</td></tr> <tr><td>Telenor</td><td style="text-align: right;">1.97%</td></tr> <tr><td>Pfizer</td><td style="text-align: right;">1.95%</td></tr> <tr><td>Coca-Cola European Partners</td><td style="text-align: right;">1.93%</td></tr> <tr><td>Nordea Bank</td><td style="text-align: right;">1.92%</td></tr> <tr><td>Wells Fargo</td><td style="text-align: right;">1.88%</td></tr> <tr><td>Bezeq The Israeli Telecommunication Corporation</td><td style="text-align: right;">1.78%</td></tr> <tr><td>Bayer</td><td style="text-align: right;">1.70%</td></tr> <tr><td>Nielsen</td><td style="text-align: right;">1.70%</td></tr> <tr><td>AXA</td><td style="text-align: right;">1.65%</td></tr> <tr><td>Statoil</td><td style="text-align: right;">1.57%</td></tr> <tr> <td></td> <td style="text-align: right;"><u>56.33%</u></td> </tr> </tbody> </table>	<i>Company</i>	<i>Total Market Value (%)</i>	Microsoft	3.59%	Roche	3.29%	Novartis	3.14%	Taiwan Semiconductor Manufacturing	2.76%	Natixis	2.55%	ING Groep	2.51%	Cisco Systems	2.50%	Deutsche Telekom	2.45%	Chevron	2.44%	Orange	2.39%	Coca-Cola	2.39%	Siemens	2.21%	Las Vegas Sands	2.07%	Icade	2.01%	Samsung	1.98%	Telenor	1.97%	Pfizer	1.95%	Coca-Cola European Partners	1.93%	Nordea Bank	1.92%	Wells Fargo	1.88%	Bezeq The Israeli Telecommunication Corporation	1.78%	Bayer	1.70%	Nielsen	1.70%	AXA	1.65%	Statoil	1.57%		<u>56.33%</u>
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B.46.	Net Asset Value	As at the Latest Practicable Date, the Net Asset Value (cum income) per Ordinary Share (unaudited) was 154.5 pence.																																																						

Section C – Securities

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>						
C.1.	Type and class of securities	<p>The Company intends to issue C Shares with a nominal value of 10 pence each under the Issue.</p> <p>The ISIN of the Open Offer Entitlements is GB00BF2CP692 and the ISIN of the C Shares is GB00BF2CLK52. The SEDOL of the Open Offer Entitlements is BF2CP69 and the SEDOL of the C Shares is BF2CLK5. The ticker for the C Shares is HINC.</p> <p>The Company is also proposing to issue Ordinary Shares with a nominal value of one penny each under the Placing Programme. The ISIN of the Ordinary Shares is GB00B3PHCS86 and the SEDOL of the Ordinary Shares is B3PHCS86. The ticker for the Ordinary Shares is HINT.</p>						
C.2.	Currency denomination of C Shares and Ordinary Shares	The C Shares and the Ordinary Shares will be denominated in Sterling.						
C.3.	Details of share capital	<p>Set out below is the issued share capital of the Company as at the Latest Practicable Date:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: right;"><i>Nominal Value (£)</i></th> <th style="text-align: right;"><i>Number</i></th> </tr> </thead> <tbody> <tr> <td>Ordinary Shares of one penny each</td> <td style="text-align: right;">1,565,556.06</td> <td style="text-align: right;">156,555,606</td> </tr> </tbody> </table> <p>All of the existing Ordinary Shares are fully paid up.</p>		<i>Nominal Value (£)</i>	<i>Number</i>	Ordinary Shares of one penny each	1,565,556.06	156,555,606
	<i>Nominal Value (£)</i>	<i>Number</i>						
Ordinary Shares of one penny each	1,565,556.06	156,555,606						
C.4.	Rights attaching to the C Shares and the Ordinary Shares	<p>The holders of the C Shares and Ordinary Shares shall only be entitled to receive, and to participate in, any dividends declared in relation to the relevant class of shares that they hold.</p> <p>On a winding-up or a return of capital by the Company, if there are C Shares in issue, the net assets of the Company attributable to the C Shares shall be divided <i>pro rata</i> among the holders of the C Shares. For so long as C Shares are in issue, and without prejudice to the Company's obligations under the Act, the assets attributable to the C Shares shall, at all times, be separately identified and shall have allocated to them such proportion of the expenses or liabilities of the Company as the Directors fairly consider to be attributable to the C Shares.</p> <p>The holders of Ordinary Shares shall be entitled to all of the Company's remaining net assets after taking into account any net assets attributable to the C Shares.</p> <p>The C Shares and the Ordinary Shares shall carry the right to receive notice of, attend and vote at general meetings of the Company.</p> <p>The consent of either the holders of C Shares or the holders of Ordinary Shares will be required for the variation of any rights attached to the relevant class of shares.</p>						
C.5.	Restrictions on the free transferability of the securities	There are no restrictions on the free transferability of the C Shares or the Ordinary Shares, subject to compliance with applicable securities laws.						

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
C.6.	Admission	<p>The Issue</p> <p>Applications will be made to the UK Listing Authority and to the London Stock Exchange for all of the C Shares to be issued pursuant to the Issue to be admitted to the premium segment of the Official List and to trading on the premium segment of the Main Market. It is expected that Admission will become effective and that dealings for normal settlement in the C Shares will commence on 8 May 2017.</p> <p>The Placing Programme</p> <p>Applications will also be made to the UK Listing Authority and to the London Stock Exchange for all of the Ordinary Shares issued pursuant to each Subsequent Placing under the Placing Programme to be admitted to the premium segment of the Official List and to trading on the premium segment of the Main Market. It is expected that any Subsequent Admission will become effective and that dealings for normal settlement will commence between 9 May 2017 and 4 April 2018.</p>
C.7.	Dividend policy	<p>The Company has adopted a progressive dividend policy, with the intention of growing the dividend from the current level. Quarterly dividends are usually paid on or around 28 February, 31 May, 31 August and 30 November in each year.</p> <p>In accordance with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company will not, except to the extent permitted under that regulation, retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period.</p>
C.22.	Information about the Ordinary Shares	<p>Following Conversion, the investments which were attributable to the C Shares will be merged with the Company's existing portfolio of investments. It is expected that the new Ordinary Shares arising on Conversion of the C Shares will rank <i>pari passu</i> with the Ordinary Shares then in issue, save for any dividends or distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the Calculation Date.</p> <p>The Ordinary Shares carry the right to receive all dividends declared by the Company or the Directors, subject to the rights of any C Shares in issue.</p> <p>On a winding-up, provided the Company has satisfied all of its liabilities and subject to the rights conferred by any C Shares in issue at that time to participate in the winding-up, the holders of Ordinary Shares are entitled to all of the surplus assets of the Company.</p> <p>Holders of Ordinary Shares are entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Ordinary Share held.</p> <p>The nominal value of the Ordinary Shares is one penny per Ordinary Share.</p>

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
		<p>The Ordinary Shares are in registered form, have been admitted to the premium listing segment of the Official List and are traded on the premium segment of the Main Market. The Company will use its reasonable endeavours to procure that, upon Conversion, the new Ordinary Shares arising are admitted to the premium listing segment of the Official List and admitted to trading on the premium segment of the Main Market.</p> <p>There are no restrictions on the free transferability of the Ordinary Shares, subject to compliance with applicable securities laws.</p>

Section D – Risks

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
D.1.	Key information on the key risks that are specific to the Company or its industry	<p>The key risk factors relating to the Company and its industry which are known to the Directors are:</p> <ul style="list-style-type: none"> • The Company has no employees and is reliant on the performance of third party service providers. • There can be no guarantee that the investment objective of the Company will be achieved and that any dividends will be paid in respect of any financial year or period. • As a global portfolio, the Company’s portfolio may include a small weighting to emerging markets which tend to be less stable than more established markets. • Investor returns are dependent on the performance of the portfolio which may be affected by general market conditions. • Changes in laws or regulations governing the Company’s operations may adversely affect the Company’s business. • The departure of some or all of the Manager’s investment professionals, in particular, Ben Lofthouse, could prevent the Company from achieving its investment objective which may affect the returns to Shareholders. • The due diligence process that the Manager undertakes in connection with the Company’s investments may not reveal all facts that may be relevant in connection with an investment. • As the Company’s portfolio will include only 40-60 stocks, or, if the resolution to adopt the proposed new investment policy at the General Meeting is passed, 50-80 stocks, if one of these investments declines in value, this could reduce the portfolio’s value more than if it had a larger number of investments. • The Company may borrow money for investment purposes, which exposes the Company to risks associated with borrowings. • The Company may use derivative instruments which are subject to risks including credit risk and the risk of settlement default. • Most of the Company’s assets are denominated in currencies other than Sterling. As a result, movements in exchange rates may affect the Sterling value of these assets favourably or unfavourably.

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
		<ul style="list-style-type: none"> • The Company may invest in fixed interest asset classes which are subject to risks including interest rate and credit risk, which may expose investors to a higher risk of loss. • Any change in the Company's tax status or in taxation legislation or practice generally could affect the value of the investments held by the Company, affect the Company's ability to provide returns to Shareholders, or alter the post-tax returns to Shareholders. • 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"). On 29 March 2017, the UK triggered the formal process to leave the EU. The Company may be subject to a significant period of uncertainty in the period leading up to eventual Brexit including, <i>inter alia</i>, uncertainty in relation to any potential regulatory or tax change. Brexit could also create significant UK (and potentially global) stock market uncertainty, which may have a material adverse effect on the Net Asset Value and the price of the Shares.
D3.	Key information on the key risks that are specific to the C Shares and the Ordinary Shares	<p>The key risk factors relating to the C Shares and/or the Ordinary Shares which are known to the Directors are:</p> <ul style="list-style-type: none"> • The value of the Ordinary Shares and C Shares and the income derived from those shares (if any) can fluctuate and may go down as well as up. Accordingly, investors may not be able to realise the amount originally invested. • It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Ordinary Shares or the C Shares. Shareholders may not be able to realise their investment at a time of their choosing or at all.

Section E – Offer

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
E.1.	Proceeds and expenses of the Issue	<p>The Net Proceeds of the Issue are dependent on the level of subscriptions received pursuant to the Issue. On the assumption that the Gross Proceeds of the Issue are £75 million (being the target size of the Issue), the estimated expenses of the Issue are approximately £1.15 million and the Net Proceeds of the Issue are expected to be approximately £73.85 million. The costs and expenses of the Issue will be borne by holders of C Shares only.</p> <p>The maximum number of Ordinary Shares being made available under the Placing Programme is 50 million. The Net Proceeds of, and the costs and expenses of each Subsequent Placing of Ordinary Shares under, the Placing Programme will depend on subscriptions received. It is expected that the costs of issuing Ordinary Shares pursuant to any Subsequent Placings under the Placing Programme will be covered by issuing such Ordinary Shares at a premium to the prevailing cum income Net Asset Value per Ordinary Share.</p>
E.2.a.	Reasons for the Issue, use of proceeds and estimated net amount of proceeds	<p>The Issue and the Placing Programme are being made in order to raise funds for the purpose of investment in accordance with the Company's investment objective and policy.</p>

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
		<p>The Board believes that it continues to be in the interests of the Company and its Shareholders to grow the Company further by the issuance of new shares at a price which will not result in any dilution of Net Asset Value per Ordinary Share for existing Shareholders. A number of advantages flow from increasing the size of the Company: critical mass, better visibility (especially on post-RDR platforms), better liquidity, lower ongoing charge (because fixed overheads will be spread across a larger asset base) and greater scope to manage any discount at which the Company's shares may trade from time to time through buy backs of Ordinary Shares.</p> <p>The actual number of C Shares to be issued pursuant to the Issue, and therefore the Gross Proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service prior to Admission. If Gross Proceeds of £75 million are raised under the Issue, the Net Proceeds are expected to be approximately £73.85 million.</p> <p>The net proceeds of any Subsequent Placings under the Placing Programme will depend on subscriptions received.</p>
E.3.	Terms and conditions of the offer	<p>The Issue</p> <p>C Shares are being made available under the Issue at the Issue Price. The Issue comprises the Open Offer, the Offer for Subscription, the Placing and the Intermediaries Offer.</p> <p>The basis of allocation will be:</p> <p>(i) to each Ordinary Shareholder who applies, up to his full entitlement under the Open Offer; and</p> <p>(ii) any C Shares not taken up under the Open Offer, to applicants under the Placing, the Offer for Subscription or the Intermediaries Offer, with applications scaled back in the discretion of Panmure Gordon, following consultation with the Company and the Manager.</p> <p>The Issue will not proceed unless the Issue Resolutions to be proposed at the General Meeting to be held on 5 May 2017 are duly passed.</p> <p>The Issue is further conditional upon:</p> <p>(a) Admission of the C Shares to be issued pursuant to the Issue to listing on the Official List and to trading on the Main Market occurring on or before 8.00 a.m. on 8 May 2017 (or such later date as the Company, Panmure Gordon and the Manager may agree, not being later than 8 June 2017); and</p> <p>(b) the Placing and Offer Agreement becoming otherwise unconditional in respect of the Issue and not having been terminated in accordance with its terms before Admission.</p> <p>The Issue Price for the C Shares is 100 pence per C Share. The total number of C Shares issued under the Open Offer, Offer for Subscription, Placing and Intermediaries Offer will be determined by the Company, Panmure Gordon and the Manager after taking into account the demand for the C Shares and the prevailing economic conditions.</p>

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
		<p><i>Open Offer</i></p> <p>Shareholders are being offered the opportunity, under the Open Offer, to apply for any number of C Shares at the Issue Price <i>pro rata</i> to their holdings, on the basis of one C Share for every two Ordinary Shares held and registered in their name as at the Record Date (being 3 April 2017).</p> <p>Any C Shares not taken up under the Open Offer will be made available under the Placing, the Offer for Subscription and the Intermediaries Offer. Shareholders who wish to subscribe for more C Shares than their Open Offer Entitlement should make an application under the Offer for Subscription or, if appropriate, the Placing. Existing Shareholders should be aware that the Open Offer is not a rights issue and Open Offer Entitlements cannot be traded.</p> <p>The latest time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer and settlement of relevant instructions (as appropriate) is 11.00 a.m. on 4 May 2017.</p> <p><i>Offer for Subscription</i></p> <p>The Offer for Subscription is being made in the United Kingdom only. Applications under the Offer for Subscription must be for a minimum subscription of 1,000 C Shares and then in multiples of 1,000 C Shares thereafter. Completed Application Forms and the accompanying payment in relation to the Offer for Subscription and, if applicable, Tax Residency Self-Certification Forms, must be posted to Computershare so as to be received by no later than 11.00 a.m. on 4 May 2017.</p> <p><i>Placing</i></p> <p>The Company, the Manager and Panmure Gordon have entered into the Placing and Offer Agreement pursuant to which Panmure Gordon has agreed, subject to certain conditions, to use reasonable endeavours to procure subscribers for the C Shares made available under the Placing (being the C Shares not allocated under the Open Offer) at the Issue Price.</p> <p>The Placing commences as at the date of this document and commitments under the Placing must be received by Panmure Gordon (acting on behalf of the Company) no later than 3.00 p.m. on 4 May 2017. The Directors may, with the prior approval of the Manager and Panmure Gordon, alter the closing date of the Placing and thereby shorten or lengthen the placing period, to a date no later than 8 June 2017.</p> <p><i>Intermediaries Offer</i></p> <p>Under the Intermediaries Offer, the C Shares are being offered to Intermediaries in the United Kingdom, the Channel Islands and the Isle of Man who will facilitate the participation of their retail investor clients located in the United Kingdom, the Channel Islands and the Isle of Man. A minimum application of 1,000 C Shares per Underlying Applicant will apply. Completed applications from Intermediaries must be received by Panmure Gordon no later than 3.00 p.m. on 4 May 2017.</p>

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
		<p>The Placing Programme</p> <p>Conditional on the Placing Programme Resolutions being passed, following the Issue, Ordinary Shares may be made available pursuant to Subsequent Placings under the Placing Programme at the Placing Programme Price. The Placing Programme will open on 9 May 2017 and will close on 4 April 2018 (or such earlier date as agreed between the Company, the Manager and Panmure Gordon). Each allotment and issue of Ordinary Shares pursuant to a Subsequent Placing under the Placing Programme is conditional, <i>inter alia</i>, on:</p> <p>(a) Admission of those Ordinary Shares;</p> <p>(b) the Placing and Offer Agreement becoming otherwise unconditional in all respects and not having been terminated on or before the date of such Subsequent Admission;</p> <p>(c) the relevant Placing Programme Price being determined by the Directors; and</p> <p>(d) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Rules.</p>
E.4.	Material interests	Not applicable. There are no interests that are material to either the Issue or the Placing Programme and no conflicting interests.
E.5.	Name of person selling securities	Not applicable. No person or entity is offering to sell Shares as part of the Issue or the Placing Programme.
E.6.	Dilution	<p>The Issue</p> <p>The C Shares issued pursuant to the Issue will convert into Ordinary Shares. The number of Ordinary Shares into which each C Share converts will be determined by the relative net asset values per share of the assets that are attributable to the C Shares and the Ordinary Shares at the Calculation Date. As a result of Conversion, the percentage of the issued Ordinary Shares held by each existing holder of Ordinary Shares may be reduced to the extent that Ordinary Shareholders do not take up their Open Offer Entitlement in full and depending on the number of applications received pursuant to the Placing, Offer for Subscription and Intermediaries Offer. However, Conversion will not materially affect the NAV per Ordinary Share.</p> <p>The Placing Programme</p> <p>If 50 million Ordinary Shares are issued pursuant to the Placing Programme (being the maximum number of Ordinary Shares that the Directors will be authorised to issue under the Placing Programme if the Placing Programme Resolutions are passed) there would, ignoring any dilution as a result of the Issue or Conversion, be a dilution of approximately 24 per cent. in existing Shareholders' voting control of the Company.</p>

<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
E.7.	Estimated expenses charged to the investor by the issuer	<p>The Issue</p> <p>On the assumption that the Gross Proceeds of the Issue are £75 million, the estimated expenses of the Issue are approximately £1.15 million and the Net Proceeds of the Issue are expected to be approximately £73.85 million. The costs and expenses of the Issue will be borne by holders of C Shares only.</p> <p>All 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> <p>The Placing Programme</p> <p>The costs and expenses of each issue of Ordinary Shares pursuant to a Subsequent Placing under the Placing Programme will depend on subscriptions received but it is expected that these costs will be covered by issuing Ordinary Shares at a premium to the prevailing Net Asset Value (cum income) per Ordinary Share.</p>

RISK FACTORS

Investment in the Company should not be regarded as short-term in nature and involves a high degree of risk. Accordingly, investors should consider carefully all of the information set out in this document and the risks attaching to an investment in the Company, including, in particular, the risks described below.

The Directors believe that the risks described below are the material risks relating to the Ordinary Shares and the C Shares at the date of this document. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem immaterial at the date of this document, may also have an adverse effect on the performance of the Company and the value of the Ordinary Shares and the C Shares. Investors should review this document carefully and in its entirety and consult with their professional advisers before making an application to participate in the Issue or any Subsequent Placing under the Placing Programme.

The past performance of the Company and of investments which are referred to in this document are for information or illustrative purposes only and should not be interpreted as an indication, or as a guarantee, of future performance.

1. Risks relating to the Company and its investment strategy

The Company may not meet its investment objective

The Company may not achieve its investment objective. Meeting that 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 Company's investment objective includes the aim of providing Ordinary Shareholders with a dividend income. There is no guarantee that any dividends will be paid in respect of any financial year or period. The ability to pay dividends is dependent on a number of factors including the level of dividends earned from the portfolio and the net revenue profits available for that purpose. Income returns from the portfolio will be dependent, among other things, upon the Company successfully pursuing its investment policy. The success of the Company will depend on the Manager's ability to identify, acquire and realise investments in accordance with the Company's investment policy. This, in turn, will depend on the ability of the Manager to apply its investment processes in a way which is capable of identifying suitable investments for the Company to invest in. There can be no assurance that the Manager will be able to do so or that the Company will be able to invest its assets on attractive terms or generate any investment returns for Ordinary Shareholders or indeed avoid investment losses.

An investor may not get back the amount originally invested. The Company can offer no assurance that its investments will generate gains or income or that any gains or income that may be generated on particular investments will be sufficient to offset any losses that may be sustained.

The effects of normal market fluctuations may impact the Company's business, operating results or financial condition

These are factors which are outside the Company's control and which may affect the volatility of underlying asset values and the liquidity and the value of the Company's portfolio. Changes in economic conditions outside the UK where the Company predominantly invests (for example, interest rates and rates of inflation, industry conditions, competition, political and diplomatic events and other factors) could substantially and adversely affect the Company's prospects.

Market conditions have significantly deteriorated over recent years as compared to prior periods. Global financial markets have experienced considerable declines and volatility in valuations, an acute contraction in the availability of credit and the failure of a number of leading financial institutions. As a result, certain government bodies and central banks worldwide have undertaken intervention programmes, the effects of which remain uncertain. These macroeconomic developments could negatively affect the price of the Shares and the returns achievable by the Company, which could prejudice the Company's ability to generate returns for Shareholders.

The Company has no employees and is reliant on the performance of third party service providers

The Company has no employees and the Directors have all been appointed on a non-executive basis. Whilst the Company has taken all reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations, the Company is reliant upon the performance of third party service providers for its executive function. In particular, the AIFM, the Manager, the Depositary and the Registrar will be performing services which are integral to the operation of the Company. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company.

The past performance of other investments managed or advised by the Manager or the Manager's investment professionals cannot be relied upon as an indicator of the future performance of the Company.

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

Investors contemplating an investment in the C Shares and/or the Ordinary Shares should recognise that their market value can fluctuate and may not always reflect their underlying value. Returns achieved are reliant primarily upon the performance of the portfolio. No assurance is given, express or implied, that Shareholders will receive back the amount of their original investment in the C Shares and/or Ordinary Shares.

The Company may experience fluctuations in its operating results due to a number of factors, including changes in the values of investments made by the Company, changes in the amount of distributions, dividends or interest paid by companies in the portfolio, changes in the Company's operating expenses and the operating expenses of the AIFM and/or the Manager, variations in and the timing of the recognition of realised and unrealised gains or losses, the degree to which the Company encounters competition and general economic and market conditions. Such variability may lead to volatility in the trading price of the Ordinary Shares and the C Shares and 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 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. The Company must comply with the Listing Rules for premium listed equity securities, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation and so far as the Company is aware, as at the date of this document, the Company complies with the Listing Rules. Any failure in future to comply with any future changes to the Listing Rules may result in the C Shares and/or Ordinary Shares being suspended from listing.

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 the Ordinary Shares and the C Shares. In such event, the investment returns of the Company may be materially adversely affected.

Risks relating to the UK's proposed exit from the European Union

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**"). On 29 March 2017, the UK triggered the formal process to leave the EU. 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 the 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 the Company's investment portfolio, is unknown. Brexit could also create significant UK (and potentially global) stock market uncertainty, which may have a material adverse effect on the Net Asset Value and the price of the Shares. As such, it is not possible to accurately state the impact that Brexit will have on the Company and its 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.

Currency risk

Most of the Company's assets are denominated in currencies other than Sterling. As a result, movements in exchange rates may affect the Sterling value of these assets favourably or unfavourably. There can be no assurances or guarantees that the Company will successfully hedge against such risks or that adequate hedging arrangements will be available on an economically viable basis. Hedging arrangements may result in additional costs being incurred or losses being greater than if hedging had not been used.

Borrowing risk

The Company may use borrowings to seek to enhance investment returns. While the use of borrowings should enhance the total return on the Ordinary Shares where the return on the Company's underlying assets is rising and exceeds the cost of borrowing, it will have the opposite effect where the return on the Company's underlying assets is rising at a lower rate than the cost of borrowing or falling, further reducing the total return on the Ordinary Shares. As a result, the use of borrowings by the Company may increase the volatility of the Net Asset Value per Ordinary Share.

Any reduction in the value of the Company's investments may lead to a correspondingly greater percentage reduction in its Net Asset Value (which is likely to adversely affect the price of an Ordinary Share). Any reduction in the number of Ordinary Shares in issue (for example, as a result of buy backs) will, in the absence of a corresponding reduction in borrowings, result in an increase in the Company's level of gearing.

To the extent that a fall in the value of the Company's investments causes gearing to rise to a level that is not consistent with the Company's gearing policy or borrowing limits, the Company may have to sell investments in order to reduce borrowings, which may give rise to a significant loss of value compared to the book value of the investments, as well as a reduction in income from investments.

The Company will pay interest on its borrowings. As such, the Company is exposed to interest rate risk due to fluctuations in the prevailing market rates.

There is no guarantee that any borrowings of the Company will be refinanced on their maturity either on terms that are acceptable to the Company or at all.

The Company has entered into an overdraft facility whereby the Company may borrow up to the lesser of £50,000,000 or 25 per cent. of assets held by the custodian. The Company has charged its assets in favour of the lender. In the event that the lender was entitled to call on the security it would have, amongst its other remedies, the opportunity to sell assets of the Company to pay off amounts owing to it and this may adversely affect the Net Asset Value if such assets were sold at an undervalue.

2. Risks relating to the AIFM and the Manager

The departure of some or all of the Manager's investment professionals could prevent the Company from achieving its investment objective

The Company depends on the diligence, skill, judgment and business contacts of the Manager's investment professionals, in particular, Ben Lofthouse, and the information and deal flow they generate during the normal course of their activities. The Company's future success depends on the continued service of these individuals, who are not obligated to remain employed with the Manager, and the Manager's ability to strategically recruit, retain and motivate new talented personnel. However, the Manager may not be successful in its efforts to recruit, retain and motivate suitable personnel as the market for qualified investment professionals is extremely competitive.

There can be no assurance that the Directors will be able to find a replacement if the AIFM resigns and terminates the appointment of the Manager

Under the terms of the Management Agreement, the AIFM may resign by giving not less than 6 months' written notice. The AIFM is also entitled to terminate the appointment of the Manager at any time, pursuant to the Sub-Investment Management Agreement. The Directors would, in these circumstances, have to find a replacement alternative investment fund manager and manager for the Company and there can be no assurance that such a replacement with the necessary skills and experience could be appointed on terms acceptable to the Company. In this event, the Directors would have to formulate and put forward to Shareholders proposals for the future of the Company, which may include its merger with another investment company, reconstruction or winding-up.

The Manager may allocate some of its resources to activities in which the Company is not engaged, which could have a negative impact on the Company's ability to achieve its investment objective

The Manager is not required to commit all of its resources to Company affairs. Insofar as the Manager devotes resources to its responsibilities for other business interests, its ability to devote resources and attention to the Company's affairs will be limited. This could adversely affect the Company's ability to achieve its investment objective, which could have a material adverse effect on the Company's profitability, Net Asset Value and share price.

The Manager and its affiliates may provide services to other clients which could compete directly or indirectly with the activities of the Company and may be subject to conflicts of interest in respect of its activities on behalf of the Company

The Manager and its affiliates are involved in other financial, investment or professional activities which may on occasion give rise to conflicts of interest with the Company. In particular, the Manager manages funds other than the Company and may provide investment management, investment advisory or other services in relation to these funds or future funds which may have similar investment policies to that of the Company.

The Manager and its affiliates may carry on investment activities for their own accounts and for other accounts in which the Company has no interest. The Manager and its affiliates also provide management services to other clients, including other collective investment vehicles. The Manager and its affiliates may give advice and recommend securities to other managed accounts or investment funds which may differ from advice given to, or investments recommended or bought for, the Company, even though their investment policies may be the same or similar.

3. Risks relating to the Company's portfolio

Reliance on the Manager's due diligence processes

Before making investments, the Manager conducts such due diligence as it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. There can be no assurance that due diligence investigations with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating that investment opportunity.

Any failure by the Manager to identify relevant facts through its due diligence process may lead to inappropriate investment decisions, which could have a material adverse effect on the Company's profitability, Net Asset Value and share price.

Concentration risk

As the Company's portfolio will include only 40-60 stocks, or, if the resolution to adopt the proposed new investment policy at the General Meeting is passed, 50-80 stocks, if one of these investments declines in value, this could reduce the portfolio's value to a greater extent than if it had a larger number of investments.

Derivative instruments

The Company may make use of derivative instruments, such as options, financial futures and contracts for difference, for the purposes of efficient portfolio management and hedging as well as income enhancing strategies and for the management of risk within limits set by the Directors. The use of

derivatives gives rise to a number of specific potential risks. Derivative instruments can be highly volatile and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, depending on the type of instrument, a relatively small movement in the price of a contract or the underlying securities may result in a profit or loss which is high in proportion to the amount of funds actually placed as initial margin and may result in further loss exceeding any margin deposited. In addition, daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses.

Furthermore, the use of derivative instruments involves certain special risks for a company, including:

- (i) dependence on movements in the price of underlying securities and movements in interest rates;
- (ii) when used for hedging purposes, an imperfect correlation between the returns on the derivative instruments used for hedging and the returns on the investments or market sectors being hedged; and
- (iii) credit exposure to the counterparty with whom it trades.

Counterparty risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

Fixed interest (including secured loans)

The Company may invest up to 25 per cent. of Gross Assets in fixed interest asset classes, including high yield bonds, investment grade bonds and secured loans. A wide range of factors could adversely affect the ability of counterparties to make interest or other payments on those fixed interest securities. These factors include adverse changes in the financial conditions of those borrowers, or the industries or regions in which they operate; systemic risk in the financial system; changes in law and taxation; a downturn in general economic conditions; changes in interest rates, governmental regulations or other policies; and natural disasters, terrorism, social unrest and civil disturbances.

In the event of any default on the Company's investments by a counterparty, the Company will bear a risk of loss of principal and accrued interest of the investment, which could have a material adverse effect on the Company's income and potential to pay dividends to Shareholders. In the case of secured loans, foreclosure can be an expensive and lengthy process which could have a material negative effect on the Company's anticipated return on the foreclosed loan. The level of defaults in the portfolio and the losses suffered on such defaults will vary depending on credit market conditions.

Changes in interest rates may affect the level of the Company's net income as well as its ability to acquire loans and investments, the secondary market value of its investments and its ability to realise gains from settlement of such investments.

In the event of a significant rising interest rate environment and/or economic downturn, loan defaults may increase and result in losses that would adversely affect the Company's operating results. In the event of a general rise in interest rates, the value of certain investments that may be contained in the Company's investment portfolio in the future may fall. Interest rates are highly sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political conditions, and other factors beyond the Company's control.

Benchmark

The Company measures its performance against the MSCI World ex UK Index (Sterling adjusted). As the Company's portfolio of assets reflects the Manager's convictions, the Manager does not seek to replicate this index in constructing the portfolio. The portfolio may, therefore, diverge substantially from the constituents of this index.

Emerging markets

As a global portfolio, the Company's portfolio may include a small weighting to emerging markets which tend to be less stable than more established markets and can be affected by local political and economic conditions, reliability of trading systems, buying and selling practices and financial reporting standards.

4. Risks relating to taxation

Investment trust status

The Directors seek to conduct the affairs of the Company so as to satisfy the conditions of approval as an investment trust. Any change in the Company's tax status or in taxation legislation generally could affect the value of the investments held by the Company, affect the Company's ability to provide returns to Shareholders, lead the Company to lose its exemption from tax on chargeable gains or alter the post-tax returns to Shareholders. It is not possible to guarantee that the Company will remain non-close, which is a requirement in order to maintain status as an investment trust, as the Ordinary Shares are freely transferable. The Company, in the unlikely event that it becomes aware that it is a close company, or otherwise fails to meet the criteria for approval as an investment trust, will, as soon as reasonably practicable, notify Shareholders of this fact.

Risks associated with changes in taxation legislation or practice

Changes in taxation legislation or practice may adversely affect the Company and the tax treatment for Shareholders investing in the Company. Investors should consult their tax advisers with respect to their particular tax situations and the tax effects of an investment in the Company. Statements in this document concerning the taxation of investors or prospective investors in Shares are general in nature and do not constitute tax advice. They are based upon current tax law and practice, each of which is in principle subject to change. The value of particular tax reliefs and allowances, if available, will depend on each individual Shareholder's circumstances. This document is not a substitute for independent tax advice.

5. Risks relating to the Ordinary Shares and C Shares

General risks affecting the Ordinary Shares and C Shares

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 and C Shares, like shares in all investment companies, may fluctuate independently of their underlying net asset value and may trade at a discount or premium at different times, depending on factors such as supply and demand for the Ordinary Shares and C 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 or a C Share may vary considerably from its NAV.

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

The price at which the Ordinary Shares and C 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 or the C Shares. The market prices of the Ordinary Shares and the C Shares may not reflect their underlying Net Asset Value.

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

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

Dilution risk

The C Shares issued pursuant to the Issue will convert into Ordinary Shares. The number of Ordinary Shares into which each C Share converts will be determined by the relative net asset values per share of the assets that are attributable to the C Shares and the Ordinary Shares at the Calculation Date. As a result of Conversion, the percentage of the issued Ordinary Shares held by each existing holder of Ordinary Shares may be reduced to the extent that Shareholders do not take up their Open Offer Entitlement in full and depending on the number of applications received pursuant to the Placing, Offer for Subscription and Intermediaries Offer. However, Conversion will not materially affect the NAV per Ordinary Share.

Following the Issue, the Company is seeking to issue new equity in the future pursuant to the Placing Programme. While the Act contains statutory pre-emption rights for Shareholders in relation to issues of shares in consideration for cash, the Company is seeking authority at the General Meeting to issue up to 50 million Ordinary Shares on a non-pre-emptive basis. Where statutory pre-emption rights are dis-applied, any additional equity financing will be dilutive to those Shareholders who cannot, or choose not to, participate in such financing.

IMPORTANT NOTICES

General

No broker, dealer or other person has been authorised by the Company to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of Shares other than those contained in this document and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this document and the offering of Shares in certain jurisdictions may be restricted and accordingly persons into whose possession this document is received are required to inform themselves about and to observe such restrictions.

In connection with the Issue, Panmure Gordon and any of its affiliates acting as an investor for its or their own account(s), may subscribe for C Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such C Shares, any other securities of the Company or other related investments in connection with the Issue or otherwise. Accordingly, references in this document to the C Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, Panmure Gordon and any of its affiliates acting as an investor for its or their own account(s). Neither Panmure Gordon 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.

Under the Intermediaries Offer, the C 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 document 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 have been appointed prior to the date of this document, as listed in paragraph 12 of Part 12 of this document; and (ii) in respect of Intermediaries who are appointed after the date of this document, a list of which appears on the Company's website, from the date on which they are appointed to participate in connection with any subsequent resale or final placement of securities and, in each case, until the closing of the period for the subsequent resale or final placement of securities by financial intermediaries at 3.00 p.m. on 4 May 2017, unless closed prior to that date.

The offer period within which any subsequent resale or final placement of securities by financial intermediaries can be made and for which consent to use this document is given commences on 6 April 2017 and closes on 4 May 2017, unless closed prior to that date (any such prior closure to be announced via a Regulatory Information Service).

Any Intermediary that uses this document must state on its website that it uses this document in accordance with the Company's consent. 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. **Information on the terms and conditions of any subsequent resale or final placement of securities by any financial intermediary is to be provided at the time of the offer by the financial intermediary.**

The Company consents to the use of this document and accepts responsibility for the information contained in this document with respect to subsequent resale or final placement of securities by any financial intermediary given consent to use this document.

Any new information with respect to financial intermediaries unknown at the time of approval of this document will be available on the Company's website.

Presentation of information

Market, economic and industry data

Market, economic and industry data used throughout this document is sourced from various industry and other independent sources. The Company and the Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Currency presentation

Unless otherwise indicated, all references in this document to “**Sterling**”, “**Pounds Sterling**”, “**£**” or “**pence**” are to the lawful currency of the UK.

Definitions

A list of defined terms used in this document is set out at pages 128 to 133.

Past performance

Past performance is not necessarily indicative of future results, and there can be no assurance that the Company or its portfolio will achieve comparable results to those presented in this document, that the Company or the Manager will be able to implement their investment strategies or achieve the Company’s investment objective or that the returns generated by any investments by the Company will equal or exceed any past returns presented herein.

Investment considerations

The contents of this document are not to be construed as advice relating to legal, financial, taxation, investment or any other matters. Prospective investors should inform themselves as to:

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

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

An investment in Shares should be regarded as a long term investment. There can be no assurance that the Company’s investment objective will be achieved.

This document should be read in its entirety before making any investment in Shares. All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Articles, which investors should review.

Prospective investors should rely only on the information contained in this document. No person has been authorised to give any information or make any representations other than as contained in this document and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the AIFM, the Manager, the Depositary, Panmure Gordon or any of their respective affiliates, officers, directors, members, employees or agents. Without prejudice to the Company’s obligations under the Prospectus Rules, the Listing Rules, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules, neither the delivery of this document nor any subscription for or purchase of Shares made pursuant to the Issue or the Placing Programme shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document, or that the information contained herein is correct as at any time subsequent to the date of this document.

Apart from the liabilities and responsibilities, if any, which may be imposed on Panmure Gordon by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, Panmure Gordon does not make any representation, express or implied, nor accepts any responsibility whatsoever for, the contents of this document nor for any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares, the Issue or the Placing Programme or any Admission. Panmure Gordon (together with its affiliates) accordingly, to the fullest extent permitted by law, disclaims all and any liability (save for any statutory liability) whether arising in tort, contract or which it might otherwise have in respect of this document or any other statement.

Statements made in this document are based on the law and practice in force in England and Wales as at the date of this document and are subject to changes therein.

Website

The contents of the following website <http://www.henderson.com/sites/trusts/international-income-trust/home.aspx> do not form part of this document. Investors should base their decision whether or not to invest in the Shares on the contents of this document alone.

Data protection

The information that a prospective investor in the Company provides in documents in relation to a subscription for 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 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.

For the attention of prospective investors in the European Economic Area

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

- to any legal entity which is a “**qualified investor**” as defined in the Prospectus Directive;
- to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive (as defined below), 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

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

For the purposes of this provision, the expression an “**offer to the public**” in relation to any offer of Shares in any Relevant Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC (and the amendments thereto, including Directive 2010/73/EU) (the “**2010 PD Amending Directive**”), to the extent implemented in the Relevant Member State and includes any relevant implementing measure in each Relevant Member State.

For the attention of prospective investors in Guernsey

The Issue and the Placing Programme that are referred to in this document are available, and are and may be made, in or from within the Bailiwick of Guernsey, and this document 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 Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended); or
- (ii) to persons licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended), the Insurance Business (Bailiwick of Guernsey) Law, 2002 (as amended), the Banking Supervision (Bailiwick of Guernsey) Law, 1994 (as amended) or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 (as amended).

The Issue and the Placing Programme and this document 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.

For the attention of prospective investors in Jersey

Subject to certain exemptions (if applicable), the Company shall not raise money in Jersey by the issue anywhere of Shares, and this document relating to the 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.

For the attention of prospective investors in the Isle Of Man

The Issue and the Placing Programme are available, and are and may be made, in or from within the Isle of Man and this document is being provided in or from within the Isle of Man only:

- (i) by persons licensed to do so under the Isle of Man Financial Services Act 2008; or
- (ii) to persons: (a) licensed under Isle of Man Financial Services Act 2008; or (b) falling within exclusion 2(r) of the Isle of Man Regulated Activities Order 2011 (as amended); or (c) whose ordinary business activities involve them in acquiring, holding, managing or disposing of shares or debentures (as principal or agent), for the purposes of their business.

The Issue and the Placing Programme referred to in this document and this document are not available in or from within the Isle of Man 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.

For the attention of prospective investors in the United States

Persons receiving this document may not distribute or send it to any US Person or in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. In particular, investors should note that the Company has not, and will not be, registered under the US Investment Company Act and the offer, issue and sale of the 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. Accordingly, the Shares are being offered and sold outside the United States to non-US Persons in reliance on the exemption from the registration requirements of the US Securities Act provided by Regulation S thereunder. The Shares may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any US Person. The Shares have not been approved or disapproved by the US Securities and Exchange Commission, any states securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering or the issue of the Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States and the offer or re-sale of any of the Shares in the United States may constitute a violation of US law.

Forward-looking statements

This document contains forward-looking statements including, without limitation, statements containing the words “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variation or similar expressions. Such forward-looking statements involve unknown risks, uncertainties and other factors which may cause the actual results, financial condition, performance or achievement of the Company, or industry results, to be materially different from future results, financial condition, performance or achievements expressed or implied by such forward-looking statements.

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 document. Subject to its legal and regulatory obligations, the Company expressly disclaims any obligation to update or revise any forward-looking statement contained herein to reflect changes in expectations with regard thereto or any change in events, conditions, or circumstances on which any statement is based, unless required to do so by law or any appropriate regulatory authority, including FSMA, the Listing Rules, the Prospectus Rules, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation.

Nothing in the preceding two paragraphs should be taken as limiting the working capital statement in paragraph 6 of Part 7 of this document.

EXPECTED TIMETABLE OF KEY EVENTS

Record Date for entitlements under the Open Offer	3 April 2017
Ex-entitlement date for Open Offer	6 April 2017
Issue opens	6 April 2017
Open Offer Entitlements credited to CREST stock accounts of CREST Shareholders	6 April 2017
Recommended latest time and date for requesting withdrawal of Open Offer Entitlements into CREST	4.30 p.m. on 27 April 2017
Latest time and date for depositing Open Offer Entitlements into CREST	3.00 p.m. on 28 April 2017
Latest time and date for splitting of Open Offer Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 2 May 2017
Latest time and date for receipt of Forms of Proxy	3.00 p.m. on 3 May 2017
Last time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions	11.00 a.m. on 4 May 2017
Last time and date for receipt of completed Offer for Subscription Application Forms and, if applicable, Tax Residency Self-Certification Forms, and payment in full under the Offer for Subscription	11.00 a.m. on 4 May 2017
Last time and date for receipt of completed applications from the Intermediaries in respect of the Intermediaries Offer	3.00 p.m. on 4 May 2017
Latest time and date for commitments under the Placing	3.00 p.m. on 4 May 2017
Publication of results of the Issue	5 May 2017
General Meeting	3.00 p.m. on 5 May 2017
Admission and dealings in C Shares commence	8.00 a.m. on 8 May 2017
CREST accounts credited with uncertificated C Shares	8 May 2017
Placing Programme opens	9 May 2017
Where applicable, definitive C Share certificates despatched by post in the week commencing ²	15 May 2017
Publication of Placing Programme Price in respect of each Subsequent Placing	as soon as practicable after the closing of each Subsequent Placing
Announcement of the results of each Subsequent Placing	as soon as practicable after the closing of each Subsequent Placing
Admission and crediting of CREST accounts in respect of each Subsequent Placing	as soon as practicable following the allotment of Ordinary Shares pursuant to each Subsequent Placing

² Underlying Applicants who apply to Intermediaries for C Shares under the Intermediaries Offer will not receive share certificates.

Share certificates in respect of Ordinary Shares issued pursuant to each Subsequent Placing despatched by post

approximately one week following the Admission of any Ordinary Shares issued pursuant to each Subsequent Placing

Placing Programme closes

4 April 2018³

The above times and/or dates may be subject to change and, in the event of such change, the revised times and or dates will be notified to Shareholders by an announcement through a Regulatory Information Service.

All references to times in this document are to London times.

³ Or such earlier date on which any authority to issue Ordinary Shares pursuant to the Placing Programme is fully utilised.

ISSUE STATISTICS

Issue Price	100 pence
Target number of C Shares to be issued pursuant to the Issue	75 million
Target Gross Proceeds of the Issue	£75 million
Estimated Net Proceeds of the Issue*	£73.85 million
Estimated Net Asset Value per C Share on Admission*	98.5 pence

* assuming that the Issue is subscribed as to 75 million C Shares. The actual number of C Shares to be issued pursuant to the Issue, and therefore the Gross Proceeds of the Issue and the Net Proceeds of the Issue, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service prior to Admission. The Directors have reserved the right, in conjunction with Panmure Gordon, to increase the size of the Issue to a maximum of 150 million C Shares if overall demand exceeds 75 million C Shares.

PLACING PROGRAMME STATISTICS

Maximum size of the Placing Programme	50 million Ordinary Shares
Placing Programme Price	not less than the prevailing Net Asset Value (cum income) per Ordinary Share at the time of issue plus a premium sufficient to cover the costs and expenses of such issue

DEALING CODES

ISIN – Open Offer Entitlement	GB00BF2CP692
SEDOL – Open Offer Entitlement	BF2CP69
ISIN – C Shares	GB00BF2CLK52
SEDOL – C Shares	BF2CLK5
Ticker – C Shares	HINC
ISIN – Ordinary Shares	GB00B3PHCS86
SEDOL – Ordinary Shares	B3PHCS86
Ticker – Ordinary Shares	HINT

DIRECTORS, MANAGER AND ADVISERS

Directors	Christopher Jonas, CBE (<i>Non-Executive Chairman</i>) William Eason (<i>Non-Executive Director</i>) Simon Jeffreys (<i>Non-Executive Director</i>) Richard Hills (<i>Non-Executive Director</i>) Aidan Lisser (<i>Non-Executive Director</i>) <i>All of the registered office below and all of whom are independent</i>
Registered Office	201 Bishopsgate London EC2M 3AE Telephone: +44 (0) 20 7818 1818
Corporate Secretary	Henderson Secretarial Services Limited 201 Bishopsgate London EC2M 3AE
Sponsor, Broker, Placing Agent and Intermediaries Offer Adviser	Panmure Gordon (UK) Limited One New Change London EC4M 9AF
AIFM	Henderson Investment Funds Limited 201 Bishopsgate London EC2M 3AE
Manager	Henderson Global Investors Limited 201 Bishopsgate London EC2M 3AE Telephone: +44 (0) 20 7818 1818
Legal Adviser to the Company	Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH
Depositary and Custodian	HSBC Bank plc 8 Canada Square London E14 5HQ
Auditors	Grant Thornton UK LLP 30 Finsbury Square London EC2P 2YU
Registrar	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6AH

Receiving Agent

Computershare Investor Services PLC
Corporate Actions Projects
Bristol
BS99 6AH

PART 1

INFORMATION ON THE COMPANY

1 Investment objective and policy

A resolution will be put forward at the General Meeting to seek approval from Shareholders to amend the current investment objective and policy of the Company. The current investment objective and policy of the Company are set out below. The proposed investment objective and policy that would come into effect on the date of the General Meeting if approved by Shareholders are set out below the current investment objective and policy.

Current investment objective

The Company's investment objective is to provide a high and rising level of dividends as well as capital appreciation over the long-term from a focused and internationally diversified portfolio of securities outside the UK.

Current investment policy

The Company invests in a diversified global portfolio consisting predominantly of listed equities and fixed interest asset classes. The portfolio is diversified by factors such as geography, industry sub-sector and investment size. The Company does not invest in issuers whose securities are, at the time of investment, listed only in the United Kingdom.

The portfolio is ordinarily made up of interests in 40-60 companies, with no single investment accounting for more than 5 per cent. of net assets at the time of investment.

The Company has an options strategy and may invest in derivative instruments; up to 20 per cent. of the Company's income may be generated by the options strategy. If considered appropriate the Company may hedge exposure to foreign currencies up to a maximum of 20 per cent. of Gross Assets.

The Company will not invest more than 15 per cent. of Gross Assets in other listed investment companies, including investment trusts. The Company will not invest more than 10 per cent. of Gross Assets in companies that themselves may invest more than 15 per cent. of their gross assets in UK listed investment companies.

The Company's articles of association allow borrowings up to 100 per cent. of Net Asset Value. In normal circumstances, the Manager may only utilise gearing up to 25 per cent. of net assets at the time of drawdown or investment (as appropriate) in accordance with the Board's policy and for these purposes "gearing" includes implied gearing through the use of derivatives.

Proposed investment objective

The Company seeks to provide Shareholders with a growing total annual dividend, as well as capital appreciation.

Proposed investment policy

The Company will invest in a focused and internationally diversified portfolio of 50-80 companies that are either listed in, registered in, or whose principal business is in countries that are outside the UK and will be made up of shares (equity securities) and fixed interest asset classes that are diversified by factors such as geography, industry and investment size. A maximum of 25 per cent. of Gross Assets may be invested in fixed interest securities. The Company does not hold investments in unlisted companies unless it is through subsequent delisting of a listed security.

Investment in any single company (including any derivative instruments) will not, in gross terms, exceed 5 per cent. of net assets at the time of investment and no more than 15 per cent. of Gross Assets may be invested in other listed investment companies (including investment trusts) or collective investment schemes. No more than 10 per cent. of Gross Assets may be invested in companies that themselves invest more than 15 per cent. of their gross assets in UK listed investment companies or collective investment schemes.

The Company may use financial instruments known as derivatives for the purpose of efficient portfolio management, for investment purposes or to generate additional income while maintaining a level of risk consistent with the risk profile of the Company. The Company may hedge exposure to foreign currencies up to a maximum of 20 per cent. of Gross Assets and may generate up to a maximum of 20 per cent. of gross income through investment in traded options.

The Company can borrow to make additional investments with the aim of achieving a return that is greater than the cost of borrowing. The Company's articles of association allow borrowings up to 100 per cent. of Net Asset Value. In normal circumstances, the Manager may only utilise gearing up to 25 per cent. of net assets at the time of drawdown or investment (as appropriate) in accordance with the Board's policy and for these purposes "gearing" includes implied gearing through the use of derivatives.

Benchmark

The Company measures its performance against the MSCI World ex UK Index (Sterling adjusted). The Manager does not seek to replicate this index in constructing the portfolio.

In the event of a breach of the investment policy set out above and the investment and gearing restrictions set out therein, the Manager shall inform the Board upon becoming aware of the same and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

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

2 Market outlook

Economic growth has been improving around the world. Unemployment continues to fall in most major economies and monetary policy in general remains focused on stimulating growth. Against this, the political landscape remains as uncertain as ever after an extraordinary year. In these circumstances international diversification has a significant role to play in portfolio design. The Board believes that the Company's mandate provides the Manager with the essential flexibility to adapt to the circumstances of the day and to position the Company's portfolio in the light of its interpretation of them. The Manager is confident that the Company's portfolio has the ability to benefit from short-term volatilities and to deliver steady growth in dividend income and the potential to grow investors' capital in coming years.

3 Investment portfolio and performance

As at the Latest Practicable Date, the Company had unaudited net assets of £241.9 million, the Net Asset Value (cum income) per Ordinary Share (unaudited) was 154.5 pence and the Company's market capitalisation was £235.2 million.

The following table sets out the Ordinary Share price total return and cum fair NAV total return performance against the MSCI World ex UK Index for the periods of 1 and 3 years and since inception to the Latest Practicable Date on an annualised basis:

	<i>1 year (%)</i>	<i>3 years (%)</i>	<i>Since inception⁽¹⁾ (%)</i>
Share price total return	31.2	13.8	10.4
Cum fair NAV total return	26.1	14.0	11.9
MSCI World (ex UK) total return	33.4	17.6	13.8

(1) 28 April 2011.

Source: Morningstar, Datastream.

As at the Latest Practicable Date, over the last 12 months, the Ordinary Shares have traded at an average discount of -1.11 per cent., as compared to an average discount for the AIC Global Equity Income sector of -5.38 per cent. The Company had an ongoing charge of 1.01 per cent. as at year ended 31 August 2016 and, as at 28 February 2017, the portfolio yield was 4.16 per cent. Between inception and 28 February 2017, the compound annual growth rate in the dividends per share was 3.8 per cent.

As at the Latest Practicable Date, the Company's portfolio comprised 63 listed equity investments with an aggregate value of £244.1 million.

There has been no material change in the Company's investments between the Latest Practicable Date and the date of this document.

As at the Latest Practicable Date, the Company's top 25 investments, representing 56.33 per cent. of the value of the total portfolio were as follows:

<i>Company</i>	<i>Total Market Value (%)</i>
Microsoft	3.59%
Roche	3.29%
Novartis	3.14%
Taiwan Semiconductor Manufacturing	2.76%
Natixis	2.55%
ING Groep	2.51%
Cisco Systems	2.50%
Deutsche Telekom	2.45%
Chevron	2.44%
Orange	2.39%
Coca-Cola	2.39%
Siemens	2.21%
Las Vegas Sands	2.07%
Icade	2.01%
Samsung	1.98%
Telenor	1.97%
Pfizer	1.95%
Coca-Cola European Partners	1.93%
Nordea Bank	1.92%
Wells Fargo	1.88%
Bezeq The Israeli Telecommunication Corporation	1.78%
Bayer	1.70%
Nielsen	1.70%
AXA	1.65%
Statoil	1.57%
	<u>56.33%</u>

Source: unaudited management accounts.

As at the close of business on the Latest Practicable Date, the Company's portfolio by sector was as follows:

<i>Sector</i>	<i>Percentage of portfolio</i>
Financials	19.6%
Telecommunications	14.8%
Consumer Goods	12.0%
Technology	10.8%
Property	8.5%
Health Care	8.4%
Industrials	7.8%
Consumer Services	7.7%
Oil & Gas	6.8%
Basic Materials	2.2%
Utilities	1.4%
Total	<u>100.0%</u>

Source: unaudited management accounts.

As at the close of business on the Latest Practicable Date, the Company's portfolio by geographical location was as follows:

<i>Country</i>	<i>Percentage of portfolio</i>
US	34.1%
France	11.0%
Germany	8.4%
China	6.6%
Switzerland	6.4%
Australia	5.5%
Netherlands	5.3%
Norway	3.5%
Korea	3.3%
Taiwan	2.8%
Sweden	1.9%
Israel	1.8%
Italy	1.4%
Japan	1.4%
Portugal	1.3%
Thailand	1.3%
Hong Kong	1.3%
New Zealand	1.3%
Singapore	0.9%
Canada	0.5%
Total	<u>100.0%</u>

Source: unaudited management accounts.

4 Dividend policy

The Company has adopted a progressive dividend policy, with the intention of growing the dividend from the current level. Quarterly dividends are usually paid on or around 28 February, 31 May, 31 August and 30 November in each year. The Company paid aggregate dividends of: (i) 4.25 pence per Ordinary Share for the year ended 31 August 2014 (amounting to £2.8 million); (ii) 4.50 pence per Ordinary Share for the year ended 31 August 2015 (amounting to £3.5 million); and (iii) 4.65 pence per Ordinary Share for the year ended 31 August 2016 (amounting to £5.5 million). Since then, the Company has paid a first interim dividend of 1.20 pence per Ordinary Share in February 2017 (amounting to £1.9 million) and has declared a second interim dividend of 1.20 pence per Ordinary Share to be paid on 31 May 2017 (amounting, based on the number of Ordinary Shares in issue as at the Latest Practicable Date, to £1.9 million).

The date for Conversion will be determined by the Board once the pool of assets attributable to the C Shares is fully or substantially invested and having regard to the management of the revenue accounts referable to each class of share and the dividend timetable for the Ordinary Shares. In any event, Conversion shall occur within six months of the issue of the C Shares pursuant to the Issue.

It is currently the Board's intention to declare the third interim dividend for the Ordinary Shares prior to the Calculation Date and, as a consequence, holders of C Shares will not be entitled, following Conversion, to that dividend. It is expected that the first dividend to which holders of C Shares will be entitled, assuming that Conversion takes place on or after 29 July 2017, will be the fourth interim dividend which is expected to be paid in November 2017.

The Directors may also declare an interim dividend payable to holders of the C Shares, should the revenue attributable to the C Shares prior to Conversion constitute a material amount (in the opinion of the Directors). Any such dividend would be announced via a Regulatory Information Service and would be payable to holders of C Shares on the Register at a record date preceding as close as practicable the Conversion Date. Any revenue attributable to the C Shares but which is not paid out to the holders of C Shares prior to Conversion by way of dividend will be accounted for in the Conversion Ratio.

In accordance with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company will not, except to the extent permitted under that regulation, retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period.

5 Discount management

The shares of investment trusts can trade at a discount to the underlying net asset value per share. The Board's aims are to minimise the discount at which the Ordinary Shares trade relative to the Net Asset Value per Ordinary Share as well as to reduce volatility and increase liquidity in the Ordinary Shares. In seeking to achieve these aims, the Board is of the view that it is appropriate to maintain flexibility. At present, the Board does not operate a fixed discount management policy but will consider further issuances and buybacks of Ordinary Shares in certain circumstances. In exercising its powers to repurchase Ordinary Shares, the Board will take into account the overall impact on the Company's portfolio, the pricing of other trusts and overall market conditions.

At the 2016 AGM, Shareholders gave the Board authority to buy back up to 23,467,685 Ordinary Shares. Ordinary Shares will only be repurchased at a discount to the Net Asset Value per Ordinary Share. Repurchased shares will be cancelled or may alternatively be held in treasury. Ordinary Shares may only be re-issued from treasury at a price which represents not less than the Net Asset Value per Ordinary Share at the relevant time.

All share repurchases will be conducted in accordance with the Act, the Listing Rules and the Disclosure Guidance and Transparency Rules applicable from time to time and will be announced to the market through a Regulatory Information Service on the same or the following day.

The exercise by the Directors of the Company's powers to repurchase Ordinary Shares and the timing and structure of any such purchases is entirely discretionary and no expectation or reliance should be placed on the Directors exercising such discretion.

6 Life of the Company

The Articles require that at every third annual general meeting of the Company, an ordinary resolution be put to Shareholders asking them to approve the continuation of the Company. The next such resolution will be proposed at the AGM to be held in 2017.

7 Profile of typical investor

The C Shares and the Ordinary Shares available under the Issue and the Placing Programme, respectively, are designed to be suitable for institutional investors and professionally-advised private investors seeking exposure to an internationally diversified portfolio of securities outside the UK. The C Shares and the Ordinary Shares may also be suitable for investors who are financially sophisticated, non-advised private investors provided that they are capable of evaluating the risks and merits of such an investment and have sufficient resources to bear any loss which may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in the C Shares or the Ordinary Shares.

8 Net Asset Value publication

The unaudited Net Asset Value per Ordinary Share (and, where applicable, Net Asset Value per C Share) is calculated in Sterling by BNP Paribas Securities Services on a daily basis, as described below. Such calculations are notified daily, on a cum income and ex income basis, through a Regulatory Information Service and are available through the Company's website.

The Net Asset Value will be the value of all assets of the Company less liabilities to creditors (including provisions for such liabilities) determined in accordance with the Association of Investment Companies' valuation guidelines and in accordance with applicable accounting standards. Publicly traded securities are valued by reference to their bid prices on the relevant exchange and derivatives are measured at fair values based on market prices or at valuations based on market prices on a daily basis.

If the Directors consider that any of the above bases of valuation are inappropriate in any particular case, or generally, they may adopt such other valuation procedures as they consider reasonable in the circumstances.

The Directors may temporarily suspend the calculation of Net Asset Value during a period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility or power of the Board, disposal or valuation of investments of the Company or other transactions in the ordinary course of the Company's business is not reasonably practicable without this being materially detrimental to the interests of Shareholders or if, in the opinion of the Board: the Net Asset Value cannot be fairly calculated; or there is a breakdown of the means of communication normally employed in determining the calculation of Net Asset Value; or it is not reasonably practicable to determine the Net Asset Value on an accurate and timely basis. Any suspension in the calculation of the Net Asset Value will be notified through a Regulatory Information Service as soon as practicable after any such suspension occurs.

9 Reports to Shareholders

The annual report and financial statements of the Company are made up to 31 August in each year. The Company also publishes unaudited half-yearly results covering the six months to the end of February in each year.

10 Electronic communications

The Company has the right to offer Shareholders the opportunity to have documents and information made available to them through the Company's website and in electronic form.

11 Taxation

Potential investors are referred to Part 11 of this document for details of the taxation of the Company and of Shareholders in the UK. 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.

12 Non-mainstream pooled investment status

As the Company is an investment trust, the Shares are "excluded securities" under the FCA's rules on non-mainstream pooled investments. Accordingly, the promotion of the Shares is not subject to the FCA's restriction on the promotion of non-mainstream pooled investments.

13 MiFID II

MiFID II requires firms distributing "complex" products (as defined in MiFID II) without advice to assess the knowledge and understanding of retail investors before allowing them to buy and sell them. In practice, if Shares in the Company were deemed to be a complex investment, it may make it more difficult for private individual investors to buy Shares in the Company. The FCA has confirmed that it does not consider investment company shares to be automatically complex for the purposes of applying MiFID II.

14 Risk factors

The Company's business is dependent on many factors and potential investors should read the whole of this document and in particular the section entitled "Risk Factors" on pages 19 to 25.

PART 2

INVESTMENT STRATEGY AND PROCESS

1 Fund manager

Ben Lofthouse is the fund manager responsible for the management of the Company's portfolio. He is supported by Henderson's 12 strong Global Equity Income team who will contribute stock ideas for each region of the globe. Ben's biography is in Part 6 of this document.

2 Investment philosophy

The Manager believes that, over the long run, a portfolio of above-average yielding companies with the ability to grow their dividends will outperform the wider market.

The Manager seeks to achieve the Company's investment objective by investing in a diversified global portfolio consisting of predominantly listed equities, whilst also having the flexibility to invest in fixed interest asset classes (including investment grade bonds, high yield corporate bonds and secured loans). The Company's portfolio is diversified by factors such as geography, industry sub-sector and investment size. The Company does not invest in issuers whose securities are, at the time of investment, listed only in the UK.

Over time a significant proportion of equity returns are derived from dividend yield and dividend growth, with total returns being enhanced by the compounding effect of reinvesting income. Dividend yield in isolation can be a misleading signal of value and it is the ability to at least maintain or grow the dividend that is important. Over shorter term horizons, markets may be driven by other factors, such as momentum, but in the long run the Manager expects that an income style will perform better than the market overall.

3 Portfolio construction

The fund manager oversees the overall portfolio composition. In determining portfolio composition, a number of factors are considered including:

- Sector diversification to avoid unintended portfolio bias.
- Managing and monitoring income generation and dividend levels to seek to ensure that the portfolio target yield is achieved and whether income enhancement actions are required, such as option writing and the adoption of gearing.
- The limits set out in the investment policy in respect of asset allocation and risk diversification are adhered to.

The focus is on well managed companies paying dividends with the emphasis on potential for both dividend and capital growth. The Company's portfolio is invested in companies that represent a wide range of market capitalisations, but does not have any exposure to unlisted companies unless it is through subsequent delisting of a listed security.

All stocks are held as active positions and are selected on their own merits rather than as a result of their presence in the Company's benchmark index. Stock weights are typically 1-5 per cent., while sector weights are generally less than 20 per cent.

The weighting given to each stock and sector position reflects:

- the relative attraction of each stock;
- the fund manager's level of conviction; and
- any liquidity considerations relating to specific stocks.

4 Asset allocation

Asset allocation is determined by factors such as the income yields of different markets and asset classes, macro-economic analysis and relative valuations of different equity markets. The fund manager is responsible for the final geographic asset and asset class allocation, within the parameters set out in the investment policy.

5 Idea generation

Ideas can come from many sources but the most important is the accumulated knowledge of Ben Lofthouse and the wider Global Equity Income team at Henderson. Ben Lofthouse and the wider Global Equity Income team use various screens to generate ideas. As well as screening for dividend yield, other factors such as dividend growth, cash flow yield, cash flow growth, balance sheet strength and profitability-based metrics, such as return on equity, are also considered. This places a strong emphasis on identifying companies that have good and growing levels of free cash-flow, with the aim of identifying stocks with the potential for income growth in addition to capital returns.

Ben Lofthouse is also able to draw upon the expertise of the other regional teams at Henderson through both formal, regularly scheduled meetings and frequent informal, *ad hoc* discussions.

6 Income criteria

The Company's investment process focuses on dividend paying companies generally yielding 2 per cent. or more, and aims to diversify the yield of the portfolio by ensuring no reliance on any one sector or stock. When considering the income return from a potential stock position, there is a focus on the following characteristics:

- an attractive yield which is repeatable: companies with a >2 per cent. yield that have sustainable dividends backed by robust cash flow;
- an ability to grow in real terms: indicated by a robust balance sheet that supports the pay-out ratio, and a forecast for cash flow growth; and
- a focus on absolute valuation: whereby the fund manager looks at historical valuation ranges to assess at what level there is 'yield support'. Ben Lofthouse also compares dividend yields to other instruments, e.g. yield on bonds issued by the same company.

By focusing on these factors, the fund manager strives to achieve an attractive yield for the Company's portfolio in aggregate and also generate good growth in income.

7 Valuation criteria

The fund manager applies valuation metrics that are relevant to specific companies and the industries or sectors in which they operate. There are, however, three common/central attributes that are emphasised in the process:

- unloved companies: contrarian opportunities which may be those with low relative valuations, turnaround situations, or those that are temporarily out of favour;
- underappreciated earnings: those companies with better cash generation or greater operating leverage than the market expects. These are not necessarily the cheapest in the market but are undervalued versus their return characteristics; and
- undervalued opportunities on fundamental measures: a variety of techniques are used to assess the valuation opportunity, including:
 - Price/Earnings
 - Net asset value
 - Equity free cash flow yields

- Return on Invested Capital/Weighted Average Cost of Capital
- Enterprise Value (EV)/Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)
- Holt (Cash Flow Return on Investment (CFROI))

These valuation criteria are used in tandem with the income criteria to ensure that there is potential for capital growth as well as income growth.

8 Stock selection

Stock ideas are generated from stock screens, industry research and company visits. These ideas are filtered by rigorous analysis of factors such as perceived cash flows, earnings sustainability, dividend quality, strength of management and business model. Stocks are monitored to enforce strict buy and sell discipline. In selecting investments, the fund manager primarily seeks to identify companies with apparent attractive long-term business prospects that generate cash and produce attractive levels of dividend income, and which are, in the fund manager's opinion, undervalued or inexpensive relative to other similar investments.

The fund manager seeks to invest in such a manner that the underlying holdings support the target dividend yield of the Company.

Should a decision be made to allocate to fixed interest, then stock ideas would be provided by Henderson's Retail Fixed Income team.

PART 3

ISSUE ARRANGEMENTS

1 The Issue

Since the Company's admission to listing on 28 April 2011, there has been consistent demand from investors for its Shares and this has in turn led to the Shares being well rated, more often than not, since inception, trading at parity or at a premium to underlying net assets.

The Board believes a number of factors have led to the demand for the Company's Shares: it has performed well since inception generating both income and capital growth for its Shareholders; its mandate is unique within the investment trust sector as it is the only income investment trust with a mandate to invest globally but without exposure to UK investments; and it has been actively marketed under the Henderson brand name.

Launched with a modest market capitalisation of approximately £42 million, the Company has grown steadily through a combination of organic growth of the underlying assets, "tap" issuance of new ordinary shares, a C share issue in 2013 and a substantive issue of shares in April 2016 when the Company acquired a substantial portion of the assets of Henderson Global Trust plc. As a result, the market capitalisation has now grown to £235.2 million.

The Board believes that it continues to be in the interests of the Company and its Shareholders to grow the Company further by the issuance of new shares at a price which will not result in any dilution of Net Asset Value per Ordinary Share for existing Shareholders. A number of advantages flow from increasing the size of the Company: critical mass, better visibility (especially on post-RDR platforms), better liquidity, lower ongoing charge (because the management fee payable to the AIFM reduces on Net Asset Value in excess of £250 million and as fixed overheads will be spread across a larger asset base) and greater scope to manage any discount at which the Company's shares may trade from time to time through buy backs of Ordinary Shares.

The Directors intend to use the Net Proceeds of the Issue to acquire investments in accordance with the Company's investment objective and policy.

The Company is targeting an issue of 75 million C Shares pursuant to the Issue at the issue price of 100 pence per C Share. In this document, the Open Offer, Placing, Offer for Subscription and the Intermediaries Offer are together referred to as the "**Issue**". The Directors have reserved the right, in conjunction with Panmure Gordon, to increase the size of the Issue to a maximum of 150 million C Shares if overall demand exceeds 75 million C Shares. The actual number of C Shares to be issued pursuant to the Issue, and therefore the Gross Proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service announcement prior to Admission. The Issue is not being underwritten. The maximum Issue size should not be taken as an indication of the number of C Shares to be issued.

The C Shares will be offered to existing Ordinary Shareholders by way of the Open Offer. The Open Offer provides an opportunity for Ordinary Shareholders to participate in the fundraising by subscribing for their Open Offer Entitlements. If the Issue proceeds, valid applications under the Open Offer will be satisfied in full up to applicants' Open Offer Entitlements. Ordinary Shareholders who wish to subscribe for more C Shares than their Open Offer Entitlement should make an application for such additional C Shares under the Offer for Subscription or, if appropriate, the Placing or the Intermediaries Offer.

New investors will be able to apply for C Shares pursuant to the Placing, Offer for Subscription and Intermediaries Offer.

On the assumption that the Gross Proceeds of the Issue are £75 million, the estimated expenses of the Issue are approximately £1.15 million and the expected Net Proceeds of the Issue are approximately £73.85 million.

The Issue is conditional on the approval of Ordinary Shareholders. A Notice convening the General Meeting at which the Issue Resolutions will be proposed is set out in a circular being sent to Shareholders today.

2 C Shares

The Issue will be of a new class of shares, C Shares, which will be issued at 100 pence per share and will be denominated in Sterling. An issue of C Shares is designed to overcome the potential disadvantages for existing Ordinary Shareholders which could arise out of a conventional fixed price issue of further Ordinary Shares for cash. In particular:

- the date for Conversion will be determined by the Board once the pool of assets attributable to the C Shares is fully or substantially invested and having regard to the management of the revenue accounts referable to each class of share and the dividend timetable for the Ordinary Shares. In any event, Conversion shall occur within six months of the issue of the C Shares pursuant to the Issue;
- the assets representing the net proceeds from the issue of the C Shares will be accounted for and managed as a distinct pool of assets until the Conversion Date. By accounting for the net proceeds separately, holders of existing Ordinary Shares will not be exposed to a portfolio containing a substantial amount of uninvested cash before Conversion;
- the Net Asset Value of the existing Ordinary Shares will not be diluted by the expenses associated with the Issue, which will be borne by the subscribers for C Shares; and
- the basis upon which the C Shares will convert into Ordinary Shares is such that the number of Ordinary Shares to which holders of C Shares will become entitled will reflect the relative net asset values per share of the assets attributable to the C Shares and the Ordinary Shares at the Calculation Date. As a result, the Net Asset Value attributable to the Ordinary Shares will not be materially diluted by the issue and Conversion of any C Shares.

The new Ordinary Shares arising on Conversion of the C Shares will rank *pari passu* with the Ordinary Shares then in issue, save or any dividends or distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the Calculation Date.

The Ordinary Shares carry the right to receive all dividends declared by the Company or the Directors, subject to the rights of any C Shares in issue. On a winding-up, provided the Company has satisfied all of its liabilities and subject to the rights conferred by any C Shares in issue at that time to participate in the winding-up, the holders of Ordinary Shares are entitled to all of the surplus assets of the Company. Holders of Ordinary Shares are entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Ordinary Share held.

The Ordinary Shares are denominated in Sterling and the nominal value of the Ordinary Shares is one penny per Ordinary Share.

The Ordinary Shares are in registered form, have been admitted to the premium listing segment of the Official List and are traded on the premium segment of the Main Market. The Company will use its reasonable endeavours to procure that, upon Conversion, the new Ordinary Shares are admitted to the premium listing segment of the Official List and admitted to trading on the premium segment of the Main Market.

The rights attaching to the Ordinary Shares are set out in the Articles which are summarised in Part 12 of this document.

3 Conversion of C Shares

The Net Proceeds of the Issue and the investments made with the Net Proceeds will be accounted for and managed as a separate pool of assets until Conversion. The Conversion Ratio will be calculated (to four decimal places (with 0.00005 being rounded down)) and the C Shares in issue will convert into a number of Ordinary Shares calculated by reference to the net assets then attributable to the C Shares compared to the net assets at the same time attributable to the Ordinary Shares then in issue. Entitlements to Ordinary Shares will be rounded down to the nearest whole number.

The following example is provided for the purpose of illustrating the basis on which the number of new Ordinary Shares arising on Conversion will be calculated. The example is not, and is not intended to be, a profit forecast or a forecast of the number of Ordinary Shares which will arise on Conversion.

The example illustrates the number of Ordinary Shares which would arise in respect of the Conversion of 1,000 C Shares held at the Calculation Date, using assumed Net Asset Values attributable to the C Shares and the existing Ordinary Shares. The assumed Net Asset Value attributable to the existing Ordinary Shares is that at the close of business on the Latest Practicable Date, being 154.5 pence per Ordinary Share.⁴ The assumed Net Asset Value attributable to the C Shares is their issue price of 100 pence per C Share less the estimated costs of their issue of 1.5 pence per C Share.

Number of C Shares subscribed	1,000
Amount subscribed	£1,000
Assumed Net Asset Value attributable to 1,000 C Shares at the Calculation Date	£985
Assumed Net Asset Value attributable to 1,000 Ordinary Shares at the Calculation Date	£1,545
Conversion Ratio	1.00: 0.6375
Number of new Ordinary Shares arising on Conversion of 1,000 C Shares	637

The detailed calculation methodology for the Conversion Ratio is set out in Part 4 of this document. Pursuant to the rights attaching to the C Shares, the Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider are fair and reasonable having regard to the interests of all Shareholders. Any adjustments to the terms and timing of Conversion would be announced via a Regulatory Information Service.

4 Conditions to the Issue

The Issue is conditional, inter alia, on:

- (i) the Issue Resolutions being passed on or before 5 May 2017 or such later date as the Company, Panmure Gordon and the Manager may agree (not being later than 8 June 2017);
- (ii) Admission having become effective at or before 8.00 a.m. on 8 May 2017 or such later time and/or date as the Company, Panmure Gordon and the Manager may agree (not being later than 8.00 a.m. on 8 June 2017); and
- (iii) the Placing and Offer Agreement becoming otherwise unconditional in respect of the Issue and not having been terminated in accordance with its terms prior to Admission.

5 The Open Offer

Ordinary Shareholders are being offered the opportunity, under the Open Offer, to apply for up to one C Share for every two Ordinary Shares held and registered in their name as at the Record Date. If the Issue proceeds, valid applications under the Open Offer will be satisfied in full up to applicants' Open Offer Entitlements. Ordinary Shareholders who wish to subscribe for more C Shares than their Open Offer Entitlement should make an application for such additional C Shares under the Offer for Subscription or, if appropriate, the Placing or the Intermediaries Offer. **Existing Shareholders should be aware that the Open Offer is not a rights issue and Open Offer Entitlements cannot be traded.**

The latest time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer and settlement of relevant instructions (as appropriate) is expected to be 11.00 a.m. on 4 May 2017 with Admission and commencement of dealings in C Shares expected to take place at 8.00 a.m. on 8 May 2017.

The Open Offer is subject to the terms and conditions of the Open Offer which are set out in Part 8 of this document and should be read carefully before an application is made under the Open Offer. Shareholders should consult an independent financial adviser if they are in doubt about the contents of this document or the action they should take.

⁴ Source: unaudited management accounts

6 The Offer for Subscription

The Directors are also proposing to offer C Shares under the Offer for Subscription, subject to the terms and conditions of the Offer for Subscription set out in Part 9 of this document. These terms and conditions and the Offer for Subscription Application Form attached as Appendix 1 to this document should be read carefully before an application is made. The Offer for Subscription will close at 11.00 a.m. on 4 May 2017. If the Offer for Subscription is extended, the revised timetable will be notified through a Regulatory Information Service.

Applications under the Offer for Subscription must be for C Shares at the Issue Price, being 100 pence per C Share. The aggregate subscription price is payable in full on application. Individual applications must be for a minimum subscription of 1,000 C Shares and then in multiples of 1,000 C Shares thereafter, although the Board may accept applications below the minimum amounts stated above in its absolute discretion. Multiple subscriptions under the Offer for Subscription by individual investors will not be accepted.

Application Forms accompanied by a cheque or banker's draft made payable to "CIS PLC RE: Henderson International Income Trust plc OFS A/C" and crossed "A/C payee only" for the appropriate sum should be returned to the Receiving Agent by no later than 11.00 a.m. on 4 May 2017. For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 11.00 a.m. on 4 May 2017. Shareholders wishing to make a CHAPS payment should contact Computershare stating HINT OFS by email at paymentqueries@computershare.co.uk and you will be provided with a unique reference number to be used when making the payment. Applicants choosing to settle via CREST, that is DVP will need to match their instructions to Computershare's participant account 8RA16 by no later than 1.00 p.m. on 5 May 2017, allowing for the delivery and acceptance of C Shares to be made against payment of the Issue Price per C Share, following the CREST matching criteria set out in the Application Form.

If the Offer for Subscription is extended, the revised timetable will be notified to any investors who have returned Application Forms.

Applications under the Offer for Subscription must be for Shares with a minimum subscription amount of US\$1,000 and thereafter in multiples of US\$100. Commitments under the Offer for Subscription once made, may not be withdrawn without the consent of the Board.

Commitments under the Offer for Subscription, once made, may not be withdrawn without the consent of the Directors.

7 The Placing

Panmure Gordon has agreed to use its reasonable endeavours to procure subscribers pursuant to the Placing for the C Shares on the terms and subject to the conditions set out in the Placing and Offer Agreement. Details of the Placing and Offer Agreement are set out in paragraph 6.1 of Part 12 of this document.

The terms and conditions which shall apply to any subscription for C Shares procured by Panmure Gordon are set out in Part 10 of this document. The Placing will close at 3.00 p.m. on 4 May 2017 (or such later date, not being later than 8 June 2017, as the Company, Panmure Gordon and the Manager may agree). If the Placing is extended, the revised timetable will be notified through a Regulatory Information Service.

Each Placee agrees to be bound by the Articles once the C Shares, which the Placee has agreed to subscribe for pursuant to the Placing, have been acquired by the Placee. The contract to subscribe for the C Shares under the Placing and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Panmure Gordon, the Company, the AIFM, the Manager and the Registrar, 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 the Placee in any other jurisdiction.

Commitments under the Placing, once made, may not be withdrawn without the consent of the Directors.

8 Intermediaries Offer

Investors may also subscribe for C Shares at the Issue Price of 100 pence per C 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.

No C 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. A minimum application of 1,000 C Shares per Underlying Applicant will apply. Allocations to Intermediaries will be determined solely by the Company (following consultation with Panmure Gordon).

An application for C Shares in the Intermediaries Offer means that the Underlying Applicant agrees to acquire the C Shares applied for at the Issue Price. Each Underlying Applicant must comply with the appropriate money laundering checks required by the relevant Intermediary and all other laws and regulations applicable to their agreement to subscribe for C Shares. Where an application is not accepted or there are insufficient C 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 shall be made without interest. The Company, the Manager, the AIFM and Panmure Gordon 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 a commission and/or fee (to the extent permissible by the rules of the FCA) to Intermediaries from the Intermediaries Offer Adviser acting on behalf of the Company if such Intermediary elects to receive a commission and/or fee. 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.

In addition, the Intermediaries may prepare certain materials for distribution or may otherwise provide information or advice to retail investors in the United Kingdom, subject to the terms of the Intermediaries Terms and Conditions. Any such materials, information or advice are solely the responsibility of the relevant Intermediary and will not be reviewed or approved by any of the Company, the AIFM, the Manager or the Intermediaries Offer Adviser. Any liability relating to such documents shall be for the relevant Intermediaries only.

The Intermediaries Terms and Conditions provide for the Intermediaries to have an option (where the payment of such commission and/or fee is not prohibited) to be paid a commission and/or fee by the Intermediaries Offer Adviser (acting on behalf of the Company) where it has elected to receive such commission and/or fee in respect of the C Shares allocated to and paid for by them pursuant to the Intermediaries Offer.

9 Dilution

The C Shares issued pursuant to the Issue will convert into Ordinary Shares. The number of Ordinary Shares into which each C Share converts will be determined by the relative net asset values per share of the assets that are attributable to the C Shares and the Ordinary Shares at the Calculation Date. As a result of Conversion, the percentage of the issued Ordinary Shares held by each existing holder of Ordinary Shares may be reduced depending on the extent to which such Shareholders take up their Open Offer Entitlement and the number of applications received pursuant to the Placing, Offer for Subscription and Intermediaries Offer. However, Conversion will not materially affect the NAV per Ordinary Share.

10 Allocations of C Shares

The basis of allocation will be:

- (i) to each Ordinary Shareholder who applies, up to his full entitlement under the Open Offer; and
- (ii) to applicants under the Placing, the Offer for Subscription and the Intermediaries Offer. In the event that applications exceed the number of C Shares available, they will be scaled back in the discretion of Panmure Gordon, following consultation with the Company and the Manager. There will be no priority given to applications under the Placing, applications under the Offer for Subscription or applications under the Intermediaries Offer pursuant to the Issue.

11 Admission and dealings

Applications will be made for the C Shares to be admitted to the premium segment of the Official List and to the premium segment of the Main Market. It is expected that Admission will become effective and unconditional dealings in the C Shares will commence at 8.00 a.m. on 8 May 2017.

12 CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Shares under the CREST system. Settlement of transactions in the C Shares following Admission may take place within the CREST system if any Shareholder so wishes.

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

The Open Offer Entitlements will be registered with ISIN GB00BF2CP692 and SEDOL BF2CP69.

When admitted to trading, the C Shares will be registered with ISIN GB00BF2CLK52 and SEDOL BF2CLK5.

It is expected that CREST accounts will be credited with C Shares on 8 May 2017. Dealings in C Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

13 General

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the United Kingdom, the Company and its agents, Panmure Gordon or Computershare, may require evidence of the identity of each investor in connection with any application for C Shares, including further identification of the applicant(s), before any C Shares are issued.

14 Overseas investors

No action has been taken to permit the distribution of this document in any jurisdiction outside the United Kingdom where such action is required to be taken. This document may not be used for the purpose of, and does not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Accordingly, no person receiving a copy of this document in any territory other than the United Kingdom, may treat the same as constituting an offer or invitation to him to acquire, subscribe for or purchase C Shares nor should he in any event acquire, subscribe for or purchase C Shares unless such an invitation, acquisition, subscription or purchase complies with any registration or other legal requirements in the relevant territory. Any person outside the United Kingdom wishing to acquire, subscribe for or purchase C Shares should satisfy himself that, in doing so, he complies with the laws of any relevant territory, and that he obtains any requisite governmental or other consents and observes any other applicable formalities.

Persons (including, without limitation, nominees and trustees) receiving this document may not distribute or send it to any US Person or in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. In particular, investors should note that the Company has not, and will not be, registered under the US Investment Company Act and the offer, issue and sale of the C 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 or in any Restricted Jurisdiction. The C Shares are only being offered and only sold outside the United States to non-US Persons in reliance on the exemption from the registration requirements of the Securities Act provided by Regulation S thereunder. The C Shares may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any US Person. Investors should additionally consider the provisions set out under the heading “Important Notices” at the beginning of this document.

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

PART 4

DETAILS OF THE C SHARES

The rights and restrictions attaching to the C Shares and the Deferred Shares arising on Conversion are set out in the Articles and are summarised below.

1 The following definitions apply (for the purposes of this Part 4 of this document only) in addition to, or (where applicable) in substitution for, the definitions applicable elsewhere in this document:

“**C Shareholder**” means a holder of C Shares;

“**Calculation Date**” means the earliest of the:

- (i) close of business on the Business Day to be determined by the Directors falling within six months after the allotment of the relevant C Shares; or
- (ii) close of business on the date falling six calendar months after the allotment of the C Shares or if such a date is not a Business Day the next following Business Day; or
- (iii) close of business on the day on which the Directors resolve that Force Majeure Circumstances have arisen or are imminent;

“**Conversion**” means conversion of the C Shares into Ordinary Shares and Deferred Shares in accordance with paragraph (8) below;

“**Conversion Date**” means the close of business on such Business Day as may be selected by the Directors falling not more than 10 Business Days after the Calculation Date;

“**Conversion Ratio**” is the ratio of the cum income net asset value per C Share to the cum income net asset value per Ordinary Share, which is calculated as:

$$\begin{aligned}\text{Conversion Ratio} &= \frac{\text{A}}{\text{B}} \\ \text{A} &= \frac{\text{C}-\text{D}}{\text{E}} \\ \text{B} &= \frac{\text{F}-\text{C}-\text{G}+\text{D}}{\text{H}}\end{aligned}$$

Where:

C is the aggregate of:

- (a) the value of the investments of the Company attributable to the C Shares (other than investments which are subject to restrictions on transfer or a suspension of dealings, which are in each case to be valued in accordance with (b) below) which are listed, quoted, dealt in or traded on a stock exchange calculated by reference to the bid-market quotations at close of business of, or, if appropriate, the daily average of the prices marked for, those investments on the Calculation Date on the principal stock exchange or market where the relevant investment is listed, quoted, dealt in or traded, as derived from the relevant exchange’s or market’s recognised method of publication of prices for such investments where such published prices are available;
- (b) the value of all other investments of the Company attributable to the C Shares (other than investments included in (a) above) calculated by reference to the Directors’ belief as to a fair current value for those investments on the Calculation Date after taking into account any other price publication services reasonably available to the Directors; and

- (c) the amount which, in the Directors' opinion, fairly reflects, on the Calculation Date, the value of the current assets of the Company attributable to the C Shares (excluding the investments valued under (a) and (b) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue or capital nature);

D is the amount (to the extent not otherwise deducted from the assets attributable to the C Shares) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company attributable to the C Shares on the Calculation Date;

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

F is the aggregate of:

- (a) the value of all the investments of the Company (other than investments which are subject to restrictions on transfer or a suspension of dealings, which are in each case to be valued in accordance with (b) below) which are listed, quoted, dealt in or traded on a stock exchange calculated by reference to the bid-market quotations at close of business of, or, if appropriate, the daily average of the prices marked for, those investments on the Calculation Date on the principal stock exchange or market where the relevant investment is listed, quoted, dealt in or traded as derived from the relevant exchange's or market's recognised method of publication of prices for such investments where such published prices are available;
- (b) the value of all other investments of the Company (other than investments included in (a) above) calculated by reference to the Directors' belief as to a fair current value for those investments on the Calculation Date after taking into account any other price publication services reasonably available to the Directors; and
- (c) the amount which, in the Directors' opinion, fairly reflects, on the Calculation Date, the value of the current assets of the Company (excluding the investments valued under (a) and (b) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue or capital nature);

G is the amount (to the extent not otherwise deducted in the calculation of F) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company on the Calculation Date; and

H is the number of Ordinary Shares in issue on the Calculation Date (excluding any Ordinary Shares held in treasury)

provided that the Directors shall make such adjustments to the value or amount of A and B as the reporting accountants shall report to be appropriate having regard, among other things, to the assets of the Company immediately prior to the date on which the Company first receives the Net Proceeds relating to the C Shares and/or to the reasons for the issue of the C Shares;

“Deferred Shareholder” means a holder of Deferred Shares;

“Deferred Shares” means Deferred Shares of one penny each in the capital of the Company arising on Conversion;

“Existing Ordinary Shares” means the Ordinary Shares in issue immediately prior to Conversion;

“Force Majeure Circumstances” means: (i) any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable; (ii) the issue of any proceedings challenging, or seeking to challenge, the power of the Company and/or its Directors to issue the C Shares with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are proposed to be, issued; or (iii) the giving of notice of any general meeting of the Company at which a resolution is to be proposed to wind up the Company, whichever shall happen earliest; and

“**Net Proceeds**” means the net cash proceeds of the issue of the C Shares (after deduction of those commissions and expenses relating thereto and payable by the Company).

- 2 The holders of the Ordinary Shares, the C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights to be paid dividends:
- (a) the Deferred Shares (to the extent that any are in issue and extant) shall entitle the holders thereof to a cumulative dividend at a fixed rate of one per cent. of the nominal amount thereof, the first such dividend (adjusted *pro rata temporis*) (the “**Deferred Dividend**”) being payable on the date six months after the Conversion Date upon which such Deferred Shares were created in accordance with paragraph (8) (the “**Relevant Conversion Date**”) and on each anniversary of such date payable to the holders thereof on the register of members on that date as holders of Deferred Shares but shall confer no other right, save as provided herein, on the holders thereof to share in the profits of the Company. The Deferred Dividend shall not accrue or become payable in any way until the date six months after the Relevant Conversion Date and shall then only be payable to those holders of Deferred Shares registered in the register of members of the Company as holders of Deferred Shares on that date;
 - (b) the C Shareholders shall be entitled to receive in that capacity such dividends as the Directors may resolve to pay out of net assets attributable to the C Shares and from income received and accrued which is attributable as determined by the Directors to the C Shares;
 - (c) the Ordinary Shares shall confer the right to dividends declared in accordance with the Articles;
 - (d) the Ordinary Shares into which C Shares shall convert shall rank *pari passu* with the Existing Ordinary Shares for dividends and other distributions declared by reference to a record date falling after the relevant Calculation Date; and
 - (e) no dividend or other distribution shall be made or paid by the Company on any of its shares (other than any Deferred Shares for the time being in issue) between the Calculation Date and the Conversion Date relating to any C Shares in issue (both dates inclusive) and no such dividend shall be declared with a record date falling between the Calculation Date and the Conversion Date (both dates inclusive).
- 3 The holders of the Ordinary Shares, the C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights as to capital:
- (a) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase by the Company of any of its shares) at a time when any C Shares are for the time being in issue and prior to the Conversion Date relating to such C Shares, be applied amongst the holders of the Existing Ordinary Shares *pro rata* according to the nominal capital paid up on their holdings of Existing Ordinary Shares, after having deducted therefrom an amount equivalent to (C-D) using the methods of calculation of C and D given in the definition of Conversion Ratio, which amount shall be applied amongst the C Shareholders *pro rata* according to the nominal capital paid up on their holdings of C Shares. For the purposes of this paragraph (3)(a), the Calculation Date shall be such date as the liquidator may determine; and
 - (b) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase by the Company of any of its shares) at a time when no C Shares are for the time being in issue be applied as follows:
 - (i) first, if there are Deferred Shares in issue, in paying to the Deferred Shareholders one penny in aggregate in respect of every 1,000,000 Deferred Shares (or part thereof) of which they are respectively the holders; and
 - (ii) second, the surplus shall be divided amongst the Ordinary Shareholders *pro rata* according to the nominal capital paid up on their holdings of Ordinary Shares.

- 4 As regards voting:
- (a) the C Shares shall carry the right to receive notice of and to attend and vote at any general meeting of the Company. The voting rights of holders of C Shares will be the same as that applying to holders of Existing Ordinary Shares as set out in the Articles as if the C Shares and Existing Ordinary Shares were a single class; and
 - (b) the Deferred Shares shall not carry any right to receive notice of nor to attend or vote at any general meeting of the Company.
- 5 The following shall apply to the Deferred Shares:
- (a) the C Shares shall be issued on such terms that the Deferred Shares arising upon Conversion may be repurchased by the Company in accordance with the terms set out herein;
 - (b) immediately upon Conversion, the Company shall repurchase all of the Deferred Shares which arise as a result of Conversion for an aggregate consideration of one penny for every 1,000,000 Deferred Shares and the notice referred to in paragraph (8)(b) below shall be deemed to constitute notice to each C Shareholder (and any person or persons having rights to acquire or acquiring C Shares on or after the Calculation Date) that the Deferred Shares shall be repurchased immediately upon Conversion for an aggregate consideration of one penny for every 1,000,000 Deferred Shares. On repurchase, each Deferred Share shall be treated as cancelled in accordance with section 706 of the Act; and
 - (c) the Company shall not be obliged to: (i) issue share certificates to the Deferred Shareholders in respect of the Deferred Shares; or (ii) account to any Deferred Shareholder for the repurchase moneys in respect of such Deferred Shares.
- 6 Without prejudice to the generality of the Articles, for so long as any C Shares are for the time being in issue it shall be a special right attaching to both the Existing Ordinary Shares and to the C Shares for the time being as separate classes that without the sanction or consent of such holders given in accordance with the Articles:
- (a) no allotment or issue will be made of any security convertible into or carrying a right to subscribe for any share capital of the Company other than the allotment or issue of further C Shares; and
 - (b) no resolution of the Company shall be passed to wind up the Company.
- For the avoidance of doubt but subject to the rights or privileges attached to any other class of shares, the previous sanction of a special resolution of the holders of Existing Ordinary Shares and C Shares shall not be required in respect of:
- (i) the issue of further Ordinary Shares ranking *pari passu* in all respects with the Existing Ordinary Shares (otherwise than in respect of any dividend or other distribution declared, paid or made on the Existing Ordinary Shares by the issue of such further Ordinary Shares); or
 - (ii) the sale of any shares held as treasury shares (as such term is defined in section 724 of the Act) in accordance with sections 727 and 731 of the Act or the purchase of any shares by the Company (whether or not such shares are to be held in treasury).
- 7 For so long as any C Shares are for the time being in issue, until Conversion of such C Shares and without prejudice to its obligations under applicable laws, the Company shall:
- (a) procure that the Company's records, and bank and custody accounts shall be operated so that the assets attributable to the C Shares can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall, without prejudice to any obligations pursuant to applicable laws, procure that separate cash accounts, broker settlement accounts and investment ledger accounts shall be created and maintained in the books of the Company for the assets attributable to the C Shares;

- (b) allocate to the assets attributable to the C Shares such proportion of the income, expenses and liabilities of the Company incurred or accrued between the date on which the Company first receives the Net Proceeds and the Calculation Date relating to such C Shares (both dates inclusive) as the Directors consider to be attributable to the C Shares; and
 - (c) give, or procure the giving of, appropriate instructions to the Manager to manage the Company's assets so that such undertakings can be complied with by the Company.
- 8** The C Shares for the time being in issue shall be sub-divided and converted into Ordinary Shares and Deferred Shares on the Conversion Date in accordance with the following provisions of this paragraph (8):
- (a) the Directors shall procure that within 10 Business Days of the Calculation Date:
 - (i) the Conversion Ratio as at the Calculation Date and the numbers of new Ordinary Shares and Deferred Shares to which each C Shareholder shall be entitled on Conversion shall be calculated; and
 - (ii) the reporting accountants shall confirm that such calculations as have been made by the Company have, in their opinion, been performed in accordance with the Articles and are arithmetically accurate whereupon such calculations shall become final and binding on the Company and all holders of the Company's shares and any other securities issued by the Company which are converting into the Company's shares, subject to the proviso immediately after the definition of "H" in paragraph (1) above;
 - (b) the Directors shall procure that, as soon as practicable following such confirmation and in any event within 10 Business Days of the Calculation Date, a notice is sent to each C Shareholder advising such C Shareholder of the Conversion Date, the Conversion Ratio and the numbers of Ordinary Shares and Deferred Shares to which C Shareholders will be entitled on Conversion;
 - (c) on Conversion each C Share shall automatically subdivide into 10 conversion shares of one penny each and such conversion shares of one penny each shall automatically convert into such number of Ordinary Shares and Deferred Shares as shall be necessary to ensure that, upon such Conversion being completed:
 - (i) the aggregate number of Ordinary Shares into which the same number of conversion shares of one penny each are converted equals the number of C Shares in issue on the Calculation Date multiplied by the Conversion Ratio (rounded down to the nearest whole Ordinary Share); and
 - (ii) each conversion share of one penny which does not so convert into an Ordinary Share shall convert into one Deferred Share;
 - (d) the Ordinary Shares and Deferred Shares arising upon Conversion shall be divided amongst the former C Shareholders *pro rata* according to their respective former holdings of C Shares (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to Ordinary Shares and Deferred Shares arising upon Conversion including, without prejudice to the generality of the foregoing, selling any Ordinary Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company);
 - (e) forthwith upon Conversion, the share certificates relating to the C Shares shall be cancelled and the Company shall issue to each former C Shareholder new certificates in respect of the Ordinary Shares which have arisen upon Conversion to which he or she is entitled. Share certificates in respect of the Deferred Shares will not be issued; and
 - (f) the Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider are fair and reasonable having regard to the interests of all Shareholders.

PART 5

THE PLACING PROGRAMME

1 Introduction

The Directors have proposed the Placing Programme Resolutions at the General Meeting in order for Ordinary Shareholders to approve the Placing Programme. Conditional on the Placing Programme Resolutions being passed, the Company will be permitted to issue up to 50 million Ordinary Shares (representing approximately 32 per cent. of the issued share capital of the Company as at the date of this document) pursuant to the Placing Programme. The Placing Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares over a period of time. The Placing Programme is intended to satisfy continued market demand for the Ordinary Shares and to raise further money for investment in accordance with the Company's investment policy. In using its discretion under the Placing Programme, the Directors may also take into account the desirability of limiting the premium to Net Asset Value at which the Ordinary Shares may trade in order to ensure that Ordinary Shareholders and new investors who acquire Ordinary Shares are not disadvantaged by being required to acquire additional Ordinary Shares at a high premium to NAV per Ordinary Share. The maximum number of new Ordinary Shares available under the Placing Programme should not be taken as an indication of the number of Ordinary Shares finally to be issued.

Subject, *inter alia*, to the Placing Programme Resolutions being passed at the General Meeting, the Placing Programme will open on 9 May 2017 and will close on 4 April 2018 (or any earlier date on which it is fully subscribed).

Ordinary Shares will, subject to the Company's decision to proceed with an allotment at any given time, be made available at the Placing Programme Price to investors. The Placing Programme Price will be determined by the Company and will be not less than the prevailing Net Asset Value (cum income) per Ordinary Share at the time of issue plus a premium sufficient to cover the costs and expenses of such issue to avoid any dilution of the Net Asset Value of the existing Ordinary Shares. In determining the Placing Programme Price, the Directors will also take into consideration, *inter alia*, the prevailing market conditions at that time. The Placing Programme Price will be announced through a Regulatory Information Service as soon as is practicable in conjunction with each Subsequent Placing.

The allotment of new Ordinary Shares under the Placing Programme is at the discretion of the Directors. Allotments may take place at any time prior to the final closing date of 4 April 2018 (or any earlier date on which it is fully subscribed). An announcement of each allotment will be released through an RIS, including details of the number of new Ordinary Shares allotted and the Placing Programme Price for the allotment.

So far as the Directors are aware as at the date of this document, no major Shareholders or members of the Company's management, supervisory or administrative bodies intend to make a commitment to acquire Ordinary Shares under the Placing Programme. In the event that a related party (as defined in the Listing Rules) wished to make a commitment for new Ordinary Shares under the Placing Programme, the Company would comply with its obligations under Chapter 11 of the Listing Rules including, if required, seeking Ordinary Shareholder approval for the allotment of Ordinary Shares to that related party.

There is no minimum subscription. The Placing Programme is not being underwritten and, as at the date of this document, the actual number of Ordinary Shares to be issued under the Placing Programme is not known.

In the event that there are any significant changes affecting any of the matters described in this document or where any significant new matters have arisen after the publication of this document and prior to any Subsequent Admission of any Ordinary Shares issued pursuant to the Placing Programme, the Company will publish a supplementary prospectus giving details of the significant change(s) or the significant new matter(s).

In the event of oversubscription of a Subsequent Placing, applications under the Subsequent Placing will be scaled back at the Company's discretion (in consultation with Panmure Gordon).

2 Conditions

Each allotment and issue of Ordinary Shares pursuant to the Placing Programme, following the Issue, is conditional, *inter alia*, on:

- (i) authority for the allotment of Ordinary Shares and the disapplication of pre-emption rights in respect of the relevant allotment being in place;
- (ii) the Placing Programme Price being determined by the Directors and being not less than the aggregate of the Net Asset Value per Ordinary Share (cum income) and a premium sufficient to cover the costs and expenses of the issue of Ordinary Shares (including, without limitation, any placing commissions);
- (iii) the Admission of the Ordinary Shares being issued pursuant to each issue;
- (iv) the Placing and Offer Agreement becoming otherwise unconditional in all respects as regards such allotment and issue, and it not having been terminated on or before the date of such Admission; and
- (v) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Rules.

In circumstances in which these conditions are not fully met, the relevant Subsequent Placing of Ordinary Shares pursuant to the Placing Programme will not take place.

3 Dilution

On the basis of the number of Ordinary Shares in issue at the date of this document, and therefore ignoring any dilution as a result of the Issue or Conversion, if 50 million Ordinary Shares are issued pursuant to the Placing Programme (being the maximum number of Ordinary Shares the Directors will be authorised to issue under the Placing Programme immediately following the passing of the Placing Programme Resolutions) there would be a dilution of approximately 24 per cent. in existing Ordinary Shareholders' voting control of the Company. However, it is not anticipated that there will be any dilution in the NAV per Ordinary Share as a result of the Placing Programme.

4 The General Meeting

The Placing Programme requires the approval of Ordinary Shareholders to grant the Directors authority to allot the new Ordinary Shares and also to dis-apply statutory pre-emption rights, and is therefore conditional on the passing of the Placing Programme Resolutions which will be proposed at the General Meeting to be held on 5 May 2017 at 3.00 p.m. at 201 Bishopsgate, London EC2M 3AE. A circular enclosing the notice convening the General Meeting is being sent to Ordinary Shareholders on the same date as this document.

If the Placing Programme Resolutions are passed, the Placing Programme will permit the Company to issue up to 50 million Ordinary Shares (representing approximately 32 per cent. of the issued share capital of the Company as at the date of this document) to investors without first having to offer them, *pro rata*, to Ordinary Shareholders.

Whilst 32 per cent. is significantly higher than the allotment of Ordinary Shares and disapplication of pre-emption rights authority ordinarily recommended by corporate governance best practice, the Directors believe that taking a larger than normal authority is justified in the present circumstances as any issue of Ordinary Shares under the Placing Programme will be at a price not less than the prevailing Net Asset Value per Ordinary Share (cum income) plus a premium sufficient to cover the costs and expenses of such issue. Whilst Shareholders' voting rights will be diluted, the Directors believe that this consideration is outweighed by the flexibility that a larger authority provides.

5 Placing and Offer Agreement

Panmure Gordon is entitled to terminate the Placing and Offer Agreement at any time prior to any Subsequent Admission in certain circumstances. If this right is exercised, the Placing Programme and these arrangements will lapse and any monies received in respect of a relevant Subsequent Placing will be returned to applicants without interest within 14 days at the applicants' risk.

The Placing and Offer Agreement provides for Panmure Gordon to be paid commission by the Company in respect of the Ordinary Shares to be allocated pursuant to a Subsequent Placing. Any Ordinary Shares subscribed for by Panmure Gordon may be retained or dealt in by it for its own benefit.

Under the Placing and Offer Agreement, Panmure Gordon is entitled at its discretion and out of its own resources at any time to rebate to some or all investors, or to other parties, part or all of its fees relating to a Subsequent Placing. Panmure Gordon is also entitled under the Placing and Offer Agreement to retain agents and may pay commission in respect of a Subsequent Placing to any or all of those agents out of its own resources.

Further details of the terms of the Placing and Offer Agreement are set out in paragraph 6.1 of Part 12 of this document.

6 Costs of the Placing Programme

The costs and expenses of each issue of Ordinary Shares under the Placing Programme will depend on subscriptions received. The costs and expenses of Ordinary Shares will be covered by issuing such Ordinary Shares at a premium to the prevailing (cum income) Net Asset Value per Ordinary Share at the time of issue.

7 Admission and dealings

Applications will be made to the UK Listing Authority and the London Stock Exchange for all the new Ordinary Shares to be issued pursuant to the Placing Programme to be admitted to the premium listing segment of the Official List and to trading on the premium segment of the Main Market. All Ordinary Shares issued pursuant to the Placing Programme will be allotted conditionally on the relevant Subsequent Admission occurring.

The Ordinary Shares issued pursuant to the Placing Programme will rank *pari passu* with the Ordinary Shares then in issue (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment of the relevant new Ordinary Shares). The new Ordinary Shares will be issued in registered form.

It is anticipated that dealings in the new Ordinary Shares will commence within three Business Days after their allotment. Dealing in advance of the crediting of the relevant stock account shall be at the risk of the person concerned. Whilst it is expected that all new Ordinary Shares allotted pursuant to the Placing Programme will be issued in uncertificated form, if any new Ordinary Shares are issued in certificated form it is expected that share certificates will be despatched approximately one week after the relevant allotment date.

8 Use of proceeds

The Directors intend to use the Net Proceeds of the Placing Programme to purchase investments sourced by the investment team in line with the Company's investment policy.

9 CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Company shall apply for the Ordinary Shares issued under a Subsequent Placing to be admitted to CREST with effect from the relevant Admission. Accordingly, settlement of transactions in the Ordinary Shares following the relevant Admission may take place within the CREST system if any Shareholder so wishes.

10 General

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK, the Company and its agents (and their agents) may require evidence in connection with any application for Ordinary Shares, including further identification of the applicant(s), before any Ordinary Shares are issued to that applicant.

11 Overseas investors

No action has been taken to permit the distribution of this document in any jurisdiction outside the United Kingdom where such action is required to be taken. This document may not be used for the purpose of, and does not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Accordingly, no person receiving a copy of this document in any territory other than the United Kingdom, may treat the same as constituting an offer or invitation to him to acquire, subscribe for or purchase Ordinary Shares nor should he in any event acquire, subscribe for or purchase Ordinary Shares unless such an invitation, acquisition, subscription or purchase complies with any registration or other legal requirements in the relevant territory. Any person outside the United Kingdom wishing to acquire, subscribe for or purchase Ordinary Shares should satisfy himself that, in doing so, he complies with the laws of any relevant territory, and that he obtains any requisite governmental or other consents and observes any other applicable formalities.

Persons (including, without limitation, nominees and trustees) receiving this document may not distribute or send it to any US Person or in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. In particular, investors should note that the Company has not, and will not be, registered under the US Investment Company Act and the offer, issue and sale of 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 or in any Restricted Jurisdiction. The Ordinary Shares are only being offered and only sold outside the United States to non-US Persons in reliance on the exemption from the registration requirements of the Securities Act provided by Regulation S thereunder. The Ordinary Shares may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any US Person. Investors should additionally consider the provisions set out under the heading “Important Notices” at the beginning of this document.

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

PART 6

DIRECTORS AND MANAGEMENT

1 Directors

The Directors are responsible for the determination of the Company's investment policy and strategy and have overall responsibility for the Company's activities including the review of investment activity and performance and the control and supervision of the AIFM. All of the Directors are non-executive and are independent of the AIFM and the Manager.

Biographies of the Directors are as follows:

Christopher William Jonas, CBE (Chairman)

Christopher Jonas has been senior adviser at Lazard & Co. Ltd, an adviser to the joint ventures equity division in Lloyds Banking Group and was on the investment committee of CBRE Investors. He has been a main board member of British Railways, the Port of London Authority and Canary Wharf Group plc. He is currently the Chairman of the Contemporary Art Society. Christopher was Chairman of Goldsmiths University of London and Chairman of the governing body of Roedean and is a past president of the Royal Institution of Chartered Surveyors.

Bill Eason

Bill Eason was a consultant to Quilter Cheviot, a Director of Charities, a director of The European Investment Trust plc, the Regional REIT Ltd and of the Gordon Foundation and is a Business Fellow of Gray's Inn. He has been managing charitable and high net worth portfolios since 1973, and became a member of the London Stock Exchange in 1976. He was Chief Investment Officer at Laing and Cruickshank, and a former Chairman of Henderson High Income Trust plc, as well as acting as trustee to Marshall's Charity and the John Hampden Fund. Bill is an Associate of the Society of Investment Professionals (ASIP) and holds a Chartered Fellowship of the Chartered Institute for Securities and Investment.

Simon Jeffreys

Simon Jeffreys is Chairman of Aon UK Ltd, a director of Templeton Emerging Markets Trust plc and a director and chair of the audit committees of St James's Place plc and SimCorp A/S. Simon was chief operating officer of the Wellcome Trust until July 2014, where he was responsible for a wide range of business services, including finance, legal, human resources, information technology and operations. Simon was previously chief administrative officer for Fidelity International and for most of his professional life was a senior audit partner in PricewaterhouseCoopers, where he was the global leader of the firm's investment management and real estate practice.

Richard Hills

Richard Hills has spent his career in investment management; and held senior positions at two major houses before forming his own investment management company. He is currently the chairman of Strategic Equity Capital plc and of the SME Loan Fund plc and a director of JPMorgan Income and Capital Trust plc. He is the former chairman of Henderson Global Trust plc and of the Aztec Group Ltd and a past director of Cinven Ltd and of the Institute for Quantitative Investment Research. He is currently a member of the Council of City University.

Aidan Lisser

Aidan Lisser has had many years' experience at a senior level, across international consumer and financial services organisations. Aidan is chief marketing officer at Investec Wealth & Investment and was previously employed by Allianz Global Investors AG, Standard Chartered Bank plc and Unilever plc. He was a director of Henderson Global Trust plc.

2 AIFM

The Company has appointed Henderson Investment Funds Limited as the AIFM and investment manager of the Company, pursuant to the Management Agreement (further details of which are set out in paragraph 6.4 of Part 12 of this document). Pursuant to the Sub-Investment Management Agreement, the AIFM has delegated portfolio management to the Manager.

The AIFM is registered as a limited liability company in England and Wales (registered number 02678531) and is authorised and regulated by the FCA (registration number 121859). The principal place of business of the AIFM is 201 Bishopsgate, London EC2M 3AE, United Kingdom. The AIFM's telephone number is +44 (0) 20 7818 1818.

3 Manager

The AIFM has delegated portfolio management in respect of the Company's assets to Henderson Global Investors Limited.

Established in 1934, Henderson is a leading independent global asset management firm. The company provides its institutional, retail and high net worth clients with access to skilled investment professionals representing a broad range of asset classes, including equities, fixed income, property and private capital.

With the principal place of business being London, Henderson is one of Europe's largest investment management groups, with £101 billion of assets under management (as at 31 December 2016), and employs over 1,000 people worldwide. Henderson manages 13 investment trusts and investment companies and in aggregate has approximately £6.8 billion of investment trust and investment company assets under management (as at 28 February 2017). Further information about Henderson Managed Investment Trusts can be found on the Manager's website www.hendersoninvestmenttrusts.com.

In October 2016, Henderson announced its intention to merge with Janus Capital Group. Janus Henderson Global Investors will become one of the largest and most diversified active investment managers in the world, with total assets under management of over US\$320 billion. The merger is subject to, among other things, shareholder approval and, if approved, is expected to complete in the second quarter of 2017.

The Manager is registered as a limited liability company in England and Wales (registered number 00906355) and is authorised and regulated by the FCA (registration number 121857). The principal place of business of the Manager is 201 Bishopsgate, London EC2M 3AE, United Kingdom. The Manager's telephone number is +44 (0) 020 7818 1818.

The fund manager responsible for the Company's portfolio is Ben Lofthouse.

Ben Lofthouse – Fund Manager

Ben Lofthouse joined Henderson in 2004 as an Investment Analyst on the Equity Income team. He became a fund manager in 2008 and since then has managed a range of equity income mandates in both pooled funds and investment trusts. Prior to joining Henderson, Ben trained as a Chartered Accountant with PricewaterhouseCoopers where he started his career in 1998. He graduated from Exeter University with a BA (Hons) in Business Economics and is a CFA charterholder.

4 Administration of the Company

The AIFM has also been appointed to provide the day to day administration of the Company. In its capacity as administrator, it is responsible for the Company's general administrative functions, such as the calculation and publication of the Net Asset Value and maintenance of the Company's accounting records, accounting and administrative services. The AIFM has contracted with BNP Paribas Securities Services to provide accounting and administration services.

5 Fees and expenses

On-going annual expenses include the following:

(i) **AIFM**

The AIFM is entitled to a management fee together with reimbursement of reasonable expenses incurred by it in the performance of its duties. The management fee is payable quarterly in arrear and is payable at the rate of 0.65 per cent. of Net Asset Value per annum on Net Asset Value up to £250 million and 0.60 per cent. of Net Asset Value per annum in respect of Net Asset Value in excess of £250 million.

(ii) **Broker**

Panmure Gordon has been appointed as broker to the Company and is entitled to a fee of £35,000 per annum, payable quarterly in advance.

(iii) **Registrar**

Computershare has been appointed as registrar to the Company. The Registrar is entitled to an annual fee of £10,175 for the provision of its services to the Company. The Registrar is also entitled to certain transaction fees under the Registrar Agreement.

(iv) **Depositary and custodian**

HSBC Bank plc has been appointed as depositary to the Company for the purposes of the AIFM Directive and also provides custody services to the Company. The Depositary holds all of the cash, securities and other assets of the Company. Under the terms of the Depositary Agreement, the Depositary is entitled to be paid an annual fee equal to 0.01 per cent. of Net Asset Value, subject to a minimum annual fee of £20,000. The Depositary is also entitled to receive custody fees in accordance with a specified schedule of charges.

In addition to these fees, the Depositary is entitled to certain other payments including the reimbursement of out-of-pocket expenses and also to re-registration fees.

(v) **Directors**

The current annual fees payable to the Directors are £39,000 for the Chairman, £29,000 for the Audit Committee Chairman and £24,000 for other Directors. The total remuneration receivable by the Directors and paid by the Company to the Directors in respect of the Company's accounting period ended 31 August 2016 was £114,028.

All of the Directors are also entitled to be paid all reasonable expenses properly incurred by them in attending general meetings, board or committee meetings or otherwise in connection with the performance of their duties. The Board may determine that additional remuneration may be paid, from time to time, to any one or more Directors in the event such Director or Directors are requested by the Board to perform extra or special services on behalf of the Company.

(vi) **Other operational expenses**

Other ongoing operational expenses (excluding fees paid to service providers as detailed above) of the Company borne by the Company include travel, accommodation, printing, audit, finance costs, due diligence and legal fees. All reasonable out of pocket expenses of the AIFM, the Manager, the Registrar, the Depositary and the Directors relating to the Company are borne by the Company.

6 Conflicts of interest

The AIFM, the Manager and their officers and employees may from time to time act for other clients or manage other funds, which may have similar investment objectives 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 such clients of the AIFM and the Manager or such other funds. The Directors have satisfied themselves that the AIFM and the Manager have procedures in place to address potential conflicts of interest and that, where a conflict arises, the AIFM and the Manager will allocate the opportunity on a fair basis.

7 Corporate governance

The Board of the Company has considered the principles and recommendations of the AIC Code by reference to the AIC Guide. The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company as an investment company.

The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Corporate Governance Code), will provide better information to Shareholders. As at the date of this document, the Company complies with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive;
- executive directors' remuneration; and
- the need for an internal audit function.

For the reasons set out in the AIC Guide, and as explained in the UK Corporate Governance Code, the Board considers these provisions are not relevant to the position of the Company, being an externally managed investment company, and the Company does not therefore need to comply with them.

The Company's Audit Committee is chaired by Simon Jeffreys and consists of all the Directors and meets at least twice a year. The Board considers that the members of the Audit Committee have the requisite skills and experience to fulfil its responsibilities. The Audit Committee examines the effectiveness of the Company's control systems. It reviews the half-yearly and annual reports and also the scope, results, cost effectiveness, independence and objectivity of the external auditor.

In accordance with the AIC Code the Company has established a Management Engagement Committee which is chaired by Christopher Jonas and consists of all the Directors. The Management Engagement Committee meets at least once a year or more often if required. Its principal duties are to consider the terms of appointment of the Manager and it annually reviews that appointment and the terms of the Management Agreement.

All Directors are members of the Nominations Committee. The Chairman of the Board acts as Chairman of the Nominations Committee but would not chair the Nominations Committee when the Chairman's successor is being considered. The Nominations Committee is responsible for reviewing Board succession planning, the performance of the Board as a whole and the Board committees and the appointment of new directors when appropriate. The Nominations Committee meets annually and additionally as required.

When considering succession planning, the Nominations Committee considers the balance of skills, knowledge, experience and diversity existing on the Board and will recommend when the recruitment of additional non-executive directors is required. Once a decision is made to recruit additional directors to the Board, a formal job description shall be drawn up and each Director is invited to submit nominations; these are considered in accordance with the Board's agreed procedures in addition to any external candidates that may be recommended. The Nominations Committee may also use external agencies as and when the requirement to recruit an additional Board member becomes necessary.

PART 7

FINANCIAL INFORMATION

The statutory financial statements for the Company for the financial periods ended 31 August 2014 (the “**2014 Annual Report and Accounts**”), 31 August 2015 (the “**2015 Annual Report and Accounts**”) and 31 August 2016 (the “**2016 Annual Report and Accounts**”) were audited by Grant Thornton UK LLP, whose reports were unqualified and did not contain any statements under sub-sections 498(2) and 498(3) of the Act.

The financial statements for the Company for the six month period ended 28 February 2017 (the “**2017 Half Year Report and Accounts**”) were unaudited.

1 Selected Financial Information

	<i>2014</i> <i>Annual Report</i> <i>and Accounts</i> <i>(Audited)</i> <i>£'000</i>	<i>2015</i> <i>Annual Report</i> <i>and Accounts</i> <i>(Audited)</i> <i>£'000</i>	<i>2016</i> <i>Annual Report</i> <i>and Accounts</i> <i>(Audited)</i> <i>£'000</i>	<i>2017</i> <i>Half Year Report</i> <i>and Accounts</i> <i>(Unaudited)</i> <i>£'000</i>
Fixed asset investments:				
Investments held at fair value through profit or loss	88,126	97,328	214,168	241,459
Current assets:				
Debtors	4,621	4,153	831	838
Cash at bank	nil	nil	12,183	815
	<u>4,621</u>	<u>4,153</u>	<u>13,014</u>	<u>1,653</u>
Current liabilities:				
Creditors: amounts falling due within one year	(6,960)	(9,887)	(6,278)	(5,240)
Total net assets	<u><u>85,787</u></u>	<u><u>91,594</u></u>	<u><u>220,904</u></u>	<u><u>237,872</u></u>
Net Asset Value per Ordinary Share (basic)	<u><u>118.4p</u></u>	<u><u>115.6p</u></u>	<u><u>141.5p</u></u>	<u><u>151.9p</u></u>

2 Operating and financial review

The Company’s 2014 Annual Report and Accounts, 2015 Annual Report and Accounts, 2016 Annual Report and Accounts and the 2017 Half Year Report and Accounts (which have been incorporated in this document by reference) included, on the pages specified in the table below, descriptions of the Company’s financial condition (in both capital and revenue terms); details of the Company’s investment activity and portfolio exposure; and changes in its financial condition for that period.

<i>Nature of information</i>	<i>2014</i> <i>Annual Report</i> <i>and Accounts</i> <i>(Page numbers)</i>	<i>2015</i> <i>Annual Report</i> <i>and Accounts</i> <i>(Page numbers)</i>	<i>2016</i> <i>Annual Report</i> <i>and Accounts</i> <i>(Page numbers)</i>	<i>2017</i> <i>Half Year Report</i> <i>and Accounts</i> <i>(Page numbers)</i>
Chairman’s Statement	5 – 6	5 – 6	5 – 6	2 – 3
Fund Manager’s Report	9 – 11	9 – 12	10 – 12	5
Investment Portfolio	8	8	9	6 – 8

3 Statutory accounts for the financial periods ended 31 August 2014, 31 August 2015 and 31 August 2016 and the half year report and accounts to 28 February 2017

The Company’s 2014 Annual Report and Accounts, 2015 Annual Report and Accounts, 2016 Annual Report and Accounts and the 2017 Half Year Report and Accounts, which have been incorporated into this document by reference and which are available online at <http://www.henderson.com/sites/trusts/>

international-income-trust/home.aspx and are also available for inspection at the address referred to in paragraph 11 of Part 12 of this document included, on the pages specified in the table below, the following information:

<i>Nature of information</i>	<i>2014 Annual Report and Accounts (Page numbers)</i>	<i>2015 Annual Report and Accounts (Page numbers)</i>	<i>2016 Annual Report and Accounts (Page numbers)</i>	<i>2017 Half Year Report and Accounts (Page numbers)</i>
Independent Auditor's Report	31 – 32	32 – 33	33 – 34	—
Income Statement	33	34	35	9
Reconciliation of Movement in Shareholders'				
Funds/Statement of Changes in Equity	34	35	36	10
Balance Sheet/Statement of Financial Position	35	36	37	11
Cash Flow Statement	36	37	38	12
Notes to the Accounts	37 – 51	38 – 52	39 – 52	13 – 16

The 2014 Annual Report and Accounts, 2015 Annual Report and Accounts and 2016 Annual Report and Accounts have been prepared in accordance with UK GAAP. The 2016 Annual Report and Accounts was the first year that the Company adopted FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland. The adoption of FRS 102 did not lead to any material changes to the Company's accounting policies. The 2017 Half Year Report and Accounts have been prepared in accordance with UK GAAP, namely FRS 104 Interim Financial Reporting.

4 Significant change

Since 28 February 2017 (being the last date in respect of which the Company has published financial information) there has been no significant change in the financial or trading position of the Company.

5 Capitalisation and indebtedness

The following table, sourced from the Company's internal accounting records, shows the Company's unaudited indebtedness (distinguishing between guaranteed and unguaranteed, secured and unsecured indebtedness) and capitalisation as at 28 February 2017 (being the latest date in respect of which the Company has published financial information):

	<i>28 February 2017 (unaudited) £000</i>
Total Current Debt	
Guaranteed	—
Secured	4,851
Unguaranteed/Unsecured	—
Total Non-Current Debt (excluding current portion of long-term debt)	
Guaranteed	—
Secured	—
Unguaranteed/Unsecured	—
Shareholders' Equity ⁵	
Called up share capital	1,566
Share premium	132,002
Special reserve	45,732
Total	<u>184,151</u>

5 In accordance with the ESMA update of the CESR recommendations, retained earnings (comprising retained revenue reserves and other capital reserves) have been excluded from Shareholders' equity.

There has been no material change in the capitalisation of the Company since 28 February 2017.

The following table shows the Company's unaudited net indebtedness as at 28 February 2017:

	<i>28 February 2017</i> <i>(unaudited)</i> £000
(A) Cash	815
(B) Cash equivalent	—
(C) Securities	—
(D) Liquidity (A+B+C)	815
(E) Current financial receivables	838 ⁶
(F) Current bank debt	4,851
(G) Current portion of non-current debt	—
(H) Other current financial debt	389
(I) Current financial debt (F+G+H)	5,240
(J) Net current financial indebtedness (I-E-D)	3,587
(K) Non-current bank loans	—
(L) Bonds issued	—
(M) Other non-current loans	—
(N) Non-current financial indebtedness (K+L+M)	—

6 Working capital

In the opinion of the Company the working capital available to it is sufficient for its present requirements, namely for at least the next 12 months from the date of this document.

⁶ In accordance with the ESMA update of the CESR recommendations, retained earnings (comprising retained revenue reserves and other capital reserves) have been excluded from Shareholders' equity.

PART 8

TERMS AND CONDITIONS OF THE OPEN OFFER

1 Introduction

The Open Offer is an opportunity for Ordinary Shareholders to apply for C Shares *pro rata* to their holdings as at the Record Date at the Issue Price on the basis of one C Share for every two Ordinary Shares held as at the Record Date in accordance with the terms of the Open Offer.

The Record Date for entitlements under the Open Offer for CREST Shareholders and Non-CREST Shareholders is 3 April 2017. Open Offer Application Forms for Non-CREST Shareholders accompany this document.

The latest time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer and settlement of relevant instructions (as appropriate) is expected to be 11.00 a.m. on 4 May 2017 with Admission and commencement of dealings in C Shares expected to take place at 8.00 a.m. on 8 May 2017.

This document and, for Non-CREST Shareholders only, the Open Offer Application Form contains the formal terms and conditions of the Open Offer. Your attention is drawn to paragraphs 4.1 and 4.2 of this Part 8 which gives details of the procedure for application and payment for the C Shares under the Open Offer.

Applications will be made to the UK Listing Authority for the C Shares to be admitted to the premium listing segment on the Official List, and to the London Stock Exchange to be admitted to trading on the premium segment of the Main Market.

Any Shareholder who has sold or transferred all or part of his/her registered holding(s) of Ordinary Shares prior to 6 April 2017 (being the ex-entitlement date for the Open Offer) is advised to consult his or her stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for C Shares under the Open Offer may be a benefit which may be claimed from him/her by the purchasers under the rules of the London Stock Exchange.

2 The Open Offer

Subject to the terms and conditions set out below (and, in the case of Non-CREST Shareholders, in the Open Offer Application Form), Ordinary Shareholders are being given the opportunity under the Open Offer to apply for up to one C Share for every two Ordinary Shares held and registered in their name as at the Record Date. Fractions of C Shares will not be allotted to Ordinary Shareholders in the Open Offer and entitlements under the Open Offer will be rounded down to the nearest whole number of C Shares.

Holdings of Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer, as will holdings under different designations and in different accounts.

If you are a Non-CREST Shareholder, the Open Offer Application Form shows the number of C Shares available to you under your Open Offer Entitlement (in Box B).

CREST Shareholders will have Open Offer Entitlements credited to their stock accounts in CREST and should refer to paragraph 4.2 of this Part 8 for information on the relevant CREST procedures. CREST Shareholders can also refer to the CREST Manual for further information on the relevant CREST procedures.

Ordinary Shareholders should be aware that the Open Offer is not a rights issue. Non-CREST Shareholders should also note that their respective Open Offer Application Forms are not negotiable documents and cannot be traded. CREST Shareholders should note that, although the Open Offer Entitlements will be credited to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Ordinary Shareholder originally

entitled or by a person entitled by virtue of a *bona fide* market claim raised by CREST's Claims Processing Unit. C Shares not applied for under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Ordinary Shareholders who do not apply to take up C Shares will have no rights under the Open Offer. Any C Shares which are not applied for by Ordinary Shareholders under their Open Offer Entitlements will be made available under the Placing, the Offer for Subscription and the Intermediaries Offer (with the proceeds in each case being retained for the benefit of the Company).

Application will be made for the Open Offer Entitlements to be credited to CREST Shareholders' CREST accounts. The Open Offer Entitlements are expected to be credited to CREST accounts as soon as possible after 8.00 a.m. on 6 April 2017.

The Ordinary Shares are already admitted to CREST. All Ordinary Shares arising on Conversion may be held and transferred by means of CREST.

3 Conditions and further terms of the Open Offer

The Open Offer is conditional upon, amongst other things, the approval of the Issue Resolutions at the General Meeting, the Placing and Offer Agreement becoming unconditional in respect of the Issue (other than as to Admission) and Admission becoming effective by not later than 8.00 a.m. on 8 May 2017 (or such later time and/or date as the Company, the Manager and Panmure Gordon may determine, not being later than 8.00 a.m. on 8 June 2017). A summary of the Placing and Offer Agreement is set out in paragraph 6.1 of Part 12 of this document.

Accordingly, if these conditions are not satisfied or waived (where capable of waiver), the Open Offer will not proceed and any applications made by Ordinary Shareholders 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.

No temporary documents of title will be issued. Definitive certificates in respect of C Shares are expected to be posted to those Ordinary Shareholders who have validly elected to hold their C Shares in certificated form in the week commencing 15 May 2017. In respect of those Ordinary Shareholders who have validly elected to hold their C Shares (and the Ordinary Shares into which they will convert) in uncertificated form, the C Shares are expected to be credited to their stock accounts maintained in CREST on 8 May 2017.

Applications will be made for the C Shares to be admitted to listing on the Official List and to be admitted to trading on the premium segment of the Main Market. Admission is expected to occur on 8 May 2017, when dealings in the C Shares are expected to begin.

All monies received by the Receiving Agent in respect of C Shares will be credited to a non-interest bearing account by the Receiving Agent.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will notify the FCA and make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

4 Procedure for application and payment in respect of the Open Offer

The action to be taken by you in respect of the Open Offer depends on whether you hold your Ordinary Shares in certificated or uncertificated form.

Ordinary Shareholders who hold all their Ordinary Shares in certificated form will receive an Open Offer Application Form enclosed with this document. The Open Offer Application Form shows Ordinary Shareholders the number of C Shares available under their Open Offer Entitlement that can be allotted in certificated form. Ordinary Shareholders who hold all their Ordinary Shares in CREST will be allotted their Open Offer Entitlements in CREST. Ordinary Shareholders who hold part of their Ordinary Shares in uncertificated form will be allotted C Shares in uncertificated form to the extent that their entitlement to

C Shares arises as a result of holding Ordinary Shares in uncertificated form. However, it will be possible for Ordinary Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 4.2.5 of this Part 8.

CREST sponsored members should refer to their CREST sponsor as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements of such members held in CREST. CREST members who wish to apply for C Shares in respect of their Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

Ordinary Shareholders who do not wish to apply for C Shares under the Open Offer should take no action and should not complete or return the Open Offer Application Form, or send a USE message through CREST.

4.1 *If you have an Open Offer Application Form in respect of your Open Offer Entitlement under the Open Offer*

4.1.1 *General*

Subject as provided in paragraph 6 of this Part 8 in relation to certain Overseas Shareholders, Non-CREST Shareholders will receive an Open Offer Application Form. The Open Offer Application Form shows the number of C Shares available to them under their Open Offer Entitlement in Box B. Entitlements to C Shares are rounded down to the nearest whole number and fractional Open Offer Entitlements have therefore also been rounded down. Box C shows how much they would need to pay if they wish to take up their Open Offer Entitlement in full. Non-CREST Shareholders may apply for less than their entitlement should they wish to do so. Non-CREST Shareholders may also hold such an Application Form by virtue of a *bona fide* market claim.

The instructions and other terms set out in the Open Offer Application Form form part of the terms of the Open Offer in relation to Non-CREST Shareholders.

4.1.2 *Bona fide market claims*

Applications to acquire C Shares under the Open Offer may only be made on the Open Offer Application Form and may only be made by the Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Ordinary Shares through the market prior to the date upon which the Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer (being 6 April 2017). Open Offer Application Forms may not be assigned, transferred or split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 2 May 2017. The Open Offer Application Form is not a negotiable document and cannot be separately traded. A Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Ordinary Shares prior to the date upon which the Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire C Shares under the Open Offer may be a benefit which may be claimed by the transferee. Non-CREST Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box H on the Open Offer Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Open Offer Application Form should not, however be forwarded to or transmitted in or into the United States or any other Restricted Jurisdiction. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Open Offer Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 4.2.2 below.

4.1.3 *Application procedures*

Non-CREST Shareholders wishing to apply to acquire C Shares (whether in respect of all or part of their Open Offer Entitlement) should complete the Open Offer Application Form in accordance with the instructions printed on it.

Completed Application Forms should be posted in the accompanying pre-paid envelope or returned by post to Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH or by hand (during normal business hours), to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE (who will act as Receiving Agent in relation to the Open Offer) so as to be received by the Receiving Agent by no later than 11.00 a.m. on 4 May 2017, after which time Application Forms will not be valid. Non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. If an Application Form is being sent by first-class post in the UK, Ordinary Shareholders are recommended to allow at least two working days for delivery.

All payments must be in pounds Sterling and made by cheque or banker's draft made payable to "CIS PLC RE: Henderson International Income Trust plc Open Offer A/C" and crossed "A/C payee only". Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque or draft to confirm that the relevant Ordinary Shareholder has title to the underlying funds. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted.

Cheques or bankers drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments made before they are due. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

If cheques or banker's drafts are presented for payment before the conditions of the Issue are fulfilled, the application monies will be credited to a non-interest bearing account by the Receiving Agent. If the Issue does not become unconditional, no C Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Issue.

The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

- (a) Application Forms received after 11.00 a.m. on 4 May 2017; or
- (b) applications in respect of which remittances are received before 11.00 a.m. on 4 May 2017 from authorised persons (as defined in FSMA) specifying the C Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

If C Shares have already been allotted to a Non-CREST Shareholder and such Non-CREST Shareholder's cheque or banker's draft is not honoured upon first presentation or such Non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, Panmure Gordon shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Non-CREST Shareholder's C Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. Neither Panmure Gordon or the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Non-CREST Shareholders.

4.1.4 *Effect of application*

By completing and delivering an Open Offer Application Form the applicant:

- (a) represents and warrants to the Company and Panmure Gordon that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for C Shares or acting on behalf of any such person on a non-discretionary basis;
- (b) agrees with the Company and Panmure Gordon that all applications under the Open Offer and contracts resulting therefrom shall be governed by and construed in accordance with the laws of England;
- (c) confirms to the Company and Panmure Gordon that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all information in relation to the Company contained in this document (including matters incorporated by reference);
- (d) represents and warrants to the Company and Panmure Gordon that he is the Ordinary Shareholder originally entitled to his Open Offer Entitlement or that he received such Open Offer Entitlement by virtue of a *bona fide* market claim;
- (e) represents and warrants to the Company and Panmure Gordon that if he has received some or all of his Open Offer Entitlement from a person other than the Company he is entitled to apply under the Open Offer in relation to such Open Offer Entitlement by virtue of a *bona fide* market claim;
- (f) requests that the C Shares, to which he will become entitled, be issued to him on the terms set out in this document and the Open Offer Application Form subject to the articles of association of the Company;
- (g) represents and warrants to the Company and Panmure Gordon that he is not, nor is he applying on behalf of, any person who is in, or is a citizen or resident, or is a corporation, partnership or other entity created or organised in or under any laws, of the United States or any other Restricted Jurisdiction or any jurisdiction in which the application for C Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the C Shares which are the subject of his application in or to, or for the benefit of, a person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States or any other Restricted Jurisdiction or any jurisdiction in which the application for C Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able

to accept the invitation by the Company free of any requirement which the Company (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor person(s) otherwise prevented by legal or regulatory restrictions from applying for C Shares under the Open Offer;

- (h) represents and warrants to the Company and Panmure Gordon that he is not, and nor is he 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 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986; and
- (i) confirms that in making the application he is not relying and has not relied on Panmure Gordon or any person affiliated with Panmure Gordon in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

4.1.5 *Incorrect or incomplete applications*

If an Open Offer Application Form includes a payment for an incorrect sum, the Company reserves the right:

- (a) to reject the application in full and refund the payment to the applicant (without interest);
- (b) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of C Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the applicant (without interest); and
- (c) in the case that an excess sum is paid, to treat the application as a valid application for all the C Shares referred to in the Open Offer Application Form, refunding any unutilised sum to the applicant (without interest).

All enquiries in connection with the procedure for application and completion of the Open Offer Application Form should be addressed to the Receiving Agent, Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or you can contact the Receiving Agent on 0370 707 4033 between 8.30 a.m. and 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. Calls to the helpline from outside the UK will be charged at applicable international rates. Calls may be recorded and monitored for security and training purposes. **Please note the Receiving Agent cannot provide advice on the merits of the Open Offer or as to whether applicants should take up their Open Offer Entitlements or give any financial, legal or tax advice.**

Non-CREST Shareholders who do not wish to take up or apply for the C Shares under the Open Offer should take no action and should not complete or return the Open Offer Application Form.

A Non-CREST Shareholder who is also a CREST member may elect to receive the C Shares to which he is entitled in uncertificated form in CREST (please see paragraph 4.2 below for more information).

4.2 ***If you have Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer***

4.2.1 *General*

Subject as provided in paragraph 6 of this Part 8 in relation to certain Overseas Shareholders, each CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlement equal to the maximum number of C Shares for which he is entitled to apply to acquire under the Open Offer. Entitlements to C Shares will be rounded down to the nearest whole number and any Open Offer Entitlements will therefore also be rounded down.

The CREST stock account to be credited will be an account under the participant ID and member account ID specified in the section headed “Expected Timetable of Key Events” and below.

If for any reason the Open Offer Entitlement cannot be admitted to CREST by, or the stock accounts of CREST Shareholders cannot be credited by 3.00 p.m. on 6 April 2017, or such later time and/or date as the Company may decide, an Open Offer Application Form will be sent to each CREST Shareholder in substitution for the Open Offer Entitlements which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Non-CREST Shareholders with Open Offer Application Forms will apply to CREST Shareholders who receive such Open Offer Application Forms.

CREST members who wish to apply to acquire some or all of their entitlements to C Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact the Receiving Agent on 0370 707 4033 between 8.30 a.m. and 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. Calls to the helpline from outside the UK will be charged at applicable international rates. Calls may be recorded and monitored for security and training purposes. **Please note the Receiving Agent cannot provide advice on the merits of the Open Offer or as to whether applicants should take up their Open Offer Entitlements or give any financial, legal or tax advice.** If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for C Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

4.2.2 *Market claims*

The Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements may only be made by the Ordinary Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlements will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) will thereafter be transferred accordingly.

4.2.3 *Unmatched Stock Event (“USE”) instructions*

CREST Shareholders who are CREST members and who want to apply for C Shares in respect of all or some of their Open Offer Entitlements must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an USE instruction to Euroclear which, on its settlement, will have the following effect:

- (a) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Open Offer Entitlements corresponding to the number of C Shares applied for; and
- (b) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of C Shares referred to in (a) above.

4.2.4 *Content of USE instruction in respect of Open Offer Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear’s specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (a) the number of C Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Receiving Agent);

- (b) the ISIN of the Open Offer Entitlement. This is GB00BF2CP692;
- (c) the CREST participant ID of the accepting CREST member;
- (d) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (e) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 3RA49;
- (f) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is HINTCPLC;
- (g) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of C Shares referred to in (a) above;
- (h) the intended settlement date. This must be on or before 11.00 a.m. on 4 May 2017; and
- (i) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 4 May 2017.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 4 May 2017 in order to be valid is 11.00 a.m. on that day.

In the event that the Issue does not become unconditional by 8.00 a.m. on 8 May 2017 or such later time and date as the Company, the Manager and Panmure Gordon determine (not being later than 8.00 a.m. on 8 June 2017), the Issue will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

4.2.5 *Deposit of Open Offer Entitlements into, and withdrawal from, CREST*

A Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Open Offer Application Form may be deposited into CREST (either into the account of the Ordinary Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim), provided that such Non-CREST Shareholder is also a CREST member. Similarly, Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Open Offer Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Open Offer Application Form.

A holder of an Open Offer Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 4 May 2017.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent: (i) the recommended latest time for depositing an Open Offer Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Open Offer Application Form as Open Offer Entitlements in CREST, is 3.00 p.m. on 28 April 2017; and (ii) the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4.30 p.m. on 27 April 2017 — in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Open Offer Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements, as the case may be, prior to 11.00 a.m. on 4 May 2017.

Delivery of an Open Offer Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Ordinary Shareholder named in the Open Offer Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Receiving Agent by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed “Instructions for depositing entitlements under the Open Offer into CREST” on page 2 of the Open Offer Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member(s) that it/they is/are not in, or citizen(s) or resident(s) of, the United States or any other Restricted Jurisdiction or any jurisdiction in which the application for C Shares is prevented by law and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

4.2.6 *Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 4 May 2017 will constitute a valid application under the Open Offer.

4.2.7 *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above and settled by 11.00 a.m. on 4 May 2017. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

4.2.8 *Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company, through the Registrar, reserves the right:

- (a) to reject the application in full and refund the payment to the CREST member in question (without interest);
- (b) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of C Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and
- (c) in the case that an excess sum is paid, to treat the application as a valid application for all the C Shares referred to in the USE instruction, refunding any unutilised sum to the CREST member in question (without interest).

4.2.9 *Effect of valid application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures thereby:

- (a) represents and warrants to the Company and Panmure Gordon that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for C Shares or acting on behalf of any such person on a non-discretionary basis;
- (b) agrees with the Company and Panmure Gordon to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (c) agrees with the Company and Panmure Gordon that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- (d) confirms to the Company and Panmure Gordon that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information in relation to the Company contained in this document (including matters incorporated by reference);
- (e) represents and warrants to the Company and Panmure Gordon that he is the Ordinary Shareholder originally entitled to the Open Offer Entitlement or that he has received such Open Offer Entitlement by virtue of a *bona fide* market claim;
- (f) represents and warrants to the Company and Panmure Gordon that if he has received some or all his Open Offer Entitlement from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Open Offer Entitlement by virtue of a *bona fide* market claim;
- (g) requests that the C Shares to which he will become entitled be issued to him on the terms set out in this document, subject to the Articles of Association of the Company;
- (h) represents and warrants to the Company and Panmure Gordon that he is not, nor is he applying on behalf of anyone who is in, or is a citizen or resident, or is a corporation, partnership or other entity created or organised in or under any laws of, the United States or any other Restricted Jurisdiction or any jurisdiction in which the application for C Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the C Shares which are the subject of his application in or to, or for the benefit of, any person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States or any other Restricted Jurisdiction or any jurisdiction in which the application for C Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which the Company

(in its absolute discretion) regards as unduly burdensome), nor acting on behalf of my such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for C Shares under the Open Offer;

- (i) represents and warrants to the Company and Panmure Gordon that he is not, and nor is he 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 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986; and
- (j) confirms that in making the application he is not relying and has not relied on Panmure Gordon or any person affiliated with Panmure Gordon in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

4.2.10 *Company's discretion as to the rejection and validity of applications*

The Company may in its sole discretion:

- (a) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part 8;
- (b) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (c) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Registrar receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (d) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for C Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

4.2.11 *Lapse of the Open Offer*

In the event that the Issue does not become unconditional by 8.00 a.m. on 8 May 2017 or such later time and date as the Company, the Manager and Panmure Gordon may agree (not being later than 8.00 a.m. on 8 June 2017), the Issue will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

5 Money laundering regulations

5.1 *Holders of Application Forms*

To ensure compliance with the Money Laundering Regulations, the Receiving Agent may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Open Offer Application Form is lodged with payment (which requirements are referred to below as the “verification of identity requirements”). If the Open Offer Application Form is submitted by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Receiving Agent. In such case, the lodging agent’s stamp should be inserted on the Open Offer Application Form.

The person lodging the Open Offer Application Form with payment and in accordance with the other terms as described above (the “acceptor”), including any person who appears to the Receiving Agent to be acting on behalf of some other person, accepts the Open Offer in respect of such number of C Shares as is referred to therein (for the purposes of this paragraph 5 the “relevant C Shares”) and shall thereby be deemed to agree to provide the Receiving Agent with such information and other evidence as the Receiving Agent may require to satisfy the verification of identity requirements.

If the Receiving Agent determines that the verification of identity requirements apply to any acceptor or application, the relevant C Shares (notwithstanding any other term of the Open Offer) will not be issued to the relevant acceptor unless and until the verification of identity requirements have been satisfied in respect of that acceptor or application. The Receiving Agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any acceptor or application and whether such requirements have been satisfied, and neither the Receiving Agent nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable time following a request for verification of identity, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the monies payable on acceptance of the Open Offer will be returned (at the acceptors risk) without interest to the account of the bank or building society on which the relevant cheque or banker’s draft was drawn.

Submission of an Open Offer Application Form with the appropriate remittance will constitute a warranty to each of the Company, the Receiving Agent and Panmure Gordon from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

The verification of identity requirements will not usually apply:

- (a) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system for the purpose of money laundering (no. 91/308/EEC));
- (b) if the acceptor is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;
- (c) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant’s name; or
- (d) if the aggregate subscription price for the C Shares is less than €15,000 (approximately £12,900).

In other cases the verification of identity requirements may apply. Satisfaction of these requirements may be facilitated in the following ways:

- (a) if payment is made by cheque or banker's draft in Sterling drawn on a branch in the United Kingdom of a bank or building society which bears a UK bank sort code number in the top right hand corner the following applies. Cheques should be made payable to "CIS PLC RE: Henderson International Income Trust plc Open Offer A/C" and crossed "A/C payee only". Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque/banker's draft to such effect. The account name should be the same as that shown on the Application Form; or
- (b) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in (i) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which include Argentina, Australia, Brazil, Canada, China, Hong Kong, Iceland, India, Japan, Mexico, New Zealand, Norway, Russian Federation, Singapore, the Republic of Korea, the Republic of South Africa, Switzerland, Turkey, UK Crown Dependencies and the USA), the agent should provide with the Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Registrar. If the agent is not such an organisation, it should contact the Registrar at the address set out on page 34 of this document.

To confirm the acceptability of any written assurance referred to in (b) above, or in any other case, the acceptor should contact the Receiving Agent on 0370 707 4033 between 8.30 a.m. and 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. Calls to the helpline from outside the UK will be charged at applicable international rates. Calls may be recorded and monitored for security and training purposes. **Please note the Receiving Agent cannot provide advice on the merits of the Open Offer or as to whether applicants should take up their Open Offer Entitlements or give any financial, legal or tax advice.**

If the Application Form(s) is/are in respect of C Shares under the Open Offer with an aggregate subscription price of the Sterling equivalent of €15,000 (approximately £12,900) or more and is/are lodged by hand by the acceptor in person, or if the Application Form(s) in respect of C Shares is/are lodged by hand by the acceptor and the accompanying payment is not the acceptor's own cheque, he or she should ensure that he or she has with him or her evidence of identity bearing his or her photograph (for example, his or her passport) and separate evidence of his or her address.

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 4 May 2017, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Receiving Agent under instructions from the Company may, at its discretion, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the drawee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

5.2 *Open Offer Entitlements in CREST*

If you hold your Open Offer Entitlement in CREST and apply for C Shares in respect of some or all of your Open Offer Entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, the Receiving Agent is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Receiving Agent before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to the Company, the Receiving Agent and Panmure Gordon to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the C Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the C Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

6 Overseas Shareholders

This document has been approved by the UK Listing Authority, being the competent authority in the United Kingdom. The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

6.1 General

The distribution of this document and the making of the Open Offer to persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirements or other formalities to enable them to apply for C Shares under the Open Offer.

No action has been or will be taken by the Company or Panmure Gordon or any other person, to permit a public offering or distribution of this document (or any other offering or publicity materials or application form(s) relating to the C Shares under the Open Offer or C Shares to be issued under the Offer for Subscription) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom.

No public offer of C Shares is being made by virtue of this document or the Open Offer Application Form into the United States or any other Restricted Jurisdiction.

Receipt of this document and/or an Open Offer Application Form and/or a credit of Open Offer Entitlements to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Open Offer Application Form must be treated as sent for information only and should not be copied or redistributed.

Open Offer Application Forms will not be sent to, and Open Offer Entitlements will not be credited to stock accounts in CREST of, persons with registered addresses in the United States or any other Restricted Jurisdiction or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this document and/or an Open Offer Application Form and/or a credit of Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such Open Offer Application Form and/or credit of Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Open Offer Application Form and/or credit of Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal

or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Open Offer Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agent, nominees and trustees) outside the United Kingdom wishing to apply for C Shares under the Open Offer to satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory.

Neither the Company nor Panmure Gordon, nor any of their respective representatives is making any representation to any offeree or purchaser of the C Shares regarding the legality of an investment in the C Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Open Offer Application Form and/or a credit of Open Offer Entitlements to a stock account in CREST, in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or an Open Offer Application Form and/or a credit of Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for C Shares in respect of the Open Offer unless the Company or Panmure Gordon determine that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this document and/or an Open Offer Application Form and/or transfers Open offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part 8 and specifically the contents of this paragraph 6.

The Company reserves the right to treat as invalid any application or purported application for C Shares that appears to the Company or its agents to have been executed, effected, or dispatched from or in relation to the United States or any other Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates relating to C Shares (or in the case of a credit of Open Offer Entitlements to a stock account in CREST, to a CREST member whose registered address would be), in the United States or any other Restricted Jurisdiction or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

Notwithstanding any other provision of this document or the relevant Application Form, the Company reserves the right to permit any person to apply for C Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for C Shares should note that payment must be made in Sterling denominated cheques or banker's drafts or where such Overseas Shareholder is a CREST Shareholder, through CREST.

6.2 *United States*

The C 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, accordingly, may not be offered or sold, re-sold, taken up, transferred, delivered or distributed, directly or indirectly, within the United States.

Accordingly, the Company is not extending the Open Offer into the United States and neither this document nor the Open Offer Application Form constitutes or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire any C Shares in the United States. Neither this document nor an Open Offer Application Form, will be sent to, and no C Shares will be credited to, a stock account in CREST of, any Ordinary Shareholder with a registered address in the United States. Open Offer Application Forms sent from or postmarked in the United States will be deemed to be invalid and all persons acquiring C Shares and wishing to hold such C Shares in registered form must provide an address for registration of the C Shares issued upon exercise thereof outside the United States.

Any person who acquires C Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Open Offer Application Form and delivery of the C Shares, that they are not, and that at the time of acquiring the C Shares they will not be, in the United States or acting on behalf of, or for the account or benefit of a person on a non-discretionary basis in the United States or any state of the United States.

The Company reserves the right to treat as invalid any Open Offer Application Form that appears to the Company or its agents to have been executed in, or despatched from, the United States, or that provides an address in the United States for the receipt of C Shares, or which does not make the warranty set out in the Open Offer Application Form to the effect that the person completing the Application Form does not have a registered address and is not otherwise located in the United States and is not acquiring the C Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such C Shares in the United States or where the Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements.

The Company will not be bound to allot or issue any C Shares to any person with an address in, or who is otherwise located in, the United States in whose favour an Open Offer Application Form or any C Shares may be transferred. In addition, the Company and Panmure Gordon reserve the right to reject any USE instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of the C Shares.

6.3 *Restricted Jurisdictions*

The C Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption. No offer of C Shares is being made by virtue of this document or the Open Offer Application Form into any Restricted Jurisdiction.

6.4 *Other overseas territories*

Open Offer Application Forms will be sent to Non-CREST Shareholders and Open Offer Entitlements will be credited to the stock account in CREST of CREST Shareholders. Ordinary Shareholders in jurisdictions other than the United Kingdom may, subject to the laws of their relevant jurisdiction, take up C Shares under the Open Offer in accordance with the instructions set out in this document and the Open Offer Application Form.

Ordinary Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of countries other than the United Kingdom should consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to apply for any C Shares in respect of the Open Offer.

6.5 Representations and warranties relating to Overseas Shareholders

6.5.1 Non-CREST Shareholders

Any person completing and returning an Open Offer Application Form or requesting registration of the C Shares comprised therein represents and warrants to the Company, Panmure Gordon and the Registrar that, except where proof has been provided to the Company's satisfaction that such person's use of the Open Offer Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant C Shares from within the United States or any other Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire C Shares in respect of the Open Offer or to use the Open Offer Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring C Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such C Shares into any of the above territories. The Company and/or the Registrar may treat as invalid any acceptance or purported acceptance of the allotment of C Shares comprised in an Open Offer Application Form if it: (i) appears to the Company or its agents to have been executed, effected or dispatched from the United States or any other Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in the United States or any other Restricted Jurisdiction for delivery of the share certificates of Ordinary Shares arising on Conversion (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this sub-paragraph 6.5.1.

6.5.2 CREST Shareholders

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part 8 represents and warrants to the Company, Panmure Gordon and the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) he or she is not within the United States or any other Restricted Jurisdiction; (ii) he or she is not in any territory in which it is unlawful to make or accept an offer to acquire C Shares; (iii) he or she is not accepting on a non-discretionary basis for a persons located within any Restricted Jurisdiction (except as otherwise agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) he or she is not acquiring any C Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such C Shares into any of the above territories.

6.6 Waiver

The provisions of this paragraph 6 and of any other terms of the Open Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Ordinary Shareholders or on a general basis by the Company and/or Panmure Gordon in their absolute discretion. Subject to this, the provisions of this paragraph 6 supersede any terms of the Open Offer inconsistent herewith. References in this paragraph 6 to Ordinary Shareholders shall include references to the person or persons executing an Open Offer Application Form and, in the event of more than one person executing an Open Offer Application Form, the provisions of this paragraph 6 shall apply to them jointly and to each of them.

7 Withdrawal rights

There are only limited rights of withdrawal associated with the Issue. Ordinary Shareholders wishing to exercise or direct the exercise of statutory withdrawal rights pursuant to section 87Q (4) of FSMA after the issue by the Company of a prospectus supplementary to this document must do so by lodging a written

notice of withdrawal within two Business Days commencing on the Business Day after the date on which the supplementary prospectus is published. The notice of withdrawal must be deposited by post to Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH or by hand (during normal business hours), to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE or by facsimile to the Receiving Agent so as to be received before the end of the withdrawal period. Please call the Receiving Agent on 0370 707 4033 between 8.30 a.m. and 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. Calls to the helpline from outside the UK will be charged at applicable international rates. Calls may be recorded and monitored for security and training purposes. **Please note the Receiving Agent cannot provide advice on the merits of the Open Offer or as to whether applicants should take up their Open Offer Entitlements or give any financial, legal or tax advice.** Notice of withdrawal given by any other means or which is deposited with the Registrar after expiry of such period will not constitute a valid withdrawal, provided that the Company will not permit the exercise of withdrawal rights after payment by the relevant person for the C Shares applied for in full and the allotment of such C Shares to such person becoming unconditional save to the extent required by statute. In such event, Ordinary Shareholders are advised to seek independent legal advice.

8 Admission, settlement and dealings

The result of the Issue is expected to be announced on 5 May 2017. Applications will be made to the UK Listing Authority for the C Shares to be admitted to the premium listing segment on the Official List and to the London Stock Exchange to be admitted to trading on the premium segment of the London Stock Exchange's Main Market. It is expected that Admission will become effective and that dealings in the C Shares, fully paid, will commence at 8.00 a.m. on 8 May 2017.

The Ordinary Shares are already admitted to CREST. All C Shares, when issued and fully paid, may be held and transferred by means of CREST.

Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 4 May 2017 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, C Shares will be issued in uncertificated form to those persons who submitted a valid application for C Shares by utilising the CREST application procedures and whose applications have been accepted by the Company. On 6 April 2017, the Registrar will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to C Shares with effect from Admission (expected to be at 8.00 a.m. on 8 May 2017). The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this document, the Company reserves the right to send CREST Shareholders an Open Offer Application Form instead of crediting the relevant stock account with Open Offer Entitlements, and to allot and/or issue any C Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

For Non-CREST Shareholders who have applied by using an Open Offer Application Form, share certificates in respect of the C Shares validly applied for are expected to be despatched on the week commencing 15 May 2017. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers will be certified against the UK share register of the Company. All documents or remittances sent by or to applicants or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Non-CREST Shareholders are referred to paragraph 4.1 above and their respective Open Offer Application Form.

9 Times and dates

The Company shall, in agreement with Panmure Gordon and after consultation with its financial and legal advisers, be entitled to amend the dates that Application Forms are despatched or amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this document and in

such circumstances shall notify the FCA and make an announcement on a Regulatory Information Service approved by the FCA and, if appropriate, by Ordinary Shareholders but Ordinary Shareholders may not receive any further written communication.

10 Taxation

Certain statements regarding United Kingdom taxation in respect of the C Shares and the Open Offer are set out in Part 11 of this document. Ordinary Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer or who are subject to tax in any jurisdiction other than the United Kingdom, should immediately consult a suitable professional adviser.

11 Further information

Your attention is drawn to the further information set out in this document and also, in the case of Non-CREST Shareholders and other Ordinary Shareholders to whom the Company has sent Open Offer Application Forms, to the terms, conditions and other information printed on the accompanying Open Offer Application Form.

12 Governing law and jurisdiction

The terms and conditions of the Open Offer as set out in this document, the Open Offer Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, English law. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document or the Application Form. By taking up C Shares by way of their Open Offer Entitlement, in accordance with the instructions set out in this document and, where applicable, the Application Form, Ordinary Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive 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.

PART 9

TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION

1 Introduction

- 1.1 C Shares are available under the Offer for Subscription at a price of 100 pence per C Share.
- 1.2 Applications to acquire C Shares must be made on the Application Form attached as Appendix 1 to this document.
- 1.3 In addition to completing and returning the Application Form to Computershare Investor Services PLC, you will also need to complete and return a Tax Residency Self Certification Form. The “individual holder tax residency self-certification form – sole holding” can be found at Appendix 2 at the end of this document and further copies of this form and the relevant form for joint holdings or Corporate Entity holdings can be requested from Computershare Investor Services PLC on 0370 707 4033. Calls outside of the United Kingdom will be charged at applicable international rates. The helpline is open between 8.30 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. **Please note that Computershare Investor Services PLC cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.**

It is a condition of application that (where applicable) a completed version of that form is provided with the Offer for Subscription Application Form before any application can be accepted.

2 Offer for Subscription to acquire shares

- 2.1 By completing and delivering an Application Form, you, as the applicant, and, if you sign the Application Form on behalf of another person or a corporation, that person or corporation:
 - 2.1.1 offer to subscribe for the number of C Shares specified in Box 1 on your Application Form, or any lower number for which such application is accepted, on the terms, and subject to the conditions, set out in this document, including these terms and conditions of application and the Articles;
 - 2.1.2 agree that, in consideration for the Company agreeing that it will not offer any C Shares to any person other than by means of the procedures referred to in this document, your application may not be revoked, subject to your statutory right of withdrawal in the event of publication of a supplementary prospectus by the Company, and that this paragraph shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to or, in the case of delivery by hand, on receipt by the Receiving Agent of your Application Form;
 - 2.1.3 undertake to pay the subscription amount for the number of C Shares specified in Box 1 on your Application Form in full on application and warrant that the remittance accompanying your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured you will not be entitled to receive a share certificate for the C Shares applied for in certificated form or be entitled to commence dealing in C Shares applied for in uncertificated form or to enjoy or receive any rights in respect of such C Shares unless and until you make payment in cleared funds for such C Shares and such payment is accepted by the Receiving Agent (which acceptance shall be in its absolute discretion and on the basis that you indemnify the Receiving Agent, the Company and Panmure Gordon against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) avoid the agreement to allot the C Shares and may allot them to some other person, in which case you will not be entitled to any refund

or payment in respect thereof (other than the refund by a cheque drawn on a branch of a UK clearing bank to the bank account name from which they were first received at your risk of any proceeds of the remittance which accompanied your Application Form, without interest);

- 2.1.4 agree that, where on your Application Form a request is made for C Shares to be deposited into a CREST account: (a) the Receiving Agent may in its absolute discretion amend the form so that such C Shares may be issued in certificated form registered in the name(s) of the holder(s) specified in your Application Form (and recognise that the Receiving Agent will so amend the form if there is any delay in satisfying the identity of the applicant or the owner of the CREST account or in receiving your remittance in cleared funds); and (b) the Receiving Agent, the Company or Panmure Gordon may authorise your financial adviser or whoever he or she may direct to send a document of title for or credit your CREST account in respect of, the number of C Shares for which your application is accepted, and/or a crossed cheque for any monies returnable, by post at your risk to your address set out on your Application Form;
- 2.1.5 agree, in respect of applications for C Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph 2.1.4 of this paragraph 2.1 to issue C Shares in certificated form), that any share certificate to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled (and any monies returnable to you) may be retained by the Receiving Agent:
- (a) pending clearance of your remittance;
 - (b) pending investigation of any suspected breach of the warranties contained in paragraphs 6.1, 6.2, 6.6, 6.8, 6.13, 6.15 or 6.16 below or any other suspected breach of these terms and conditions of application; or
 - (c) pending any verification of identity which is, or which the Receiving Agent considers may be, required for the purpose of the Money Laundering Regulations and any other regulations applicable thereto, and any interest accruing on such retained monies shall accrue to and for the benefit of the Company;
- 2.1.6 agree, on the request of the Receiving Agent, to disclose promptly in writing to it such information as the Receiving Agent may request in connection with your application and authorise the Receiving Agent to disclose any information relating to your application which it may consider appropriate;
- 2.1.7 agree that if evidence of identity satisfactory to the Receiving Agent is not provided to the Receiving Agent within a reasonable time (in the opinion of the Receiving Agent) following a request therefor, the Receiving Agent or the Company may terminate the agreement with you to allot C Shares and, in such case, the C Shares which would otherwise have been allotted to you may be re-allotted or sold to some other party and the lesser of your application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned by a cheque drawn on a branch of a UK clearing bank to the bank account name on which the payment accompanying the application was first drawn without interest and at your risk;
- 2.1.8 agree that you are not applying on behalf of a person engaged in money laundering;
- 2.1.9 undertake to ensure that, in the case of an Application Form signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) is enclosed with your Application Form together with full identity documents for the person so signing;
- 2.1.10 undertake to pay interest at the rate described in paragraph 3.3 below if the remittance accompanying your Application Form is not honoured on first presentation;

- 2.1.11 authorise the Receiving Agent to procure that there be sent to you definitive certificates in respect of the number of C Shares for which your application is accepted or if you have completed section 2B on your Application Form or, subject to paragraph 2.1.4 above, to deliver the number of C Shares for which your application is accepted into CREST, and/or to return any monies returnable by a cheque drawn on a branch of a UK clearing bank to the bank account name from which such monies were first received without interest and at your risk;
- 2.1.12 confirm that you have read and complied with paragraph 8 below;
- 2.1.13 agree that all subscription cheques and payments will be processed through a bank account (the “**Acceptance Account**”) in the name of CIS PLC RE: Henderson International Income Trust plc OFS A/C opened by the Receiving Agent;
- 2.1.14 agree that your Application Form is addressed to the Company and the Receiving Agent;
and
- 2.1.15 agree that any application may be rejected in whole or in part at the sole discretion of the Company.

3 Acceptance of your offer

- 3.1 The Receiving Agent may, on behalf of the Company, accept your offer to subscribe (if your application is received, valid (or treated as valid), processed and not rejected) by notifying the UK Listing Authority through a Regulatory Information Service of the basis of allocation (in which case the acceptance will be on that basis).
- 3.2 The basis of allocation will be determined by the Company in consultation with Panmure Gordon. The right is reserved, notwithstanding the basis as so determined, to reject in whole or in part and/or scale back any application. The right is reserved to treat as valid any application not complying fully with these terms and conditions of application or not in all respects completed or delivered in accordance with the instructions accompanying the Application Form. In particular, but without limitation, the Company may accept an application made otherwise than by completion of an Application Form where you have agreed with the Company in some other manner to apply in accordance with these terms and conditions of application.
- 3.3 The Receiving Agent will present all cheques and bankers’ drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful applicants’ payment. The right is also reserved to reject in whole or in part, or to scale down or limit, any application. The Receiving Agent may, as agent of the Company, require you to pay interest or its other resulting costs (or both) if the payment accompanying your application is not honoured on first presentation. If you are required to pay interest you will be obliged to pay the amount determined by the Receiving Agent to be the interest on the amount of the payment from the date on which all payments in cleared funds are due to be received until the date of receipt of cleared funds. The rate of interest will be the then published bank base rate of a clearing bank selected by the Receiving Agent plus 4.0 per cent. per annum.
- 3.4 Except as provided below, payments may be made by cheque or banker’s draft in pounds sterling drawn on a branch in the United Kingdom of a bank or building society that is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or that has arranged for its cheques or bankers’ drafts to be cleared through the facilities provided for members of either of those companies. Such cheques or bankers’ drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of an individual applicant where they have sole or joint title to the funds, should be made payable to CIS PLC RE: Henderson International Income Trust plc OFS A/C and crossed “A/C payee only”. Third party cheques may not be accepted with the exception of building society cheques or bankers’ drafts where the building society or bank has inserted the full name of the building society or bank account holder and has added the building society or bank branch stamp. The name of the building society or bank account holder must be the same as that shown on the Application Form.

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 11.00 a.m. on 4 May 2017. Applicants wishing to make a CHAPS payment should contact Computershare stating HINT OFS by email at paymentqueries@computershare.co.uk for full bank details or telephone the shareholder helpline on 0370 707 4033 (from within the UK) or on +44 370 707 4033 (if calling from outside the UK) for further information. Applicants will be provided with a unique reference number which must be used when making the payment.

Applicants choosing to settle via CREST, that is DVP, will need to match their instructions to Computershare Investor Services PLC's Participant account 8RA16 by no later than 1.00 p.m. on 5 May 2017, allowing for the delivery and acceptance of C Shares to be made against payment of the Issue Price per C Share, following the CREST matching criteria set out in the Application Form.

4 Conditions

- 4.1 The contracts created by the acceptance of applications (in whole or in part) under the Offer for Subscription will be conditional, *inter alia*, upon:
- (a) the Issue Resolutions being passed on or before 5 May 2017 or such later date as the Company, Panmure Gordon and the Manager may agree (not being later than 8 June 2017);
 - (b) Admission occurring by 8.00 a.m. on 8 May 2017 (or such later time and/or date as the Company, Panmure Gordon and the Manager may agree (not being later than 8.00 a.m. on 8 June 2017)); and
 - (c) the Placing and Offer Agreement becoming otherwise unconditional in respect of the Issue, and not being terminated in accordance with its terms before Admission.
- 4.2 You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other right you may have.

5 Return of application monies

Where application monies have been banked and/or received, if any application is not accepted in whole, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest by returning your cheque, or by crossed cheque in your favour, by post at the risk of the person(s) entitled thereto, without interest. In the meantime, application monies will be retained by the Receiving Agent in a separate account.

6 Warranties

By completing an Application Form, you:

- 6.1 undertake and warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person and that such other person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these terms and conditions of application and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;
- 6.2 warrant, if the laws of any territory or jurisdiction outside the UK are applicable to your application, that you have 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 your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company or the Receiving Agent 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 of the UK in connection with the Offer for Subscription in respect of your application;
- 6.3 confirm that in making an application you are not relying on any information or representations in relation to the Company other than those contained in this document (on the basis of which alone your application is made) and accordingly you agree that no person responsible solely or jointly for this document or any part thereof shall have any liability for any such other information or representation;
 - 6.4 agree that, having had the opportunity to read this document, you shall be deemed to have had notice of all information and representations contained therein;
 - 6.5 acknowledge that no person is authorised in connection with the Offer for Subscription to give any information or make any representation other than as contained in this document and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, Panmure Gordon, the AIFM, the Manager or the Receiving Agent;
 - 6.6 warrant that you are not under the age of 18 on the date of your application;
 - 6.7 agree that all documents and monies sent by post to, by or on behalf of the Company or the Receiving Agent, will be sent at your risk and, in the case of documents and returned application cheques and payments to be sent to you, may be sent to you at your address (or, in the case of joint holders, the address of the first-named holder) as set out in your Application Form;
 - 6.8 confirm that you have reviewed the restrictions contained in paragraph 8 below and warrant, to the extent relevant, that you (and any person on whose behalf you apply) comply or complied with the provisions therein;
 - 6.9 agree that, in respect of those C Shares for which your Application Form has been received and processed and not rejected, acceptance of your Application Form shall be constituted by the Company instructing the Registrar to enter your name on the Register;
 - 6.10 agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer for Subscription and any non-contractual obligations existing under or in connection therewith shall be governed by and construed in accordance with the laws of England and Wales and that you submit to the jurisdiction of the English Courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;
 - 6.11 irrevocably authorise the Company, Panmure Gordon or the Receiving Agent or any other person authorised by any of them, as your agent, to do all things necessary to effect registration of any C Shares subscribed by or issued to you into your name and authorise any representatives of the Company and/or Panmure Gordon and/or the Receiving Agent to execute any documents required therefor and to enter your name on the Register;
 - 6.12 agree to provide the Company with any information which it, Panmure Gordon or the Receiving Agent may request in connection with your application or to comply with any other relevant legislation (as the same may be amended from time to time) including without limitation satisfactory evidence of identity to ensure compliance with the Money Laundering Regulations;
 - 6.13 warrant that, in connection with your application, you have observed the laws of all requisite territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action which will or may result in the Company, Panmure Gordon, the AIFM, the Manager or the Receiving Agent acting in breach of the regulatory or legal requirements of any territory in connection with the Offer for Subscription or your application;

- 6.14 agree that Panmure Gordon and the Receiving Agent are acting for the Company in connection with the Offer for Subscription and for no-one else and that they will not treat you as their customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of the C Shares or concerning the suitability of the C Shares for you or be responsible to you for the protections afforded to their customers;
- 6.15 warrant that the information contained in the Application Form is true and accurate; and
- 6.16 agree that if you request that C Shares are issued to you on a date other than Admission and such C Shares are not issued on such date that the Company and its agents and Directors will have no liability to you arising from the issue of such C Shares on a different date.

7 Money laundering

- 7.1 You agree that, in order to ensure compliance with the Money Laundering Regulations, the Receiving Agent may at its absolute discretion require verification of identity of you as the applicant lodging an Application Form and further may request from you and you will assist in providing identification of:
- 7.1.1 the owner(s) and/or controller(s) (the “**payor**”) of any bank account not in the name of the holder(s) on which is drawn a payment by way of banker’s draft or cheque; or
- 7.1.2 where it appears to the Receiving Agent that a holder or the payor is acting on behalf of some other person or persons, such person or persons.
- 7.2 Failure to provide the necessary evidence of identity may result in your application being rejected or delays in the despatch of documents or CREST account being credited.
- 7.3 Without prejudice to the generality of this paragraph 7, verification of the identity of holders and payors will be required if the value of the C Shares applied for, whether in one or more applications considered to be connected, exceeds €15,000 (approximately £12,900). If, in such circumstances, you use a building society cheque or banker’s draft you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the cheque or banker’s draft and adds its stamp. If, in such circumstances, the person whose account is being debited is not a holder you will be required to provide for both the holder and payor an original or copy of that person’s passport or driving licence certified by a solicitor and an original or certified copy of two of the following documents, no more than three months old, a gas, electricity, water or telephone (not mobile) bill, a recent bank statement or a council tax bill, in their name and showing their current address (which originals will be returned by post at the addressee’s risk) together with a signed declaration as to the relationship between the payor and you, the applicant.
- 7.4 For the purpose of the UK’s Money Laundering Regulations, a person making an application for C Shares will not be considered as forming a business relationship with either the Company or with the Receiving Agent but will be considered as effecting a one-off transaction with either the Company or with the Receiving Agent.
- 7.5 The person(s) submitting an application for C Shares will ordinarily be considered to be acting as principal in the transaction unless the Receiving Agent determines otherwise, whereupon you may be required to provide the necessary evidence of identity of the underlying beneficial owner(s).

8 Non United Kingdom investors

- 8.1 If you receive a copy of this document or an Application Form in any territory other than the United Kingdom you may not treat it as constituting an invitation or offer to you, nor should you, in any event, use an Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to you or an Application Form could lawfully be used without contravention of any registration or other legal requirements. It is your responsibility, if you are outside the UK and wish to make an application for C Shares under the Offer for Subscription, to satisfy yourself

as to full observance of the laws of any relevant territory or jurisdiction in connection with your application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

- 8.2 None of the C Shares has been or will be registered under the laws of Canada, Japan, the Republic of South Africa, Australia, New Zealand or under the US Securities Act or with any securities regulatory authority of any state or other political subdivision of the United States, Canada, Japan, the Republic of South Africa, Australia or New Zealand. Accordingly, unless an exemption under such act or laws is applicable, the C Shares may not be offered, sold or delivered, directly or indirectly, within Canada, Japan, the Republic of South Africa, Australia, New Zealand or the United States (as the case may be). If you subscribe for C Shares you will, unless the Company and the Registrar agree otherwise in writing, be deemed to represent and warrant to the Company that you are not a US Person or a resident of Canada, Japan, the Republic of South Africa, Australia, New Zealand or a corporation, partnership or other entity organised under the laws of the US or Canada (or any political subdivision of either) or Japan, the Republic of South Africa, Australia or New Zealand and that you are not subscribing for such C Shares for the account of any US Person or resident of Canada, Japan, the Republic of South Africa, Australia or New Zealand and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the C Shares in or into the United States, Canada, Japan, Australia or New Zealand or to any US Person or resident of Canada, Japan, the Republic of South Africa, Australia or New Zealand. No application will be accepted if it shows the applicant or a payor having an address in the United States, Canada, Japan, the Republic of South Africa, Australia or New Zealand.

9 The Data Protection Act

- 9.1 Each applicant acknowledges and agrees that, pursuant to The Data Protection Act 1998 (the “**DP Act**”) the Company and/or the Registrar and/or the AIFM, may hold personal data (as defined in the DP Act) relating to past and present Shareholders. Personal data may be retained on record for a period exceeding six years after it is no longer used. The Registrar and the AIFM will only process such information for the purposes set out below (collectively, the “**Purposes**”), being to:
- (a) process its personal data (including sensitive personal data as defined in the DP Act) to the extent and in such manner as is necessary for the performance of their obligations under their respective service contracts, including as required by or in connection with its holding of C Shares, including processing personal data in connection with credit and money laundering checks on it;
 - (b) communicate with it as necessary in connection with its affairs and generally in connection with its holding of C Shares;
 - (c) provide personal data to such third parties as the Registrar and/or the AIFM may consider necessary in connection with its affairs and generally in connection with its holding of C Shares or as the DP Act may require, including to third parties outside the European Economic Area;
 - (d) without limitation, provide such personal data to their affiliates, the Company or the Manager and their respective associates for processing, notwithstanding that any such party may be outside the European Economic Area; and
 - (e) process its personal data for the Registrar’s and/or the AIFM’s internal administration.

By becoming registered as a holder of C Shares a person becomes a data subject (as defined in the DP Act) and is deemed to have consented to the processing by the Company, the Registrar or the AIFM of any personal data relating to them in the manner described above. In providing the Registrar and the AIFM with information, it hereby represents and warrants to the Registrar and the AIFM that it has obtained the consent of any data subject to the Registrar and the AIFM, and

their respective affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes set out above in this paragraph 9).

10 United States purchase and transfer restrictions

10.1 By participating in the Offer for Subscription, each applicant acknowledges and agrees that it will be further deemed to represent and warrant to each of the Company, the AIFM, the Manager, the Receiving Agent and the Registrar that:

10.1.1 it is not a US Person, is not located within the United States and is acquiring the C Shares in an offshore transaction meeting the requirements of Regulation S and is not acquiring the C Shares for the account or benefit of a US Person;

10.1.2 it acknowledges that the C 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 may not be offered or sold in the United States or to, or for the account or benefit of, US Persons;

10.1.3 it acknowledges that the Company has not and will not be registered under the US Investment Company 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;

10.1.4 unless the Company expressly consents otherwise in writing, no portion of the assets used to purchase, and no portion of the assets used to hold, the C Shares or any beneficial interest therein constitutes or will constitute the assets of: (a) an “employee benefit plan” as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (b) a “plan” as defined in Section 4975 of the US Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Code; or (c) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the US Code. In addition, if an applicant is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Code, its purchase, holding, and disposition of the C Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

10.1.5 if any C Shares offered and sold pursuant to Regulation S are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect, unless otherwise determined by the Company in accordance with applicable law:

“HENDERSON INTERNATIONAL INCOME TRUST PLC (THE “COMPANY”) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US INVESTMENT COMPANY ACT OF 1940, AS AMENDED. IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES.”;

10.1.6 if in the future the applicant decides to offer, sell, transfer, assign or otherwise dispose of its C Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act and under circumstances which will not require the Company to register under the US Investment Company Act. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such laws and the above stated restrictions may be subject to compulsory transfer provisions as provided in the Articles;

- 10.1.7 it is purchasing the C Shares for its own account for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the C Shares in any manner that would violate the US Securities Act, the US Investment Company Act or any other applicable securities laws;
- 10.1.8 it acknowledges that the Company reserves the right to make inquiries of any holder of the C Shares or interests therein at any time as to such person's status under US federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under US securities laws to transfer such C Shares or interests in accordance with the Articles;
- 10.1.9 it acknowledges and understands that the Company is required to comply with FATCA and agrees to furnish any information and documents the Company may from time to time request, including but not limited to information required under FATCA;
- 10.1.10 it is entitled to acquire the C Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the C Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the AIFM, the Manager or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Offer for Subscription or its acceptance of participation in the Offer for Subscription; and
- 10.1.11 it has received, carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the C Shares to within the United States or to any US Persons, nor will it do any of the foregoing.
- 10.2 The Company, the AIFM, the Manager, the Registrar and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.
- 10.3 If any of the representations, warranties, acknowledgments or agreements made by the applicant are no longer accurate or have not been complied with, the applicant will immediately notify the Company.

11 Miscellaneous

- 11.1 To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise (including, without limitation, pre-contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the C Shares and the Offer for Subscription.
- 11.2 The rights and remedies of the Company and the Receiving Agent under these terms and conditions of application are in addition to any rights and remedies which would otherwise be available to any of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 11.3 The Company reserves the right to extend the closing time and/or date of the Offer for Subscription from 11.00 a.m. on 4 May 2017. In that event, the new closing time and/or date will be notified through a Regulatory Information Service.
- 11.4 The Company may terminate the Offer for Subscription in its absolute discretion at any time prior to Admission. If such right is exercised, the Offer for Subscription will lapse and any monies will be returned as indicated without interest at the risk of the applicant.

- 11.5 You agree that Panmure Gordon and the Receiving Agent are acting for the Company in connection with the Issue and no-one else and that neither Panmure Gordon nor the Receiving Agent will treat you as its customer by virtue of such application being accepted or owe you any duties concerning the price of the C Shares or concerning the suitability of the C Shares for you or otherwise in relation to the Offer for Subscription or for providing the protections afforded to their customers.
- 11.6 Save where the context requires otherwise, terms used in these terms and conditions of application bear the same meaning as where used elsewhere in this document.

PART 10

TERMS AND CONDITIONS OF APPLICATION UNDER THE PLACING AND THE PLACING PROGRAMME

1 Introduction

- 1.1 C Shares are available under the Placing at a price of 100 pence per C Share and Ordinary Shares are available under the Placing Programme at the relevant Placing Programme Price. The Ordinary Shares will, when issued and fully paid, include the right to receive all dividends or other distributions declared, made or paid, if any, by reference to a record date after the date of their issue.
- 1.2 Each Placee which confirms its agreement to Panmure Gordon to subscribe for C Shares and/or Ordinary Shares under the Placing and/or a Subsequent Placing will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.3 The Company and/or Panmure Gordon may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it/they (in its/their absolute discretion) see(s) fit.
- 1.4 The commitment to acquire C Shares and/or Ordinary Shares under the Placing and/or a Subsequent Placing will be agreed orally with Panmure Gordon as agent for the Company and further evidenced in a contract note (“**Contract Note**”) or placing confirmation (“**Placing Confirmation**”).

2 Agreement to subscribe for C Shares and/or Ordinary Shares and conditions

- 2.1 A Placee agrees to become a member of the Company and agrees to subscribe for those C Shares and/or Ordinary Shares allocated to it by Panmure Gordon at the relevant issue price, conditional, *inter alia*, on:
 - 2.1.1 the Placing and Offer Agreement becoming unconditional in respect of the relevant placing (save for any condition relating to Admission) and not having been terminated on or before the date of Admission of the relevant C Shares and/or Ordinary Shares being issued;
 - 2.1.2 Admission of the C Shares being issued pursuant to the Issue by no later than 8 May 2017 (or such later date as the Company, Panmure Gordon and the Manager may agree and, in any event, no later than 8 June 2017) and in the case of any Subsequent Admission by no later than such dates as may be agreed between the Company, Panmure Gordon and the Manager in relation to each Subsequent Placing, not being later than 4 April 2018;
 - 2.1.3 in the case of the Placing, the Issue Resolutions being passed on or before 5 May 2017 or such later date as the Company, Panmure Gordon and the Manager may agree (not being later than 8 June 2017);
 - 2.1.4 in the case of any Subsequent Placing, a valid supplementary prospectus being published by the Company if such is required; and
 - 2.1.5 in the case of any Subsequent Placing, the relevant Placing Programme Price being determined by the Directors.
- 2.2 To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

3 Payment for C Shares and/or Ordinary Shares

- 3.1 Each Placee must pay the relevant issue price for the C Shares and/or Ordinary Shares issued to the Placee in the manner and by the time directed by Panmure Gordon. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee's application for C Shares and/or Ordinary Shares may, at the discretion of Panmure Gordon, either be rejected or accepted and, in the latter case, paragraph 3.2 of these terms and conditions shall apply.
- 3.2 Each Placee is deemed to agree that if it does not comply with its obligation to pay the relevant issue price for the C Shares and/or Ordinary Shares allocated to it in accordance with paragraph 3.1 of these terms and conditions and Panmure Gordon elects to accept that Placee's application, Panmure Gordon may sell all or any of the C Shares and/or Ordinary Shares allocated to the Placee on such Placee's behalf and retain from the proceeds, for Panmure Gordon's own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such C Shares and/or Ordinary Shares on such Placee's behalf.

4 Representations and warranties

By agreeing to subscribe for C Shares and/or Ordinary Shares, each Placee which enters into a commitment to subscribe for C Shares and/or Ordinary Shares will (for itself and any person(s) procured by it to subscribe for C Shares and/or Ordinary Shares and any nominee(s) for any such person(s)) be deemed to represent, warrant and acknowledge to each of the Company, the AIFM, the Manager, the Registrar and Panmure Gordon that:

- 4.1 in agreeing to subscribe for C Shares and/or Ordinary Shares under the Placing and/or under a Subsequent Placing, it is relying solely on this document and any supplementary prospectus issued by the Company and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the Placing and/or the Placing Programme. It agrees that none of the Company, the AIFM, the Manager, Panmure Gordon or the Registrar, 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;
- 4.2 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for C Shares and/or Ordinary Shares under the Placing and/or under a Subsequent 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 AIFM, the Manager, Panmure Gordon or Registrar 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 and/or a Subsequent Placing;
- 4.3 it has carefully read and understands this document in its entirety and acknowledges that it is acquiring C Shares and/or Ordinary Shares on the terms and subject to the conditions set out in this Part 10 and the Articles as in force at the date of Admission of the relevant C Shares and/or Ordinary Shares;
- 4.4 it has not relied on Panmure Gordon or any person affiliated with Panmure Gordon in connection with any investigation of the accuracy of any information contained in this document;
- 4.5 the content of this document is exclusively the responsibility of the Company and its Directors and neither Panmure Gordon nor any person acting on their respective behalf nor any of its respective affiliates are responsible for or shall have any liability for any information, representation or statement contained in this document or any information published by or on behalf of the Company

- and will not be liable for any decision by a Placee to participate in the Placing and/or a Subsequent Placing based on any information, representation or statement contained in this document or otherwise;
- 4.6 it acknowledges that no person is authorised in connection with the Placing and/or a Subsequent Placing to give any information or make any representation other than as contained in this document and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the AIFM, the Manager or Panmure Gordon;
 - 4.7 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 of the Finance Act 1986 (depository receipts and clearance services);
 - 4.8 if it is within the United Kingdom, it is a person who falls within Articles 49(2)(a) to (d) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or it is a person to whom the C Shares and/or Ordinary Shares may otherwise lawfully be offered under such Order and/or is a person who is a “professional client” or an “eligible counterparty” within the meaning of Chapter 3 of the FCA’s Conduct of Business Sourcebook or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, it is a person to whom the C Shares and/or Ordinary Shares may be lawfully offered under that other jurisdiction’s laws and regulations;
 - 4.9 if it is a resident in the EEA (other than the United Kingdom):
 - (a) it is a qualified investor within the meaning of the law in the relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of the Prospectus Directive 2003/71/EC; and
 - (b) if that relevant Member State has implemented the AIFMD, that it is a person to whom C Shares and/or Ordinary Shares may lawfully be marketed under the AIFMD or under the applicable implementing legislation (if any) of that relevant Member State;
 - 4.10 in the case of any C Shares and/or Ordinary Shares acquired by a Placee as a financial intermediary within the EEA (other than the United Kingdom) as that term is used in Article 3(2) of the Prospectus Directive:
 - (a) the C Shares and/or Ordinary Shares acquired by it in the Placing and/or a Subsequent Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any relevant Member State other than qualified investors, as that term is defined in Prospectus Directive 2010/73/EU, or in circumstances in which the prior consent of Panmure Gordon has been given to the offer or resale; or
 - (b) where C Shares and/or Ordinary Shares have been acquired by it on behalf of persons in any relevant Member State other than qualified investors, the offer of those C Shares and/or Ordinary Shares to it is not treated under the Prospectus Directive as having been made to such persons;
 - 4.11 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 C Shares and/or Ordinary Shares and it is not acting on a non-discretionary basis for any such person;
 - 4.12 if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Placing and/or a Subsequent Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for C Shares and/or Ordinary Shares pursuant to the Placing and/or a Subsequent 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 material could lawfully be provided to it or such person and C Shares and/or 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;

- 4.13 if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such Placee's agreement to subscribe for C Shares and/or Ordinary Shares under the Placing and/or under a Subsequent Placing and will not be any such person on the date any such agreement to subscribe under the Placing or a Subsequent Placing is accepted;
- 4.14 it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other offering materials concerning the Placing and/or a Subsequent Placing or the C Shares and/or Ordinary Shares to any persons within the United States or to any US Persons, nor will it do any of the foregoing;
- 4.15 it represents, acknowledges and agrees to the representations, warranties and agreements as set out under the heading "United States purchase and transfer restrictions" in paragraph 7, below;
- 4.16 it acknowledges that neither Panmure Gordon 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 Placing and/or a Subsequent Placing or providing any advice in relation to the Placing and/or a Subsequent Placing and participation in the Placing and/or a Subsequent Placing is on the basis that it is not and will not be a client of Panmure Gordon and that Panmure Gordon does not have any duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing and/or a Subsequent Placing nor in respect of any representations, warranties, undertakings or indemnities otherwise required to be given by it in connection with its application under the Placing and/or a Subsequent Placing;
- 4.17 it acknowledges that where it is subscribing for C Shares and/or Ordinary Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account:
- (a) to subscribe for the C Shares and/or Ordinary Shares for each such account;
 - (b) to make on each such account's behalf the representations, warranties and agreements set out in this document; and
 - (c) to receive on behalf of each such account any documentation relating to the Placing and/or a Subsequent Placing in the form provided by the Company and/or Panmure Gordon.
- It agrees that the provisions of this paragraph shall survive any resale of the C Shares and/or Ordinary Shares by or on behalf of any such account;
- 4.18 it irrevocably appoints any director of the Company and any director of Panmure Gordon 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 C Shares and/or Ordinary Shares for which it has given a commitment under the Placing and/or a Subsequent Placing, in the event of its own failure to do so;
- 4.19 it accepts that if the Placing and/or a Subsequent Placing does not proceed or the conditions to the Placing and Offer Agreement are not satisfied or the C Shares and/or Ordinary Shares for which valid applications are received and accepted are not admitted to the Official List and to trading on the London Stock Exchange's main market for listed securities for any reason whatsoever then neither of Panmure Gordon nor the Company, 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;
- 4.20 in connection with its participation in the Placing and/or a Subsequent Placing it has observed all relevant legislation and regulations;
- 4.21 it acknowledges that Panmure Gordon and the Company are entitled to exercise any of their rights under the Placing and Offer Agreement or any other right in their absolute discretion without any liability whatsoever to it;

- 4.22 the representations, undertakings and warranties contained in this document are irrevocable. It acknowledges that Panmure Gordon and the Company 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 C Shares and/or Ordinary Shares are no longer accurate, it shall promptly notify Panmure Gordon and the Company;
- 4.23 where it or any person acting on behalf of it is dealing with Panmure Gordon, any money held in an account with Panmure Gordon 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 Panmure Gordon to segregate such money, as that money will be held by Panmure Gordon under a banking relationship and not as trustee;
- 4.24 any of its clients, whether or not identified to Panmure Gordon, will remain its sole responsibility and will not become clients of Panmure Gordon for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- 4.25 it accepts that the allocation of C Shares and/or Ordinary Shares shall be determined by the Company in its absolute discretion (in consultation with Panmure Gordon and the Manager) and that the Company may scale down any commitments for this purpose on such basis as it may (in consultation with Panmure Gordon and the Manager) determine;
- 4.26 time shall be of the essence as regards its obligations to settle payment for the C Shares and/or Ordinary Shares and to comply with its other obligations under the Placing and/or a Subsequent Placing;
- 4.27 its commitment to acquire C Shares and/or Ordinary Shares will be agreed orally with Panmure Gordon as agent for the Company and that a Contract Note or Placing Confirmation will be issued by Panmure Gordon as soon as possible thereafter. That oral confirmation will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and Panmure Gordon to subscribe for the number of C Shares and/or Ordinary Shares allocated to it at the Issue Price or the Placing Programme Price on the terms and conditions set out in this Part 10 and, as applicable, in the Contract Note or Placing Confirmation. Except with the consent of Panmure Gordon, such oral commitment will not be capable of variation or revocation after the time at which it is made; and
- 4.28 its allocation of C Shares and/or Ordinary Shares under the Placing and any Subsequent Placing will be evidenced by the Contract Note or Placing Confirmation, as applicable, confirming: (i) the number of C Shares and/or Ordinary Shares that such Placee has agreed to subscribe for; (ii) the aggregate amount that such Placee will be required to pay for such C Shares and/or Ordinary Shares; and (iii) settlement instructions to pay Panmure Gordon as agent for the Company. The terms of this Part 10 will be deemed to be incorporated into that Contract Note or Placing Confirmation.

The Company reserves the right to reject all or part of any offer to purchase C Shares and/or Ordinary Shares for any reason. The Company also reserves the right to sell fewer than all of the C Shares and/or Ordinary Shares offered by this document or to sell to any purchaser fewer than all of the C Shares and/or Ordinary Shares a purchaser has offered to purchase.

5 Money laundering

Each Placee acknowledges and agrees that:

- 5.1 its application is only made on the basis that it accepts full responsibility for any requirement to 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:
- (a) subject to the Money Laundering Regulations 2007 in force in the United Kingdom; or

- (b) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing) (the “**Money Laundering Directive**”); or
 - (c) 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; and
- 5.2 due to anti-money laundering requirements, Panmure Gordon and the Company may require proof of identity 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 applicant to produce any information required for verification purposes, Panmure Gordon and the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Panmure Gordon and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it.

6 The Data Protection Act

- 6.1 Each Placee acknowledges and agrees that, pursuant to The Data Protection Act 1998 (the “**DP Act**”) the Company and/or the Registrar and/or the AIFM, may hold personal data (as defined in the DP Act) relating to past and present Shareholders. Personal data may be retained on record for a period exceeding six years after it is no longer used. The Registrar and the AIFM will only process such information for the purposes set out below (collectively, the “**Purposes**”), being to:
- 6.1.1 process its personal data (including sensitive personal data as defined in the DP Act) to the extent and in such manner as is necessary for the performance of their obligations under their respective service contracts, including as required by or in connection with its holding of C Shares and/or Ordinary Shares, including processing personal data in connection with credit and money laundering checks on it;
 - 6.1.2 communicate with it as necessary in connection with its affairs and generally in connection with its holding of C Shares and/or Ordinary Shares;
 - 6.1.3 provide personal data to such third parties as the Registrar and/or the AIFM may consider necessary in connection with its affairs and generally in connection with its holding of C Shares and/or Ordinary Shares or as the DP Act may require, including to third parties outside the European Economic Area;
 - 6.1.4 without limitation, provide such personal data to their affiliates, the Company or the Manager and their respective associates for processing, notwithstanding that any such party may be outside the European Economic Area; and
 - 6.1.5 process its personal data for the Registrar’s and/or the AIFM’s internal administration.
- 6.2 By becoming registered as a holder of C Shares and/or Ordinary Shares a person becomes a data subject (as defined in the DP Act) and is deemed to have consented to the processing by the Company, the Registrar or the AIFM of any personal data relating to them in the manner described above. In providing the Registrar and the AIFM with information, it hereby represents and warrants to the Registrar and the AIFM that it has obtained the consent of any data subject to the Registrar and the AIFM, and their respective affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes set out above in this paragraph 6).

7 United States purchase and transfer restrictions

7.1 By participating in the Placing and/or a Subsequent Placing, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for C Shares and/or Ordinary Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, the AIFM, the Manager, the Registrar and Panmure Gordon that:

7.1.1 it is not a US Person, is not located within the United States, is acquiring the C Shares and/or Ordinary Shares in an offshore transaction meeting the requirements of Regulation S and is not acquiring the C Shares and/or Ordinary Shares for the account or benefit of a US Person;

7.1.2 it acknowledges that the C Shares and/or 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 may not be offered or sold in the United States or to, or for the account or benefit of, US Persons;

7.1.3 it acknowledges that the Company has not and will not be registered under the US Investment Company 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;

7.1.4 unless the Company expressly consents otherwise in writing, no portion of the assets used to purchase, and no portion of the assets used to hold, the C Shares and/or Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of: (a) an “employee benefit plan” as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (b) a “plan” as defined in Section 4975 of the US Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Code; or (c) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the US Code. In addition, if a Placee is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Code, its purchase, holding, and disposition of the C Shares and/or Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

7.1.5 if any C Shares and/or Ordinary Shares are issued to it in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect, unless otherwise determined by the Company in accordance with applicable law:

“HENDERSON INTERNATIONAL INCOME TRUST PLC (THE “COMPANY”) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US INVESTMENT COMPANY ACT OF 1940, AS AMENDED. IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES.”;

7.1.6 if in the future the Placee decides to offer, sell, transfer, assign or otherwise dispose of its C Shares and/or Ordinary Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act and under circumstances which will not require the Company to register under the US Investment Company Act. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such laws and the above stated restrictions may be subject to compulsory transfer provisions as provided in the Articles;

- 7.1.7 it is purchasing the C Shares and/or Ordinary Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the C Shares and/or Ordinary Shares in any manner that would violate the US Securities Act, the US Investment Company Act or any other applicable securities laws;
 - 7.1.8 it acknowledges that the Company reserves the right to make inquiries of any holder of the C Shares and/or Ordinary Shares or interests therein at any time as to such person's status under US federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under US securities laws to transfer such C Shares and/or Ordinary Shares or interests in accordance with the Articles;
 - 7.1.9 it acknowledges and understands that the Company is required to comply with FATCA and agrees to furnish any information and documents the Company may from time to time request, including but not limited to information required under FATCA;
 - 7.1.10 it is entitled to acquire the C Shares and/or Ordinary Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the C Shares and/or Ordinary Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the Manager, the Registrar, Panmure Gordon or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Placing and/or a Subsequent Placing or its acceptance of participation in the Placing and/or a Subsequent Placing;
 - 7.1.11 it has received, carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the C Shares and/or Ordinary Shares to within the United States or to any US Persons, nor will it do any of the foregoing; and
 - 7.1.12 if it is acquiring any C Shares and/or Ordinary Shares as a fiduciary or agent for one or more accounts, the Placee has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- 7.2 The Company, the AIFM, the Manager, the Registrar, Panmure Gordon and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.
 - 7.3 If any of the representations, warranties, acknowledgments or agreements made by the Placee are no longer accurate or have not been complied with, the Placee will immediately notify the Company and Panmure Gordon.

8 Supply and disclosure of information

If Panmure Gordon, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for C Shares and/or Ordinary Shares under the Placing and/or a Subsequent Placing, such Placee must promptly disclose it to them.

9 Non United Kingdom investors

- 9.1 If the Placee is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Placing and/or the Placing Programme constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for C Shares and/or Ordinary Shares pursuant to the Placing and/or a Subsequent 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 C Shares and/or 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.

- 9.2 None of the C Shares and/or Ordinary Shares has been or will be registered under the laws of the United States, Canada, Australia, New Zealand, the Republic of South Africa or Japan. Accordingly, the C Shares and/or Ordinary Shares may not be offered, sold, issued or delivered, directly or indirectly, within any of the United States, Canada, Australia, New Zealand, the Republic of South Africa or Japan or to any US Person or to any national, resident or citizen of Canada, Australia, New Zealand, the Republic of South Africa or Japan unless an exemption from any registration requirement is available.

10 Miscellaneous

- 10.1 The rights and remedies of the Company, the AIFM, the Manager, Panmure Gordon and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 10.2 On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing and/or a Subsequent 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.
- 10.3 Each Placee agrees to be bound by the Articles once the C Shares and/or Ordinary Shares, which the Placee has agreed to subscribe for pursuant to the Placing and/or a Subsequent Placing, have been acquired by the Placee. The contract to subscribe for C Shares and/or Ordinary Shares under the Placing and/or a Subsequent Placing and the appointments and authorities mentioned in this document and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the Company, the AIFM, the Manager, Panmure Gordon and the Registrar, 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 the Placee in any other jurisdiction.
- 10.4 In the case of a joint agreement to subscribe for C Shares and/or Ordinary Shares under the Placing and/or a Subsequent 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.
- 10.5 Panmure Gordon and the Company expressly reserve the right to modify the Placing and/or a Subsequent Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined. The Placing and any Subsequent Placing are subject to the satisfaction of the conditions contained in the Placing and Offer Agreement and the Placing and Offer Agreement not having been terminated. Further details of the terms of the Placing and Offer Agreement are contained in paragraph 6.1 of Part 12 of this document.

PART 11

UK TAXATION

1 General

The following comments do not constitute tax advice and are intended only as a guide to current UK law and HMRC's published practice as at the date of this document (both of which are subject to change at any time, possibly with retrospective effect). They relate only to certain limited aspects of the UK tax treatment of Shareholders and (except insofar as express reference is made to the treatment of non-UK residents) are intended to apply only to Shareholders who for UK tax purposes are resident in and, in the case of individuals, domiciled in the UK and to whom "split year" treatment does not apply. The comments apply only to Shareholders who are the absolute beneficial owners of their Ordinary Shares and/or C Shares and the dividends payable on them and who hold their Ordinary Shares and/or C Shares as investments (and not as securities to be realised in the course of a trade).

The comments below may not apply to certain categories of Shareholder such as dealers in securities, insurance companies and collective investment schemes, Shareholders who are exempt from taxation (or who hold their Ordinary Shares and/or C Shares through an ISA) and Shareholders who have (or are deemed to have) acquired their Ordinary Shares and/or C Shares by virtue of any office or employment. Such persons may be subject to special rules.

Prospective investors who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the UK are strongly advised to consult their own professional advisers.

2 The Company

It is the intention of the Directors to conduct the affairs of the Company so that it satisfies and continues to satisfy the conditions necessary for it to be approved by HMRC as an investment trust. However, neither the Manager nor the Directors can guarantee that this approval will be maintained. In respect of each accounting period for which the Company continues to be approved by HMRC as an investment trust the Company will be exempt from UK corporation tax on its chargeable gains. The Company will however (subject to what follows) be liable to UK corporation tax on its income in the normal way.

Approved investment trusts are able to elect to take advantage of modified UK tax treatment in respect of their "qualifying interest income" for an accounting period (referred to here as the "streaming" regime). Under such treatment, the Company may (assuming it continues to be approved as an investment trust) designate as an "interest distribution" all or part of the amount it distributes to Shareholders as dividends, to the extent that it has "qualifying interest income" for the accounting period. Were the Company to designate any dividend it pays in this manner, it would be able to deduct such interest distributions from its income in calculating its taxable profit for the relevant accounting period. It is expected that the majority of the Company's income will be dividend income, rather than qualifying interest income.

In principle, the Company will be liable to UK corporation tax on its dividend income. However, there are broad-ranging exemptions from this charge which would generally be expected to be applicable in respect of most dividends it receives.

3 Shareholders

Taxation of dividends – individuals

(A) *Dividends which are not designated as "interest distributions"*

The following statements in this section (A) summarise the expected UK tax treatment for individual Shareholders who receive dividends in respect of their Ordinary Shares and/or C Shares which are not subject to the streaming regime.

The Company is not required to withhold UK tax when paying a dividend on the Ordinary Shares and/or C Shares.

Finance Act 2016 introduced significant changes to the taxation of dividend income for individuals. With effect from 6 April 2016 the dividend tax credit has been abolished and replaced with a new dividend allowance in the form of a zero per cent. tax rate on the first £5,000 of dividend income per year. In outline, UK residents will pay tax on any dividends received over the £5,000 allowance at the following rates for the 2016/17 and 2017/18 year:

- 7.5 per cent. on dividend income within the basic rate band;
- 32.5 per cent. on dividend income within the higher rate band; and
- 38.1 per cent. on dividend income within the additional rate band.

The Government has announced that the £5000 allowance will be reduced to £2000 with effect from April 2018.

(B) *“Interest distributions”*

The following statements in this section (B) summarise the expected UK tax treatment for individual Shareholders who receive dividends in respect of their Ordinary Shares and/or C Shares which are designated as interest distributions and thus subject to the streaming regime.

If the Directors were to elect for the streaming regime to apply, a UK resident individual Shareholder receiving a dividend designated by the Company as an interest distribution would be treated for tax purposes as receiving a payment of interest. Such a Shareholder would generally be subject to UK income tax at the rates of 20 per cent., 40 per cent. or 45 per cent., depending on the level of the Shareholder’s income and the availability of any exemption, allowance or relief.

With effect from 6 April 2016, each UK resident individual who is a basic rate taxpayer is entitled to a Personal Saving Allowance which exempts the first £1,000 of savings income (including distributions designated as ‘interest distributions’ from an Investment Trust Company). The exempt amount is reduced to £500 for higher rate taxpayers and additional rate taxpayers do not receive an allowance.

Under current law, the Company will generally be required to deduct 20 per cent. income tax when paying dividends which are designated as interest distributions to a UK tax resident individual Shareholder.

For individual Shareholders who are not UK tax resident, the Company should not generally be required to deduct UK tax when paying such dividends provided that the Company has received the necessary declarations of non-residence from the Shareholder.

The Government has announced that, with effect from 6 April 2017, the requirement to deduct tax on payment of dividends designated as interest distributions will be abolished. Draft legislation to implement this change has been published but has not yet been enacted.

Taxation of dividends – companies

(A) *Dividends which are not designated as “interest distributions”*

The following statements in this section (A) summarise the expected UK tax treatment for Shareholders within the charge to UK corporation tax who receive dividends in respect of their Ordinary Shares and/or C Shares which are not subject to the streaming regime.

The Company is not required to withhold UK tax when paying a dividend on the Ordinary Shares and/or C Shares.

Shareholders within the charge to UK corporation tax which are “small companies” (for the purposes of UK taxation of dividends) will not generally be subject to UK corporation tax on dividends paid by the Company on the Ordinary Shares and/or C Shares.

Other Shareholders within the charge to UK corporation tax will not be subject to corporation tax on dividends paid by the Company on the Ordinary Shares and/or C Shares so long as the dividends fall within an exempt class and certain conditions are met. Although it is likely that dividends paid

by the Company on the Ordinary Shares and/or C Shares would qualify for exemption from corporation tax, it should be noted that the exemption is not comprehensive and is subject to anti-avoidance rules. Shareholders should therefore consult their own professional advisers where necessary.

(B) *“Interest distributions”*

The following statements in this section (B) summarise the expected UK tax treatment for Shareholders within the charge to UK corporation tax who receive dividends in respect of their Ordinary Shares and/or C Shares which are designated as interest distributions and thus subject to the streaming regime.

The Company will not generally be required to withhold UK tax when paying a dividend on the Ordinary Shares and/or C Shares where the recipient of the dividend is a company (whether UK resident or not).

If the Directors were to elect for the streaming regime to apply, a Shareholder within the charge to UK corporation tax receiving a dividend designated by the Company as an interest distribution would be treated for tax purposes as receiving interest under a creditor loan relationship. Accordingly, such a Shareholder would be subject to corporation tax in respect of the distribution.

Taxation of chargeable gains

C Shares acquired pursuant to the Open Offer

As a matter of UK tax law, the acquisition of C Shares pursuant to the Open Offer may not, strictly speaking, constitute a reorganisation of share capital for the purposes of UK taxation of chargeable gains. The published practice of HMRC to date has been to treat any subscription of shares by an existing shareholder which is equal to or less than the shareholder’s minimum entitlement pursuant to the terms of an open offer as a reorganisation, but it is not certain that HMRC will apply this practice in circumstances where an open offer is not made to all shareholders. HMRC’s treatment of the Open Offer cannot therefore be guaranteed and specific confirmation has not been requested in relation to the Open Offer.

To the extent that the acquisition of the C Shares pursuant to the Open Offer is regarded as a reorganisation of the share capital of the Company for the purposes of UK taxation of chargeable gains, the C Shares issued to a Shareholder will be treated as the same asset as, and as having been acquired at the same time as, the Shareholder’s existing holding of Ordinary Shares. The amount of subscription monies paid for the C Shares will be added to the base cost of Shareholder’s existing holding of Ordinary Shares. To the extent necessary to calculate any gain or loss on a subsequent disposal of the Ordinary Shares or C Shares, the base cost will be apportioned between the Ordinary Shares and the C Shares by reference to their respective values as at the first date on which quoted market values for the Shares are available following the Open Offer.

If, or to the extent that, the acquisition of C Shares under the Open Offer is not regarded as a reorganisation of the share capital of the Company for the purposes of UK taxation of chargeable gains, the C Shares will generally be treated as having been acquired as part of a separate acquisition of shares with the price paid for those C Shares constituting their base cost.

C Shares acquired pursuant to the Placing, Offer for Subscription or Intermediaries Offer

The issue of C Shares pursuant to the Placing, Offer for Subscription or Intermediaries Offer will not constitute a reorganisation of the share capital of the Company for the purposes of UK taxation of chargeable gains and, accordingly, will generally be treated as a separate acquisition of shares with the price paid for those C Shares constituting their base cost.

Conversion of C Shares

A Conversion of C Shares into new Ordinary Shares should, for the purposes of UK taxation of chargeable gains, generally be treated as a reorganisation of the share capital of the Company. To the extent that this treatment applies, the new Ordinary Shares should be treated as the same asset as the Shareholder’s

original C Shares and as having been acquired at the same time as the C Shares were acquired. To the extent that this reorganisation treatment applies, the Conversion should not be treated as giving rise to a disposal of the Shareholder's C Shares for the purposes of UK taxation of chargeable gains.

Disposals of Ordinary Shares and/or C Shares

Shareholders who sell or otherwise dispose of their Ordinary Shares and/or C Shares may, depending on their circumstances and subject to any available exemption or relief, incur a liability to UK capital gains tax (for individual Shareholders) or UK corporation tax on chargeable gains (for corporate Shareholders).

ISAs

C Shares acquired pursuant to the Open Offer, the Offer for Subscription, the Intermediaries Offer or in the secondary market should generally qualify for inclusion in an ISA, subject to the applicable subscription limits, provided that the Company maintains its status as an investment trust approved by HMRC.

Stamp Duty and Stamp Duty Reserve Tax (SDRT)

The following comments in relation to UK stamp duty and SDRT apply to Shareholders wherever they are resident or domiciled. They are intended only as a general guide and do not relate to persons such as market makers, brokers, dealers, intermediaries or persons connected with depositary arrangements or clearance services, to whom special rules may apply.

The issue of C Shares pursuant to the Issue should not generally be subject to UK stamp duty or SDRT.

Transfers on sale of Shares outside of CREST will generally be subject to UK stamp duty at the rate of 0.5 per cent. of the consideration given for the transfer, rounded up to the nearest £5. The purchaser normally pays the stamp duty. An exemption from stamp duty is available for instruments transferring shares where the amount or value of the consideration is £1,000 or less and it is certified on the instrument that the transaction effected by it does not form part of a larger transaction or series of transactions in respect of which the aggregate amount or value of the consideration exceeds £1,000.

An agreement to transfer Shares will normally give rise to a charge to stamp duty reserve tax ("SDRT") at the rate of 0.5 per cent. of the amount or value of the consideration payable. If a duly stamped instrument of transfer executed in pursuance 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.

Paperless transfers of 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. Such SDRT will generally be collected through the CREST system. Deposits of Shares into CREST will not generally be subject to SDRT, unless the transfer into CREST is itself for consideration.

Information reporting

The UK has entered into international agreements with a number of jurisdictions which provide for the exchange of information in order to combat tax evasion and improve tax compliance. These include, but are not limited to, an Inter-governmental Agreement with the US in relation to FATCA and International Tax Compliance Agreements with Guernsey, Jersey, the Isle of Man and Gibraltar. The UK has also introduced legislation implementing other international exchange of information arrangements, including the Common Reporting Standard developed by the Organisation for Economic Co-operation and Development and the EU Directive on Administrative Cooperation in Tax Matters. In connection with such agreements and arrangements the Company may, among other things, be required to collect and report to HMRC certain information regarding Shareholders and other account holders of the Company and HMRC may pass this information on to the authorities in other jurisdictions.

PART 12

ADDITIONAL INFORMATION

1 The Company, the AIFM and the Manager

- 1.1 The Company was incorporated in England and Wales as a public limited company on 2 March 2011 with an unlimited life. The Company is registered as an investment company under section 833 of the Act with registered number 7549407. The Company is domiciled in England and Wales and currently has no employees.
- 1.2 The Company has no subsidiaries.
- 1.3 The Company operates under the Act and is not regulated as a collective investment scheme by the FCA. Its registered office and principal place of business is at 201 Bishopsgate, London EC2M 3AE. The Company's telephone number is +44 (0) 20 7818 1818.
- 1.4 The existing Ordinary Shares in the Company are admitted to the premium segment of the Official List and are traded on the premium segment of the Main Market. The Company is subject to the Listing Rules, the Prospectus Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation and to the rules of the London Stock Exchange.
- 1.5 The Company intends at all times to conduct its affairs so as to enable it to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011. In summary, the conditions that must be met for approval by HMRC for any given accounting period as an investment trust are that:
- the business of the Company is investing in assets with a view to spreading investment risk and giving members the benefit of the results of management of its funds;
 - the Company is not a close company at any time during the accounting period for which approval is sought;
 - each class of the Company's ordinary share capital is admitted to trading on a regulated market throughout the accounting period; and
 - subject to certain limited exceptions, the Company must not retain in respect of the accounting period an amount greater than 15 per cent. of its income (as calculated for UK tax purposes).
- 1.6 The AIFM is a private limited company incorporated in England and Wales with registered number 02678531. The AIFM is authorised and regulated by the FCA. The registered office address of the AIFM is 201 Bishopsgate, London EC2M 3AE and its telephone number is +44 (0)20 7818 1818.
- 1.7 The Manager is a private limited company incorporated in England and Wales with registered number 00906355. The Manager is authorised and regulated by the FCA. The address of the registered office of the Manager is 201 Bishopsgate, London EC2M 3AE and its telephone number is +44 (0)20 7818 1818.

2 Share Capital

- 2.1 Set out below is the issued share capital of the Company as at the date of this document:

	<i>Nominal Value (£)</i>	<i>Number</i>
Ordinary Shares	1,565,556.06	156,555,606

All of the Ordinary Shares in issue are fully paid up.

- 2.2 Set out below is the issued share capital of the Company as it will be following the Issue but before Conversion (assuming that 75 million C Shares are issued pursuant to the Issue):

	<i>Nominal Value (£)</i>	<i>Number</i>
C Shares	7,500,000	75,000,000
Ordinary Shares	1,565,556.06	156,555,606

All C Shares will be fully paid. All of the Ordinary Shares in issue are fully paid up.

- 2.3 As at the date of this document, the Company held no Ordinary Shares in treasury.
- 2.4 The Company had the following changes in share capital during the period from 1 September 2013 to 28 February 2017:

2.4.1 During the period from 1 September 2016 to 28 February 2017, 475,000 Ordinary Shares were issued for cash in response to continuing Shareholder demand. The Ordinary Shares were issued at a premium to the Net Asset Value per Ordinary Share.

2.4.2 During the period from 1 September 2015 to 31 August 2016, 1,600,000 Ordinary Shares were issued for cash at a premium to the Net Asset Value per Ordinary Share and on 25 April 2016, the Company issued 75,234,056 Ordinary Shares following the acquisition of assets from Henderson Global Trust plc.

2.4.3 During the period from 1 September 2014 to 31 August 2015, 6,795,962 shares were issued comprising 3,920,962 issued to the subscription trustee on exercise of the remaining subscription rights and placed with institutional clients of Panmure Gordon, 225,000 Ordinary Shares issued for cash between 9 January 2015 and 21 January 2015 and the remaining 2,650,000 Ordinary Shares issued for cash under the Company's block listing facility at a premium to the Net Asset Value per Ordinary Share.

2.4.4 During the period from 1 September 2013 to 31 August 2014, the Company issued 22,647,538 Ordinary Shares comprising 17,818,500 Ordinary Shares as a result of a C Share conversion on 22 January 2014 and 450,000 Ordinary Shares issued for cash at a premium to the Net Asset Value per Ordinary Share through utilising the Company's block listing facility. Upon expiry of the subscription shares which lapsed on 31 August 2014, 4,379,038 of the 8,300,000 subscription shares were converted to Ordinary Shares.

- 2.5 In order to authorise the Company to issue the C Shares pursuant to the Issue and the Ordinary Shares pursuant to the Placing Programme, Ordinary Shareholders are being asked to pass the following resolutions at the General Meeting:

2.5.1 that the Directors are generally and unconditionally authorised pursuant to and in accordance with section 551 of the Act to exercise all the powers of the Company to allot C Shares up to an aggregate nominal amount of £15,000,000, such authority to expire immediately following completion of the Issue unless renewed at a general meeting prior to such time, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require C Shares to be allotted, or rights to subscribe for or to convert securities into C Shares to be granted, after the expiry of such authority and the Directors may allot C Shares or grant such rights in pursuance of such an offer or agreement as if the authority conferred had not expired;

2.5.2 that the Directors be empowered, pursuant to sections 570 to 573 of the Act to allot C Shares for cash pursuant to the authority referred to in paragraph 2.5.1 above as if section 561 of the Act did not apply to any such allotment or sale provided that this power: (i) shall be limited to the allotment of C Shares for cash up to an aggregate nominal amount of £15,000,000; and (ii) shall expire immediately following completion of the Issue unless renewed at a general meeting prior to such time, save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or

might require equity securities to be allotted after the expiry of such power, and the Directors may allot equity securities in pursuance of such an offer or agreement as if such power had not expired;

- 2.5.3 that in addition to any existing authorities to allot or grant rights to subscribe for or to convert any security into Ordinary Shares, the Directors are generally and unconditionally authorised pursuant to and in accordance with section 551 of the Act to exercise all the powers of the Company to allot Ordinary Shares up to an aggregate nominal amount of £500,000 in connection with the Placing Programme, such authority to expire at the conclusion of the Company's next annual general meeting or, if earlier, at the close of business on 5 August 2018 unless renewed at a general meeting prior to such time, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require Ordinary Shares to be allotted, or rights to subscribe for or to convert securities into Ordinary Shares to be granted, after the expiry of such authority and the Directors may allot Ordinary Shares or grant such rights in pursuance of such an offer or agreement as if the authority conferred had not expired; and
- 2.5.4 that in addition to any existing authorities to allot Ordinary Shares for cash and to sell Ordinary Shares from treasury for cash as if section 561 of the Act did not apply to any such allotment or sale, the Directors are empowered pursuant to sections 570 to 573 of the Act to allot Ordinary Shares for cash and to sell Ordinary Shares from treasury for cash pursuant to the authority referred to in paragraph 2.5.3 above as if section 561 of the Act did not apply to any such allotment or sale provided that this power: (i) shall be limited to the allotment of Ordinary Shares and the sale of Ordinary Shares from treasury for cash up to an aggregate nominal amount of £500,000; and (ii) expires at the conclusion of the Company's next annual general meeting or, if earlier, at the close of business on 5 August 2018 unless renewed at a general meeting prior to such time, save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require equity securities to be allotted or sold from treasury after the expiry of such power, and the Directors may allot or sell from treasury equity securities in pursuance of such an offer or agreement as if such power had not expired.
- 2.6 By an ordinary resolution and a special resolution, respectively, passed on 16 December 2016 at the Company's AGM :
- 2.6.1 the Directors were generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot equity securities up to an aggregate nominal amount of £156,555, such authority to expire on the date of the Company's 2017 AGM, unless renewed at a general meeting prior to such time, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require equity securities to be allotted after the expiry of such authority and the Directors may allot equity securities in pursuance of such an offer or agreement as if the authority conferred by the resolution had not expired; and
- 2.6.2 the Directors were empowered, pursuant to sections 570 to 573 of the Act to allot equity securities for cash and to sell equity securities from treasury pursuant to the authority referred to in paragraph 2.6.1 above as if section 561 of the Act did not apply to any such allotment or sale provided that this power shall be limited to:
- (a) the allotment of equity securities whether by way of a rights issue, open offer or otherwise in favour of ordinary shareholders on the register of members at such record date as the Directors may determine where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of Ordinary Shares held by them (or are otherwise allotted in accordance with the rights attaching to such equity securities) subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or local or practical problems arising under the laws of, or requirements of any regulatory body or stock exchange in any

territory or otherwise howsoever;

- (b) the allotment (otherwise than pursuant to (i) above) of equity securities up to a maximum aggregate nominal amount of £156,555; and
- (c) to the allotment of equity securities at a price of not less than the net asset value per Ordinary Share;

and shall expire on the date of the Company's 2017 AGM, unless renewed at a general meeting prior to such time, save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require equity securities to be allotted after the expiry of such power, and the Directors may allot equity securities in pursuance of such an offer or agreement as if such power had not expired.

- 2.7 It is expected that the C Shares in respect of the Issue will be allotted pursuant to a resolution of the Board to be passed shortly prior to Admission.
- 2.8 It is expected that the Ordinary Shares to be issued pursuant to the Placing Programme will be allotted, conditional on the relevant Subsequent Admission, pursuant to resolutions of the Board to be passed shortly before the relevant Subsequent Admission.
- 2.9 Save as disclosed in this paragraph 2, no share or loan capital of the Company has been issued or agreed to be issued, or is now proposed to be issued for cash or any other consideration and no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any such capital and no share or loan capital of the Company is under option or agreed, conditionally or unconditionally, to be put under option.
- 2.10 On 27 February 2013, the share premium account of the Company outstanding at that time was cancelled by order of the Court.
- 2.11 The C Shares will be in registered form. Temporary documents of title will not be issued.
- 2.12 Applicants who have signed and returned Application Forms in respect of the Issue may not withdraw their applications for C Shares subject to their statutory right of withdrawal in the event of the publication of a supplementary prospectus.

3 Articles of Association

A summary of the main provisions of the Articles is set out below. The Articles also contain provision relating to the C Shares. Further details on the C Shares can be found in Part 4 of this document.

3.1 Objects

The Articles do not provide for any objects of the Company and accordingly the Company's objects are unrestricted.

3.2 Variation of rights

Subject to the provisions of the Act as amended and every other statute for the time being in force concerning companies and affecting the Company (the "**Statutes**"), if at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class may be varied either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of that class (but not otherwise) and may be so varied either whilst the Company is a going concern or during or in contemplation of a winding-up. At every such separate general meeting the necessary quorum shall be at least two persons 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. Where

the rights of some only of the shares of any class are to be varied, the foregoing provisions apply as if each group of shares of the class differently treated formed a separate class whose rights are to be varied.

3.3 *Alteration of share capital*

The Company may by ordinary resolution:

- 3.3.1 consolidate and divide all or any of its share capital into shares of larger nominal value than its existing shares;
- 3.3.2 sub-divide its shares, or any of them, into shares of smaller nominal value than its existing shares; and
- 3.3.3 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.

3.4 *Issue of shares*

Subject to the provisions of the Act and without prejudice to any rights attaching to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine (or if the Company has not so determined, as the Directors may determine).

3.5 *Dividends*

Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the shareholders but no dividends shall exceed the amount recommended by the Directors. Subject to the provisions of the Act, the Directors may pay interim dividends, or dividends payable at a fixed rate, if it appears to them that they are justified by the profits of the Company available for distribution. If the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred 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.

3.6 *Voting rights*

Subject to any rights or restrictions attached to any shares, on a show of hands every shareholder present in person has one vote and every proxy present who has been duly appointed by a shareholder entitled to vote has one vote, and on a poll every shareholder (whether present in person or by proxy) has one vote for every share of which he is the holder. A shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way. In the case of joint holders, the vote of the senior who tenders a vote shall be accepted to the exclusion of the vote of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the Register.

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 have been paid.

3.7 *Transfer of shares*

A share in certificated form may be transferred by an instrument of transfer, which may be in any usual form or in any other form approved by the Directors, executed by or on behalf of the transferor and, where the share is not fully paid, by or on behalf of the transferee. A share in uncertificated form may be transferred by means of the relevant electronic system concerned.

In their absolute discretion, the Directors may refuse to register the transfer of a share in certificated form which is not fully paid provided that if the share is listed on the Official List such refusal does not prevent dealings in the shares from taking place on an open and proper basis. The Directors may also refuse to register a transfer of a share in certificated form unless the instrument of transfer:

- is lodged, duly stamped, at the registered office of the Company or such other place as the Directors may appoint and is accompanied by the certificate for the share to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- is in respect of only one class of share; and
- is not in favour of more than four transferees.

The Directors may refuse to register a transfer of a share in uncertificated form in any case where the Company is entitled to refuse to register the transfer under the CREST Regulations provided that such refusal does not prevent dealings in the shares from taking place on an open and proper basis.

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 or, in the case of an uncertificated share, the date on which the appropriate instruction was received by or on behalf of the Company in accordance with the CREST Regulations send to the transferee notice of refusal.

No fee shall be charged for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any share.

3.8 ***Distribution of assets on a winding-up***

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

3.9 ***Restrictions on rights: failure to respond to a section 793 notice***

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 Act by the Company in relation his interest in shares (the “default shares”) within 28 days of the notice (or, where the default shares represent at least 0.25 per cent. of their class, 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).

3.10 ***Untraced shareholders***

Subject to various notice requirements, the Company may sell any of a shareholder’s shares if, during a period of 12 years, at least three dividends (either interim or final) on such shares have become payable and no cheque for amounts payable in respect of such shares has been presented and no warrant or other method of payment has been effected and no communication has been received by the Company from the shareholder or person concerned.

3.11 ***Appointment of Directors***

Unless the Company determines otherwise by ordinary resolution, the number of Directors (other than alternate Directors) shall not be subject to any maximum but shall not be less than two.

Subject to the Articles, the Company may by ordinary resolution appoint a person who is willing to act as, and is permitted by law to do so, to be a Director either to fill a vacancy or as an additional Director. The Directors may appoint a person who is willing to act, and is permitted by law to do so, to be a Director, either to fill a vacancy or as an additional Director. A person appointed as a Director by the other Directors is required to retire at the Company's next annual general meeting and shall then be eligible for reappointment.

3.12 *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 to take, or refrain from taking, specified action, 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.

3.13 *Voting at board meetings*

No business shall be transacted in any meeting of the Directors unless a quorum is present and the quorum may be fixed by the Directors; unless so fixed at any other number the quorum shall be two. A Director shall not be counted in the quorum present in relation to a matter or resolution on which he is not entitled to vote but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the meeting. An alternate Director who is not himself a Director shall, if his appointor is not present, be counted in the quorum.

Questions arising at a meeting of the Directors shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

3.14 *Restrictions on voting*

Subject to any other provision of the Articles, a Director shall not vote at a meeting of the Directors on any resolution concerning a matter in which he has, directly or indirectly, a material interest (other than an interest in shares, debentures or other securities of, or otherwise in or through, the Company) unless his interest arises only because the case falls within certain limited categories specified in the Articles.

3.15 *Directors' interests*

Subject to the provisions of the Act and provided that the Director has disclosed to the other Directors the nature and extent of any material interest of his, a Director, notwithstanding his office, may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested and may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is interested.

3.16 *Indemnity*

Subject to the provisions of the Act, the Company may indemnify any person who is a Director, secretary or other officer of the Company, against (a) any liability whether in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any associated company or (b) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office; and purchase and maintain insurance for any person who is a Director, secretary, or other officer or auditor of the Company in relation to anything done or omitted to be done or alleged to have been done or omitted to be done as Director, secretary, officer or auditor.

3.17 *General meetings*

In the case of the annual general meeting, twenty-one clear days' notice at the least shall be given to all the members and to the auditors. All other general meetings shall also be convened by not less than twenty-one clear days' notice to all those members and to the auditors unless the Company

offers members an electronic voting facility and a special resolution reducing the period of notice to not less than fourteen clear days has been passed in which case a general meeting may be convened by not less than fourteen clear days' notice in writing.

No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a shareholder or a proxy for a shareholder or a duly authorised representative of a corporation which is a shareholder (including for this purpose two persons who are proxies or corporate representatives of the same shareholder), 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 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 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 two 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.

3.18 ***Borrowing powers***

The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (insofar as they can) that the aggregate amount outstanding of all money borrowed by the Company and its subsidiaries for the time being shall not at any time when any borrowing is drawn down, save with the previous sanction of an ordinary resolution of the Company, exceed an amount equal to 100 per cent. of NAV.

3.19 ***Life***

The Articles contain a provision requiring the Directors to propose an ordinary resolution for the continuation of the Company at every third annual general meeting of the Company. Upon any such resolution not being passed, proposals will be put forward to the effect that the Company be wound up, liquidated reconstructed or unitised.

4 City Code on Takeovers and Mergers

4.1 ***Mandatory bid***

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

- 4.1.1 a person acquires an interest in shares 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

4.1.2 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 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 at a price not less than the highest price paid for any interests in the shares by the acquirer or its concert parties during the previous 12 months.

4.2 *Compulsory Acquisition*

Under sections 974 to 991 of the Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of the shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares not assented to the offer. It would do so by sending a notice to holders of outstanding shares telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the company, which would hold the consideration on trust for the holders of outstanding shares. The consideration offered to the holders whose shares are compulsorily acquired under the act must, in general, be the same as the consideration that was available under the takeover offer.

In addition, pursuant to section 983 of the Act, if an offeror acquires or agrees to acquire not less than 90 per cent. of the shares (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire his shares on the same terms as the takeover offer.

The offeror would be required to give any holder of outstanding shares notice of his right to be bought out within one month of that right arising. Such sell-out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of outstanding shares notifying them of their sell-out rights. If a holder of shares exercises its rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

5 **Interests of Directors, major Shareholders and related party transactions**

5.1 At the Latest Practicable Date, the Directors held the following interests in the share capital of the company:

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued Ordinary Share capital</i>
Christopher Jonas	159,730	0.10
William Eason	125,000	0.08
Simon Jeffreys	127,397	0.08
Richard Hills	33,206	0.02
Aidan Lisser	15,000	0.01

The Directors intend to subscribe for C Shares pursuant to the Issue in the amounts set out below:

<i>Name</i>	<i>Number of C Shares</i>	<i>Percentage of issued C Share Capital*</i>
Christopher Jonas	50,000	0.067
William Eason	50,000	0.067
Simon Jeffreys	63,698	0.085
Richard Hills	10,000	0.013
Aidan Lisser	7,500	0.01

* Assuming that the Issue is subscribed as to 75 million C Shares.

Save as disclosed in this paragraph, immediately following Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

- 5.2 No Director has a service contract with the company, nor are any such contracts proposed, each Director having been appointed pursuant to a letter of appointment entered into with the Company. The Directors' appointments can be terminated in accordance with the Articles and without compensation. The Directors are subject to retirement by rotation in accordance with the Articles.

There is no notice period specified in the letters of appointment or Articles for the removal of Directors. The Articles provide that the office of Director shall be terminated by, among other things: (i) written resignation; (ii) unauthorised absences from board meetings for six consecutive months or more; or (iii) written request of all of the other Directors.

- 5.3 The current annual fees payable to the Directors are £39,000 for the Chairman, £29,000 for the Audit Committee Chairman and £24,000 for other Directors. The total remuneration receivable by the Directors and paid by the Company to the Directors in respect of the Company's accounting period ended 31 August 2016 was £114,028.

There are no amounts set aside or accrued by the Company to provide pension, retirement or similar benefits.

- 5.4 The Company has not made any loans to the Directors which are outstanding, nor has it ever provided any guarantees for the benefit of any Director or the Directors collectively.
- 5.5 Over the five years preceding the date of this document, the Directors hold or have held the following directorships (apart from their directorships of the Company) or memberships of the following administrative, management or supervisory bodies and/or partnerships:

Christopher Jonas

Present directorships and partnerships

The Contemporary Art Society
Wye Valley Partners LLP

Past directorships and partnerships

Chelsfield Partners LLP
ECNLive Limited
Executive Channel Europe Limited
Executive Channel Europe Ltd
Henderson Global Property Companies Limited
PSUK II (Jersey) Ltd
PSUK (Jersey) Ltd
Ramteazle Limited
Sunco II LLP
The Clothworkers Company Limited
The Clothworkers Company Properties Limited
The Clothworkers Foundation
Victoria Square Gardens Limited

Bill Eason

Present directorships and partnerships

Institutional Protection Services Limited
The European Investment Trust plc
The Gordon Foundation
Regional REIT Ltd
Regional REIT ZDP plc

Past directorships and partnerships

Cheviot Partners LLP

Simon Jeffreys

Present directorships and partnerships

Aon UK Limited
Sim Corp A/S
St James's Place plc
Templeton Emerging Markets Trust plc

Past directorships and partnerships

Diamond Light Source Limited
Fidelity Structured Investments SPC
Genome Research Limited
Gower Place Investments Limited
MSD Wellcome Trust Hilleman Laboratories
Private Limited
Syncona Management Services Limited
Wellcome Trust Finance plc
Wellcome Trust Finance plc
Wellcome Trust GP Limited
Wellcome Trust International Limited
Wellcome Trust Investments 1 Unlimited
Wellcome Trust Investments 2 Unlimited
Wellcome Trust Investments 3 Unlimited
Wellcome Trust Residential 1 Limited
Wellcome Trust Residential 2 Limited
Wellcome Trust Residential 1 Unlimited

Richard Hills

Present directorships and partnerships

Darley Energy plc
JPMorgan Income & Capital Trust plc
Strategic Equity Capital plc
The SME Loan Fund plc

Past directorships and partnerships

Aberdeen New Dawn Investment Trust plc
Aztec Financial Services (Guernsey) Limited
Aztec Group Limited
Cinven Limited
Engandscot Limited
Imprimatur Capital Limited
Henderson Global Trust plc
Phaunos Timber Fund Ltd

Aidan Lisser

Present directorships and partnerships

Past directorships and partnerships

Henderson Global Trust plc

- 5.6 Save as disclosed in paragraph 5.7, the Directors in the five years before the date of this document:
- 5.6.1 do not have any convictions in relation to fraudulent offences;
 - 5.6.2 have not been associated with any bankruptcies, receiverships or liquidations of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
 - 5.6.3 have not had any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.
- 5.7 Richard Hills and Aidan Lisser were both directors of Henderson Global Trust plc which merged with the Company in April 2016 by way of a scheme of reconstruction and voluntary winding-up of Henderson Global Trust plc.

- 5.8 So far as is known to the Company, and which is notifiable under the Disclosure Guidance and Transparency Rules, as at the Latest Practicable Date the following persons held, directly or indirectly, three per cent. or more of the Company's voting rights:

<i>Name</i>	<i>Number of voting rights held</i>	<i>Percentage of voting rights</i>
Brewin Dolphin Limited	11,370,449	7.05
Old Mutual	9,362,885	6.0
Smith & Williamson Holdings Limited	7,295,172	4.66

- 5.9 All Ordinary Shareholders have the same voting rights in respect of the share capital of the Company.
- 5.10 The Company and the Directors are not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.
- 5.11 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.
- 5.12 Save for continuing payment of Directors' remuneration and management fees on the bases set out in paragraphs 5.3 and 6.4 respectively of this Part 12, there have been no related party transactions entered into by the Company at any time during the period from 1 September 2013 to the date of this document.
- 5.13 Save for each of the Director's interests in the share capital of the Company (referred to in paragraph 5.1) and the annual fees payable to the Directors (referred to in paragraph 5.3), none of the Directors has any conflict of interest or potential conflicts of interest between any duties to the Company and his private interests and any other duties. The AIFM, the Manager, any of their directors, officers, employees, agents and affiliates and the Directors and any person or company with whom or which they are affiliated or by whom or which 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. For example, an Interested Party may acquire on behalf of a client an investment in which the Company may invest.

6 Material Contracts

Save as described below, the Company has not: (i) entered into any material contracts (other than contracts in the ordinary course of business) within the two years immediately preceding the publication of this document; or (ii) entered into any contracts that contain provisions under which the Company has any obligation or entitlement that is material to the Company as at the date of this document.

6.1 *Placing and Offer Agreement*

The Placing and Offer Agreement dated 5 April 2017 between the Company, the Manager and Panmure Gordon, pursuant to which, subject to certain conditions, Panmure Gordon has agreed to use reasonable endeavours to procure subscribers for C Shares at the Issue Price.

In consideration for its services in relation to the Issue, Panmure Gordon is entitled to be paid a commission by the Company. Panmure Gordon is also entitled to receive a commission of up to 0.4 per cent. of the value of any Ordinary Shares issued pursuant to the Placing Programme.

The Manager has agreed that, in the event that the costs and expenses of the Issue were to exceed 2.0 per cent. of the Gross Proceeds of the Issue, the excess over 2.0 per cent. will be borne by the Manager.

The Company and the Manager have given warranties to Panmure Gordon concerning, *inter alia*, the accuracy of the information contained in this document. The Company has also given an indemnity to Panmure Gordon. The warranties and indemnities are standard for an agreement of this nature.

The Placing and Offer Agreement is governed by the laws of England and Wales.

6.2 **Receiving Agent Agreement**

The receiving agent agreement between the Company and the Receiving Agent dated 5 April 2017, pursuant to which the Receiving Agent has agreed to provide receiving agent duties and services to the Company in respect of the Issue. Under the terms of the agreement, the Receiving Agent is entitled to a management fee together with various processing fees. The Receiving Agent will also be entitled to reimbursement of all out of pocket expenses reasonably incurred by it in connection with its duties. These fees will be for the account of the Company.

The agreement contains a provision whereby the Company indemnifies the Receiving Agent against all actions, proceedings, liability, claims, damages, costs, losses and expenses incurred in connection with the Receiving Agent's services under the agreement, save where due to fraud, wilful default or negligence on the part of the Receiving Agent.

The agreement is governed by the laws of England and Wales.

6.3 **Transfer Agreement**

The transfer agreement dated 25 April 2016 between the Company, the liquidators of HGT and HGT, pursuant to which a pool of HGT's assets were transferred to the Company in consideration for the allotment by the Company of new Ordinary Shares.

6.4 **Management Agreement**

The Management Agreement dated 17 July 2014 between the Company and the AIFM, as amended, whereby the AIFM is appointed to act as the discretionary investment manager of the Company and as alternative investment fund manager to the Company for the purposes of the AIFM Directive with responsibility to manage the assets of the Company and to advise the Company on a day to day basis in accordance with the investment policy of the Company and subject to the overall control and supervision of the Board. Under the terms of the Management Agreement, the AIFM has discretion to buy, sell, retain, exchange, convert, redeem or otherwise deal in investment assets for the account of the Company.

Under the terms of the Management Agreement, the AIFM is entitled to a management fee together with reimbursement of reasonable expenses incurred by it in the performance of its duties. The management fee is payable quarterly in arrear and currently is at the rate of 0.65 per cent. of Net Asset Value per annum on Net Asset Value up to £250 million and 0.60 per cent. of Net Asset Value per annum in respect of Net Asset Value in excess of £250 million.

Under the Management Agreement, the AIFM may delegate the exercise of all or any of its powers, provided that the AIFM does not delegate its duties to the extent that it becomes a "letter-box entity" within the meaning of the AIFM Directive.

The Management Agreement is terminable by either the AIFM or the Company giving to the other not less than six months' written notice. The Management Agreement may be terminated earlier by either party with immediate effect and without compensation on the occurrence of certain events, including material and continuing breach and insolvency. On termination the AIFM is entitled to receive its fees payable under the Management Agreement *pro rata* to the date of termination and the Company will pay any necessary termination expenses.

The Company has given an indemnity in favour of the AIFM, its group members and their respective officers, employees and agents in respect of the AIFM's potential losses in carrying on its responsibilities under the Management Agreement.

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

6.5 **Registrar Agreement**

The Registrar Agreement between the Company and the Registrar dated 21 November 2014 (as amended), pursuant to which the Registrar has been appointed as registrar to the Company. The Registrar is entitled to an annual fee of £10,175 for the provision of its services to the Company. The Registrar is also entitled to certain transaction fees under the Registrar Agreement.

Either party may terminate the Registrar Agreement on not less than six months' written notice, such notice not to expire prior to 1 November 2017. Either party may terminate the Registrar Agreement with immediate effect in certain circumstances, including in the event of material and continuing breach or insolvency.

The Registrar Agreement limits the Registrar's liability thereunder over any 12 month period to an agreed multiple of the fees payable by the Company to the Registrar in any 12 month period. The Company indemnifies the Registrar against all losses arising out of or connected to the performance of its obligations under the Registrar Agreement, save in the case of a breach by the Registrar of the terms of the Registrar Agreement. The Registrar also indemnifies the Company against all losses which it may incur as a result of or in connection with the fraud, wilful default or negligence of the Registrar.

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

6.6 **Depositary Agreement**

The Depositary Agreement dated 18 July 2014 between the Company, the AIFM and the Depositary, pursuant to which the Depositary has been appointed to provide depositary services to the Company, in fulfilment of the requirements of the AIFM Directive.

Under the Depositary Agreement, the Depositary has safekeeping of assets, cash flow monitoring and oversight responsibilities. It has strict liability in relation to financial instruments and is liable for negligence and wilful default. The Depositary Agreement is terminable on 180 days' notice. The Depositary Agreement is subject to earlier termination on the occurrence of certain events, including insolvency and material and continuing breach.

The Depositary is able to delegate safekeeping to another person provided it follows the requirements of the AIFMD, which include that the delegation is for objective reasons and that the Depositary undertakes due diligence and monitoring of the delegate.

The Depositary is entitled to an annual fee equal to 0.01 per cent. per annum of Net Asset Value, subject to a minimum annual fee of £20,000. The Depositary is also entitled to receive custody fees in accordance with a specified schedule of charges.

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

6.7 **Facility agreement**

A facility agreement dated 4 May 2011 (as amended) between the Company as borrower and HSBC Bank plc as lender in respect of an overdraft facility made available by HSBC Bank plc to the Company in an amount not exceeding the lesser of: (a) £50,000,000; and (b) 25 per cent. of assets under custody, for the purpose of providing liquidity. Interest is charged monthly in arrear on any amounts outstanding under the facility at a rate per annum which is the aggregate of HSBC Bank plc's base rate plus 1.25 per cent. A fee is also payable by the Company at the rate of £15,000 per annum.

6.8 **Charge agreement**

A charge dated 18 July 2014 between the Company as chargor and HSBC Bank plc as the secured party pursuant to which the Company has charged its assets in favour of HSBC Bank plc.

7 Litigation

There have been no governmental, legal or arbitration proceedings, and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened, during the 12 months preceding the date of this document which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Company.

8 General

- 8.1 Where information has been sourced from third parties, the Company confirms that this information has been accurately reproduced and that, so far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 8.2 Panmure Gordon has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.
- 8.3 Each of Henderson Investment Funds Limited and Henderson Global Investors Limited has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.
- 8.4 Henderson Global Investors Limited accepts responsibility for the information contained in paragraph 3 of Part 1, Part 2 and paragraph 3 of Part 6 of this document and has authorised the inclusion of that information in the form and context in which it is included. Henderson Global Investors Limited has taken all reasonable care to ensure that the information contained in paragraph 3 of Part 1, Part 2 and paragraph 3 of Part 6 of this document is, to the best of its knowledge, in accordance with the facts and contains no omissions likely to affect its import.
- 8.5 The effect of the Issue will be to increase the net assets of the Company. On the assumption that the Issue is subscribed as to 75 million C Shares, the Issue will increase the net assets of the Company by approximately £73.85 million, equivalent to approximately 30 per cent. of the net assets of the Company of £241.9 million as at the Latest Practicable Date. Upon Conversion, the Company's net assets will not be materially affected.
- 8.6 Where new Ordinary Shares are issued pursuant to the Placing Programme, the total assets of the Company will increase by that number of new Ordinary Shares issued multiplied by the relevant Placing Programme Price less broker's commission and expenses.
- 8.7 The Directors intend to use the Net Proceeds of the Issue and the Placing Programme to purchase investments sourced by the investment team in line with the Company's investment policy. Accordingly, it is not expected that there will be any material impact on the earnings and liabilities per Ordinary Share as a result of either the Issue or the Placing Programme.
- 8.8 There are no interests that are material to either the Issue or the Placing Programme and no conflicting interests.

9 Auditors

The auditors to the Company are Grant Thornton UK LLP of 30 Finsbury Square, London EC2P 2YU. Grant Thornton UK LLP is registered to carry on audit work by The Institute of Chartered Accountants in England and Wales (ICAEW). The firm is a member of the ICAEW Practice Assurance scheme and is subject to the jurisdiction of The Accountancy and Actuarial Discipline Board. Grant Thornton UK LLP have audited the Company's annual accounts for the financial periods ended 31 August 2014, 31 August 2015 and 31 August 2016 and no other information contained in this document.

10 Depositary

The Depositary is HSBC Bank plc, a public limited company incorporated in England and Wales on 1 July 1880 under company number 14259. Its registered office is at 8 Canada Square, London E14 5HQ, telephone number +44 (0)20 7991 8888. The Depositary is authorised and regulated by the FCA for the conduct of its investment business in the United Kingdom and by the PRA.

11 Documents on display

The following documents will be available for inspection during usual business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices of the AIFM, 201 Bishopsgate, London EC2M 3AE until 4 April 2018:

- 11.1 this document;
- 11.2 the Articles;
- 11.3 the audited accounts of the Company for the years ended 31 August 2015 and 31 August 2016; and
- 11.4 the half year report and accounts of the Company for the six months ended 29 February 2016 and for the six months ended 28 February 2017.

A copy of this document will also be available from the National Storage Mechanism (www.hemscott.com/nsm.do) from the date of this document.

12 Intermediaries

The Intermediaries authorised by the Company at the date of this document to use this document in connection with the Intermediaries Offer are:

AJ Bell Securities Ltd
Interactive Investor Trading Limited
Equiniti Financial Services Ltd

13 Documents incorporated by reference

This document should be read and construed in conjunction with the following documents, which have been previously published and filed with the FCA, which are available from the offices of the AIFM, 201 Bishopsgate, London EC2M 3AE and from the Company's website at <http://www.henderson.com/sites/trusts/international-income-trust/home.aspx> and which are available for inspection in accordance with paragraph 11 above:

<i>Reference document</i>	<i>Information incorporated by reference</i>	<i>Page number in the document</i>
2017 Half Year Report and Accounts	<i>Performance Highlights</i>	1
	<i>Chairman's Statement</i>	2 – 3
	<i>Statement of Directors' Responsibilities</i>	4
	<i>Fund Manager's Report</i>	5
	<i>Investment Portfolio</i>	6 – 8
	<i>Condensed Income Statement</i>	9
	<i>Condensed Statement of Changes in Equity</i>	10
	<i>Condensed Statement of Financial Position</i>	11
	<i>Condensed Statement of Cash Flows</i>	12
	<i>Notes to the Financial Statements</i>	13 – 16
2016 Annual Report and Accounts	<i>Performance Highlights</i>	2 – 3
	<i>Business Model</i>	4
	<i>Chairman's Statement</i>	5 – 6
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Dated: 5 April 2017

PART 13

DEFINITIONS

“Act”	the Companies Act 2006, as amended from time to time
“Admission”	admission of the C Shares to be issued pursuant to the Issue or, where the context requires, admission of the Ordinary Shares to be issued pursuant to a Subsequent Placing: (i) to trading on the premium segment of the Main Market becoming effective in accordance with the LSE Admission Standards; and (ii) to the premium listing of the Official Listing becoming effective in accordance with the Listing Rules
“AGM”	annual general meeting
“AIC Code”	the Association of Investment Companies’ Code of Corporate Governance, as amended from time to time
“AIC Guide”	the Association of Investment Companies’ Corporate Governance Guide for Investment Companies, as amended from time to time
“AIFM” or “HIFL”	Henderson Investment Funds Limited, the Company’s alternative investment fund manager
“AIFM Directive” or “AIFMD”	Directive 2011/61/EU on Alternative Investment Fund Managers
“Application Forms” and each an “Application Form”	the Offer for Subscription Application Form and/or the Open Offer Application Form, as the context requires
“Articles”	the articles of association of the Company in force at the date of this document or, where the context requires, the New Articles
“Auditors”	Grant Thornton UK LLP or such other auditor as the Company may appoint from time to time
“Benchmark”	the MSCI World ex UK (Sterling adjusted)
“Business Day”	a day (excluding Saturdays and Sundays or public holidays in England and Wales) on which banks generally are open in London for the transaction of normal business
“C Shares”	C shares of 10 pence each in the capital of the Company having the rights and restrictions set out in Part 4 of this document
“Calculation Date”	the time and date referred to in paragraph 1 of Part 4 of this document
“certified” or “in certificated form”	not in uncertificated form
“Company”	Henderson International Income Trust plc
“Computershare”	Computershare Investor Services PLC
“Conversion”	the conversion of C Shares into new Ordinary Shares and Deferred Shares, as described in Part 4 of this document
“Conversion Date”	the time and date referred to in paragraph 1 of Part 4 of this document
“Conversion Ratio”	the ratio at which the C Shares convert into new Ordinary Shares

“CREST”	the relevant system as defined in the CREST Regulations in respect of which Euroclear is the operator (as defined in the CREST Regulations) in accordance with which securities may be held in uncertificated form
“CREST Manual”	the compendium of documents entitled CREST Manual issued by Euroclear from time to time
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended
“Deferred Shares”	deferred shares in the capital of the Company arising on Conversion
“Depositary”	HSBC Bank plc
“Depositary Agreement”	the depositary agreement dated 18 July 2014 between the Company, the AIFM and the Depositary summarised in paragraph 6.6 of Part 12 of this document
“Directors” or “Board”	the board of directors of the Company
“Disclosure Guidance and Transparency Rules”	the disclosure guidance and transparency rules contained within the FCA Handbook
“ERISA”	US Employee Retirement Income Security Act of 1976, as amended
“Euroclear”	Euroclear UK & Ireland Limited
“FCA”	the UK Financial Conduct Authority
“FCA Handbook”	the FCA handbook of rules and guidance as amended from time to time
“Forms of Proxy”	the personalised forms of proxy for use by Ordinary Shareholders in respect of the General Meeting
“FSMA”	the UK Financial Services and Markets Act 2000, as amended
“General Meeting”	the general meeting of the Company to be held at 3.00 p.m. on 5 May 2017 for the purpose of approving the Resolutions
“Gross Assets”	the gross assets of the Company as determined in accordance with the accounting principles adopted by the Company from time to time
“Gross Proceeds”	an amount in Sterling equal to the aggregate, before any deductions or payments of fees or commissions, of the total gross proceeds raised under either the Issue or the Placing Programme, as the context requires, equal to the number of Shares issued by the price at which such Shares are issued
“HGT”	Henderson Global Trust plc
“HMRC”	Her Majesty’s Revenue & Customs
“Intermediaries”	the entities listed in paragraph 12 of Part 12 of this document, together with any other intermediary (if any) that is appointed by the Company in connection with the Intermediaries Offer after the date of this document and “Intermediary” shall mean any one of them

“Intermediaries Booklet”	the booklet entitled “HENDERSON INTERNATIONAL INCOME TRUST plc: Information for Intermediaries” and containing, among other things, the Intermediaries Terms and Conditions
“Intermediaries Offer”	the offer of C Shares by the Intermediaries to retail investors
“Intermediaries Offer Adviser”	Panmure Gordon
“Intermediaries Terms and Conditions”	the terms and conditions agreed between the Intermediaries Offer Adviser, the Company, the Manager and the Intermediaries in relation to the Intermediaries Offer and contained in the Intermediaries Booklet
“ISA”	an individual savings account maintained in accordance with the UK Individual Savings Account Regulations 1998, as amended from time to time
“Issue”	together the Open Offer, the Offer for Subscription, the Placing and the Intermediaries Offer
“Issue Price”	100 pence per C Share
“Issue Resolutions”	resolutions 1 and 3 to be proposed at the General Meeting
“Latest Practicable Date”	close of business on 31 March 2017, being the latest practicable date prior to the date of this document for ascertaining certain information contained herein
“Listing Rules”	the listing rules made by the UK Listing Authority under section 73A of FSMA
“London Stock Exchange”	London Stock Exchange plc
“LSE Admission Standards”	the admission and disclosure standards published by the London Stock Exchange
“Main Market”	the main market for listed securities operated by the London Stock Exchange
“Management Agreement”	the management agreement dated 17 July 2014 (as amended), between the AIFM and the Company, summarised in paragraph 6.4 of Part 12 of this document
“Manager”	Henderson Global Investors Limited
“Market Abuse Regulation”	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse
“Member State”	any member state of the European Economic Area
“Money Laundering Regulations”	the UK Money Laundering Regulations 2007, as amended
“NAV” or “Net Asset Value”	the value of the assets of the Company less its liabilities, determined in accordance with the accounting principles adopted by the Company from time to time and calculated in accordance with the AIC formula, before deducting dividends declared but not ex-dividend
“Net Asset Value per Ordinary Share” or “NAV per Ordinary Share”	at any time the Net Asset Value attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) at the date of calculation

“Net Proceeds”	the Gross Proceeds of the Issue or the Placing Programme, as the context requires, less the fees, expenses and commissions incurred by the Company in respect of the Issue or the Placing Programme respectively
“New Articles”	the articles of association of the Company proposed to be adopted pursuant to a special resolution at the General Meeting
“Non-CREST Shareholders”	Shareholders holding existing Ordinary Shares in certificated form
“Offer for Subscription”	the offer for subscription to the public in the UK to subscribe for C Shares at the Issue Price on the terms and conditions set out in Part 9 of this document
“Offer for Subscription Application Form”	the form of application as appended to this document by which application may be made under the Offer for Subscription
“Official List”	the official list maintained by the UK Listing Authority
“Open Offer”	the offer to Ordinary Shareholders, constituting an invitation to apply for C Shares, on the terms and subject to the conditions set out in Part 8 of this document and, in the case of Non-CREST Shareholders, the Open Offer Application Form
“Open Offer Application Form”	the application form on which Non-CREST Shareholders who are registered on the Register as at the Record Date may apply for C Shares under the Open Offer
“Open Offer Entitlement”	the entitlement of Ordinary Shareholders to apply for C Shares pursuant to the Open Offer on the basis of one C Share for every two existing Ordinary Shares held and registered in their names as at the Record Date
“Ordinary Shareholder”	a holder of Ordinary Shares
“Ordinary Shares”	ordinary shares of one penny each in the capital of the Company
“Overseas Shareholder”	a Shareholder who is not resident in, or who is outside, or who has a registered address outside, the United Kingdom
“Panmure Gordon”	Panmure Gordon (UK) Limited, the Company’s sponsor, broker, placing agent and intermediaries offer adviser
“Placee”	a person subscribing for C Shares under the Placing and/or Ordinary Shares under a Subsequent Placing
“Placing”	the conditional placing of C Shares by Panmure Gordon at the Issue Price as described in this document
“Placing and Offer Agreement”	the conditional agreement between the Company, the Manager and Panmure Gordon summarised in paragraph 6.1 of Part 12 of this document
“Placing Programme”	the proposed programme of Subsequent Placings of up to 50 million Ordinary Shares as described in this document
“Placing Programme Price”	the price at which new Ordinary Shares will be issued pursuant to a Subsequent Placing under the Placing Programme, as described in Part 5 of this document
“Placing Programme Resolutions”	resolutions 2 and 4 to be proposed at the General Meeting

“PRA”	the UK Prudential Regulation Authority
“Prospectus Directive”	the EU Prospectus Directive 2003/71/EC
“Prospectus Rules”	the rules and regulations made by the FCA under Part 6 of FSMA
“RDR”	Retail Distribution Review
“Receiving Agent”	Computershare Investor Services PLC
“Record Date”	3 April 2017
“Register”	the register of members of the Company
“Registrar”	Computershare Investor Services PLC
“Registrar Agreement”	the registrar agreement dated 21 November 2014 (as amended) between the Company and the Registrar summarised in paragraph 6.5 of Part 12 of this document
“Regulation S”	Regulation S under the US Securities Act
“Regulatory Information Service”	a service authorised by the UK Listing Authority to release regulatory announcements to the London Stock Exchange
“Relevant Member State”	each Member State which has implemented the Prospectus Directive or where the Prospectus Directive is applied by the regulator
“Resolutions”	the resolutions to be proposed at the General Meeting as described in the circular to Ordinary Shareholders dated 5 April 2017
“Restricted Jurisdiction”	each of Australia, Canada, Japan, New Zealand, the Republic of South Africa and the United States
“SDRT”	stamp duty reserve tax
“Shareholder”	a holder of Shares
“Shares”	Ordinary Shares and/or C Shares, as the context requires
“Subsequent Admission”	Admission in respect of any Ordinary Shares issued pursuant to a Subsequent Placing
“Subsequent Placing”	any placing of Ordinary Shares pursuant to the Placing Programme described in this document
“Sub-Investment Management Agreement”	the sub-investment management agreement dated 21 July 2014 between the AIFM and the Manager pursuant to which the AIFM has delegated portfolio management of the Company’s assets to the Manager
“Takeover Code”	The City Code on Takeovers and Mergers
“Tax Residency Self-Certification Form”	the tax residency self-certification form to be completed by individual applicants under the Offer for Subscription who do not intend to hold C Shares in CREST, attached as Appendix 2 to this document or, in respect of joint holders or entities, such other form as provided by the Receiving Agent for use in connection with the Offer for Subscription
“UK”	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 from time to time
“UK GAAP”	UK Generally Accepted Accounting Principles
“UK Listing Authority” or “UKLA”	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
“uncertificated” or “in uncertificated form”	a Share recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“Underlying Applicants”	investors who wish to acquire Ordinary Shares under the Intermediaries Offer who are clients of any Intermediary
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
“US Code”	US Internal Revenue Code, as amended
“US Investment Company Act”	the US Investment Company Act of 1940, as amended
“US Person”	a US Person as defined for the purposes of Regulation S
“US Securities Act”	the United States Securities Act of 1933, as amended

**NOTES ON HOW TO COMPLETE THE OFFER FOR SUBSCRIPTION
APPLICATION FORM (APPENDIX 1) AND THE TAX RESIDENCY
SELF-CERTIFICATION FORM (APPENDIX 2)**

All applicants must complete Appendix 1.

All applicants who are individuals, excluding any applicants who intend to hold C Shares in CREST, must complete the Tax Residency Self-Certification Form at Appendix 2.

Any individual applicant who is a joint holder and who does not intend to hold C Shares in CREST should not complete Appendix 2 and should contact the Receiving Agent to request the relevant Tax Residency Self-Certification Form to complete as set out in the following paragraph.

In the case of applicants who are: (i) joint holders; or (ii) entities, please contact the Receiving Agent on 0370 707 4033 or from outside the UK on +44 370 707 4033 to request the relevant Tax Residency Self-Certification Form.

Applications (including Appendix 2, if applicable or any other Tax Residency Self-Certification Form provided by the Receiving Agent on request by the applicant) should be returned so as to be received no later than 11.00 a.m. (London time) on 4 May 2017.

HELP DESK: If you have a query concerning completion of the Application Form or the Tax Residency Self-Certification Form please call the Receiving Agent on 0370 707 4033 or from outside the UK on +44 370 707 4033.

APPENDIX 1

1. APPLICATION

Fill in (in figures) in Box 1 the number of C Shares you wish to subscribe for. The number being subscribed for must be a minimum of 1,000 C Shares and thereafter in multiples of 1,000 C Shares. Financial intermediaries who are investing on behalf of clients should make separate applications or, if making a single application for more than one client, provide details of all clients in respect of whom application is made in order to benefit most favourably from any scaling back should this be required or to benefit most favourably from any commission arrangements.

2A. HOLDER DETAILS

Fill in (in block capitals) the full name and address of each holder. Applications may only be made by persons aged 18 or over. In the case of joint holders only the first named may bear a designation reference and the address given for the first named will be entered as the registered address for the holding on the share register and used for all future correspondence. A maximum of four joint holders is permitted. All holders named must sign the Application Form at section 3.

2B. CREST

If you wish your C Shares to be deposited in a CREST Account in the name of the holders given in section 2A enter in section 2B the details of that CREST Account. Where it is requested that C Shares be deposited into a CREST Account please note that payment for such C Shares must be made prior to the day such C Shares might be allotted and issued. It is not possible for an applicant to request that C Shares be deposited in their CREST Account on an against payment basis. Any Application Form received containing such a request will be rejected.

3. SIGNATURE

All holders named in section 2A must sign section 3 and insert the date. The Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor or a bank) must be enclosed for inspection (which originals will be returned by post at the addressee's risk). A corporation should sign

under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

4. SETTLEMENT

(A) CHEQUE/BANKER'S DRAFT

Payments must be made by cheque or banker's draft in sterling drawn on a branch in the United Kingdom of a bank or building society which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided for members of any of these companies. Such cheques or banker's drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have a sole or joint title to the funds should be made payable to CIS PLC RE: Henderson International Income Trust plc OFS A/C. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping and endorsing the cheque/banker's draft to such effect.

The account name should be the same as that shown on the application.

(B) ELECTRONIC BANK TRANSFERS

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 11.00 a.m. on 4 May 2017. Applicants wishing to make a CHAPS payment should contact Computershare stating HINT OFS by email at paymentqueries@computershare.co.uk for full bank details or telephone the shareholder helpline on 0370 707 4033 (from within the UK) or on +44 370 707 4033 (if calling from outside the UK) for further information. Applicants will be provided with a unique reference number which must be used when making the payment.

(C) CREST SETTLEMENT

The Company will apply for the C Shares issued pursuant to the Offer for Subscription in uncertificated form to be enabled for CREST transfer and settlement with effect from Admission (the "**Settlement Date**"). Accordingly, settlement of transactions in the C Shares will normally take place within the CREST system.

The Application Form in Appendix 1 contains details of the information which Computershare will require from you in order to settle your application within CREST, if you so choose. If you do not provide any CREST details or if you provide insufficient CREST details for Computershare to match to your CREST account, Computershare will deliver your C Shares in certificated form provided payment has been made in terms satisfactory to the Company.

The right is reserved to issue your C Shares in certificated form should the Company, having consulted with Computershare, consider this to be necessary or desirable. This right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST or any part of CREST or on the part of the facilities and/or system operated by Computershare in connection with CREST.

The person named for registration purposes in your Application Form (which term shall include the holder of the relevant CREST account) must be: (i) the person procured by you to subscribe for or acquire the relevant C Shares; or (ii) yourself; or (iii) a nominee of any such person or yourself, as the case may be. Neither Computershare nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Computershare, on behalf of the Company, will input a DVP instruction into the CREST system according to the booking instructions provided by you in your Application Form. The input returned

by you or your settlement agent/custodian of a matching or acceptance instruction to our CREST input will then allow the delivery of your C Shares to your CREST account against payment of the Issue Price per C Share through the CREST system upon the Settlement Date.

By returning the Application Form you agree that you will do all things necessary to ensure that you or your settlement agent/custodian's CREST account allows for the delivery and acceptance of C Shares to be made prior to 8.00 a.m. on 8 May 2017 against payment of the Issue Price per C Share. Failure by you to do so will result in you being charged interest at a rate equal to the London Inter-Bank Offered Rate for seven day deposits in sterling plus 2 per cent. per annum.

To ensure that you fulfil this requirement it is essential that you or your settlement agent/custodian follow the CREST matching criteria set out below:

Trade Date:	5 May 2017
Settlement Date:	8 May 2017
Company:	Henderson International Income Trust plc
Security Description:	C Shares of 10 pence each
SEDOL:	BF2CLK5
ISIN:	GB00BF2CLK52

Should you wish to settle DVP, you will need to match your instructions to Computershare's Participant account 8RA16 by no later than 1.00 p.m. on 5 May 2017.

You must also ensure that you or your settlement agent/custodian has a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

In the event of late CREST settlement, the Company, after having consulted with Computershare, reserves the right to deliver C Shares outside CREST in certificated form provided payment has been made in terms satisfactory to the Company and all other conditions in relation to the Offer for Subscription have been satisfied.

5. RELIABLE INTRODUCER DECLARATION

Applications will be subject to the UK's verification of identity requirements. This will involve you providing the verification of identity documents listed in section 6 of the Application Form UNLESS you can have the declaration provided at section 5 of the Application Form given and signed by a firm acceptable to the Receiving Agent. In order to ensure your application is processed timely and efficiently all applicants are strongly advised to have the declaration provided in section 5 of the Application Form completed and signed by a suitable firm.

6. IDENTITY INFORMATION

Applicants need only consider section 6 of the Application Form if the declaration in section 5 cannot be completed. Notwithstanding that the declaration in section 5 has been completed and signed the Receiving Agent reserves the right to request of you the identity documents listed in section 6 and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time your application might be rejected or revoked. Where certified copies of documents are provided such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

7. CONTACT DETAILS

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person the Receiving Agent may contact with all enquiries concerning your application. Ordinarily this contact person should be the person signing in section 3 on behalf of the first named holder. If no details are provided here but a regulated person is identified in section 5, the Receiving Agent will contact the regulated person. If no details are entered here and no regulated person is named in section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

APPENDIX 2

1. INSTRUCTIONS FOR COMPLETION

The law requires the Company to collect, retain and report certain information about its Shareholders, including their tax residence. For this purpose, the Shareholder is the person whose name appears on the share register. This may not necessarily be the same as the person who is entitled to dividends or the sale proceeds of the Shares, for example where Shares are held by a nominee. For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders <https://www.gov.uk/government/publications/exchangeof-information-account-holders>.

- To enable the Company to comply with its obligation to report to HMRC which may then share it with other tax authorities, you are required to provide certain information, including your country of residence for tax purposes.
- Please complete parts 1, 2 and 3 in Appendix 2 below as directed and provide any additional information requested.
- If your declared country/countries of residence for tax purposes is not the UK and is on the OECD list of countries with which the UK has agreed to exchange information <http://www.oecd.org/tax/exchangeof-tax-information/MCAA-Signatories.pdf>, the Company will be obliged to share this information with HMRC who may then share it with other relevant local tax authorities.
- **If you have any remaining questions about how to complete the Tax Residency Self-Certification Form or about how to determine your tax residency you should contact your tax adviser.**
- **If any of the information in the Tax Residency Self-Certification Form about your tax residency changes, you are required to provide the Company with a new, updated, Tax Residency Self-Certification Form within 30 days of such change in circumstances. Please contact Computershare Investor Services PLC to request a new Tax Residency Self-Certification Form in such circumstance.**

2. NOTES – DEFINITIONS

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (“**The Common Reporting Standard**”) <http://www.oecd.org/tax/automatic-exchange/common-reportingstandard/> contains definitions for the terms used within it. However, the following definitions are for general guidance only to help you in completing the Tax Residency Self-Certification Form.

If you have any questions about these definitions or require further details about how to complete this form then please contact your tax adviser. NOTHING IN THE TAX RESIDENCY SELF-CERTIFICATION FORM CAN BE CONSIDERED TO BE TAX ADVICE.

“**Country/Countries of residence for tax purposes**” You are required to list the country or countries in which you are resident for tax purposes, together with the tax reference number which has been allocated to you, often referred to as a tax identification number (“**TIN**”). Special circumstances (such as studying abroad, working overseas, or extended travel) may cause you to be resident elsewhere or resident in more than one country at the same time (dual residency). The country/countries in which you might be obliged

to submit a tax return are likely to be your country/countries of tax residence. If you are a US citizen or hold a US passport or green card, you will also be considered tax resident in the US even if you live outside the US.

“Tax Identification Number or TIN” The number used to identify the Shareholder in the country of residence for tax purposes. Some jurisdictions do not issue a TIN or do not issue a TIN to all residents. Depending on the country or jurisdiction these can include functional equivalent references such as a national insurance number, social security number or resident registration number. Some jurisdictions that do issue TINs have domestic law that does not require the collection of the TIN for domestic reporting purposes so that a TIN is not required to be completed by a Shareholder resident in such jurisdictions.

INSTRUCTIONS FOR DELIVERY OF COMPLETED APPLICATION FORMS AND TAX RESIDENCY SELF-CERTIFICATION FORMS – Completed Application Forms and, if applicable, Tax Residency Self-Certification Forms should be returned, by post to Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH or by hand (during normal business hours), to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE so as to be received no later than 11.00 a.m. (London time) on 4 May 2017, together with payment in full in respect of the application. If you post your Application Form and, if applicable, Tax Residency Self-Certification Form, you are recommended to use first class post and to allow at least two days for delivery. Application Forms and Tax Residency Self-Certification Forms received after this date may be returned.

APPENDIX 1 – OFFER FOR SUBSCRIPTION APPLICATION FORM

Please send this completed form by post to Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE so as to be received no later than 11.00 a.m. (London time) on 4 May 2017.

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The Directors may, with the prior approval of Panmure Gordon, alter such date and thereby shorten or lengthen the offer period. In the event that the offer period is altered, the Company will notify investors of such change.

Box 1 (minimum of 1,000 C Shares and in multiples of 1,000 C Shares thereafter)

Important: Before completing this form, you should read the Prospectus dated 5 April 2017 and the Terms and Conditions of Application under the Offer for Subscription set out in the Prospectus and accompanying notes to this form.

To: Henderson International Income Trust plc and the Receiving Agent

1. APPLICATION

I/We the person(s) detailed in section 2A below offer to subscribe the amount shown in Box 1 for C Shares subject to the Terms and Conditions of Application under the Offer for Subscription set out in the Prospectus dated 5 April 2017 and subject to the articles of association of the Company in force from time-to-time.

2A. DETAILS OF HOLDER(S) IN WHOSE NAME(S) C SHARES WILL BE ISSUED

(BLOCK CAPITALS)

1	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Address (in full):		
2	Mr, Mrs, Ms or Title:	Forenames (in full):
Address (in full):		
3	Mr, Mrs, Ms or Title:	Forenames (in full):
Address (in full):		
4	Mr, Mrs, Ms or Title:	Forenames (in full):
Address (in full):		

2B. CREST ACCOUNT DETAILS INTO WHICH C SHARES ARE TO BE DEPOSITED (IF APPLICABLE)

Only complete this section if C Shares allotted are to be deposited in a CREST Account which must be in the same name as the holder(s) given in Section 2A.

(BLOCK CAPITALS)

CREST Participant ID:

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CREST Member Account ID:

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3. SIGNATURE(S): ALL HOLDERS MUST SIGN

By completing box 3 below you are deemed to have read the Prospectus and agreed to the terms and conditions in Part 9 of the Prospectus (Terms and Conditions of Application under the Offer for Subscription) and to have given the warranties, representations and undertakings set out therein.

First Applicant Signature:	Date:
Second Applicant Signature:	Date:
Third Applicant Signature:	Date:
Fourth Applicant Signature:	Date:

Execution by a Company

Executed by (Name of Company):		Date:
Name of Director:	Signature:	Date:
Name of Director/Secretary:	Signature:	Date:
If you are affixing a company seal, please mark a cross: <input style="width: 20px; height: 20px; vertical-align: middle;" type="checkbox"/>	Affix Company Seal here:	

4A. CHEQUES/BANKER’S DRAFT

If you are subscribing for C Shares and paying by cheque or banker’s draft, pin or staple to this form your cheque or banker’s draft for the number of C Shares shown in Box 1 made payable to “CIS PLC RE: Henderson International Income Trust plc OFS A/C” and crossed “A/C payee only”. Cheques and banker’s payments must be drawn in sterling on an account at a bank branch in the United Kingdom and must bear a United Kingdom bank sort code number in the top right hand corner. If you use a banker’s draft or a building society cheque you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the banker’s draft or cheque and adds its stamp.

4B. ELECTRONIC BANK TRANSFER

If you are subscribing for C Shares and sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 4 May 2017. Please contact Computershare Investor Services PLC stating HINT OFS by email at paymentqueries@computershare.co.uk for full bank details or telephone the shareholder helpline on 0370 707 4033 (from within the UK) or on +44 370 707 4033 (if calling from outside the UK) for further information. You will be provided with a unique reference number which must be used when making the payment.

Please enter below the sort code of the bank and branch you will be instructing to make such payment for value by 11.00 a.m. on 4 May 2017, together with the name and number of the account to be debited with such payment and the branch contact details.

Sort Code:	Account Number:
Account Name:	Bank Name and Address:

4C. SETTLEMENT BY DELIVERY VERSUS. PAYMENT (DVP)

Only complete this section if you choose to settle your application within CREST, that is delivery versus payment (DVP).

Please indicate the CREST Participant ID from which the DEL message will be received by the Receiving Agent for matching, which should match that shown in 2B above, together with the relevant Member Account ID.

(BLOCK CAPITALS)

CREST Participant ID:									
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CREST Member Account ID:										
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You or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of C Shares to be made against payment at the Issue Price per C Share, following the CREST matching criteria set below:

Trade Date:	5 May 2017
Settlement Date:	8 May 2017
Company:	Henderson International Income Trust plc
Security Description:	C Shares of 10 pence each
SEDOL:	BF2CLK5
ISIN:	GB00BF2CLK52

Should you wish to settle DVP, you will need to match your instructions to Computershare Investor Services PLC's Participant account 8RA16 by not later than 1.00 p.m. on 5 May 2017.

You must also ensure that you or your settlement agent/custodian have a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/their own daily trading and settlement requirements.

5. RELIABLE INTRODUCER DECLARATION

Completion and signing of this declaration by a suitable person or institution may avoid presentation being requested of the identity documents detailed in section 6 of this form.

The declaration below may only be signed by a person or institution (such as a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the “**firm**”) which is itself subject in its own country to operation of ‘know your customer’ and anti-money laundering regulations no less stringent than those which prevail in the United Kingdom.

DECLARATION:

To the Company and the Receiving Agent

With reference to the holder(s) detailed in section 2A, all persons signing at section 3 and the payor identified in section 6 if not also a holder (collectively the “**subjects**”) WE HEREBY DECLARE:

- 1. we operate in the United Kingdom, or in a country where money laundering regulations under the laws of that country are, to the best of our knowledge, no less stringent than those which prevail in the United Kingdom and our firm is subject to such regulations;
- 2. we are regulated in the conduct of our business and in the prevention of money laundering by the regulatory authority identified below;
- 3. each of the subjects is known to us in a business capacity and we hold valid identity documentation on each of them and we undertake to immediately provide to you copies thereof on demand;
- 4. we confirm the accuracy of the names and residential business address(es) of the holder(s) given at section 2A and if a CREST Account is cited at section 2B that the owner thereof is named in section 2A;
- 5. having regard to all local money laundering regulations we are, after enquiry, satisfied as to the source and legitimacy of the monies being used to subscribe for the C Shares mentioned; and
- 6. where the payor and holder(s) are different persons we are satisfied as to the relationship between them and reason for the payor being different to the holder(s).

The above information is given in strict confidence for your own use only and without any guarantee, responsibility or liability on the part of this firm or its officials.

Signed:	Name:	Position:
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Name of regulatory authority:	Firm’s licence number:
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Website address or telephone number of regulatory authority:
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STAMP of firm giving full name and business address:
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6. IDENTITY INFORMATION

If the declaration in section 5 cannot be signed and the value of your application is greater than €15,000 (or the sterling equivalent), please enclose with that Application Form the documents mentioned below, as appropriate. Please also tick the relevant box to indicate which documents you have enclosed, all of which will be returned by the Receiving Agent to the first named Applicant.

Holders				Payor
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tick here for documents provided

In accordance with internationally recognised standards for the prevention of money laundering, the documents and information set out below must be provided:

A. For each holder being an individual enclose:

- (1) an original or a certified clear photocopy of one of the following identification documents which bear both a photograph and the signature of the person: current passport – Government or Armed Forces identity card – driving licence; and
- (2) an original or certified copies of at least two of the following documents no more than 3 months old which purport to confirm that the address given in section 2A is that person’s residential address: a recent gas, electricity, water or telephone (not mobile) bill – a recent bank statement – a council rates bill – or similar document issued by a recognised authority; and
- (3) if none of the above documents show their date and place of birth, enclose a note of such information; and
- (4) details of the name and address of their personal bankers from which the Receiving Agent may request a reference, if necessary.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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B. For each holder being a company (a “holder company”) enclose:

- (1) a certified copy of the certificate of incorporation of the holder company; and
- (2) the name and address of the holder company’s principal bankers from which the Receiving Agent may request a reference, if necessary; and
- (3) a statement as to the nature of the holder company’s business, signed by a director; and
- (4) a list of the names and residential addresses of each director of the holder company; and
- (5) for each director provide documents and information similar to that mentioned in A above; and
- (6) a copy of the authorised signatory list for the holder company; and
- (7) a list of the names and residential/registered address of each ultimate beneficial owner interested in more than 5 per cent. of the issued share capital of the holder company and, where a person is named, also complete C below and, if another company is named (hereinafter a “beneficiary company”), also complete D below. If the beneficial owner(s) named do not directly own the holder company but do so indirectly via nominee(s) or intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder company.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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C. For each person named in B(7) as a beneficial owner of a holder company enclose for each such person documents and information similar to that mentioned in A(1) to (4).

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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D. For each beneficiary company named in B(7) as a beneficial owner of a holder company enclose:

- (1) a certified copy of the certificate of incorporation of that beneficiary company; and
- (2) a statement as to the nature of that beneficiary company's business signed by a director; and
- (3) the name and address of that beneficiary company's principal bankers from which the Receiving Agent may request a reference, if necessary; and
- (4) a list of the names and residential/registered address of each beneficial owner owning more than 5 per cent. of the issued share capital of that beneficiary company.

E. If the payor is not a holder and is not a bank providing its own cheque or banker's payment on the reverse of which is shown details of the account being debited with such payment (see note 5 on how to complete this form) enclose:

- (1) if the payor is a person, for that person the documents mentioned in A(1) to (4); or
- (2) if the payor is a company, for that company the documents mentioned in B(1) to (7); and
- (3) an explanation of the relationship between the payor and the holder(s).

The Receiving Agent reserves the right to ask for additional documents and information.

7. CONTACT DETAILS

To ensure the efficient and timely processing of this application please enter below the contact details of a person the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the person signing in section 3 on behalf of the first named holder. If no details are provided here but a regulated person is identified in section 5, the Receiving Agent will contact the regulated person. If no details are entered here and no regulated person is named in section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact name:	E-mail address:
Contact address:	
	Postcode:
Telephone No:	Fax No:

APPENDIX 2 – INDIVIDUAL HOLDER TAX RESIDENCY SELF-CERTIFICATION FORM – SOLE HOLDING

Please send this completed form by post to Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol BS99 6AH or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE so as to be received no later than 11.00 a.m. (London time) on 4 May 2017.

To: Henderson International Income Trust plc and the Receiving Agent

1. IDENTIFICATION OF INDIVIDUAL SHAREHOLDER

A. Please provide the Residence Address

(BLOCK CAPITALS)

House Name
 Street/Road Name
 Town/City County
 Country
 Postal or ZIP Code

B. Date of Birth

DD/MM/YY

2. COUNTRY/COUNTRIES OF RESIDENCE FOR TAX PURPOSES

Country of residence for tax purposes	Tax Identification Number (see Definition)

3. DECLARATIONS AND SIGNATURE

I acknowledge that the information contained in this form and information regarding my Shares may be reported to the local tax authority and exchanged with tax authorities of another country or countries in which I may be tax resident where those countries have entered into Agreements to exchange Financial Account information.

I undertake to advise Henderson International Income Trust plc within 30 days of any change in circumstances which causes the information contained herein to become incorrect and to provide Henderson International Income Trust plc with a suitably updated Declaration within 30 days of such change in circumstances.

I certify that I am the Shareholder (or am authorised to sign for the Shareholder).

I declare that all statements made in this declaration are, to the best of my knowledge and belief, correct and complete.

Signature:

Print Name:

Date:

If signing under a power of attorney, please also attach a copy of the power of attorney.

