**THIS CIRCULAR IS IMPORTANT AND REQUIRES IMMEDIATE ATTENTION**. If you are in any doubt as to the action you should take you are recommended to seek your own financial advice immediately from a stockbroker, solicitor, accountant, or other independent adviser authorised under the Financial Services and Markets Act 2000 (“**FSMA**”). If you have sold or otherwise transferred all of your Bonds, please pass this document together with all accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass them to the person who now owns the Bonds.

The Company and the Directors, whose names appear on page 3 below, accept responsibility for the information 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.

This Circular does not constitute an offer by the Company and relates only to recommended proposals to approve amendment to the Bond Instrument and Security Trust Deed both executed by the Company on 14th March 2018. This Circular does not constitute a financial promotion and therefore has not been approved by an authorised person. It is published pursuant to the exemption contained in Article 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.

Circular to the Bondholders of

AMBERSIDE ALP PLC

(Incorporated in England and Wales with registered number 11041038)

**Recommended Proposals to approve:**

Amendments of the following documents executed by the Company on 14th March 2018:

* + Bond Instrument creating the Series A Bonds, Series B Bonds, Series C Bonds and Series Z Bonds already issued; and the
  + Security Trust Deed relating thereto

You will find set out on pages 18 to 20 of this document, Notice of a General Meeting of Bondholders of the Company to be held at the offices of Amberside ALP plc at Amberside House, Wood Lane, Hemel Hempstead, Hertfordshire HP2 4TP on 28th September 2018 from 12 noon to approve the Special Resolution to effect the Proposals contained herein. Whether or not you plan to attend the Meetings, please complete and submit relevant proxy forms in accordance with the instructions printed on the enclosed forms. The proxy forms must be received by Amberside ALP plc, Amberside House, Wood Lane, Hemel Hempstead, Hertfordshire HP2 4TP by 12 noon on 26th September 2018 to be valid.

Your attention is drawn to the letter from the chairman of the Company set out in Part 1 of this document which contains a recommendation to vote in favour of the Special Resolution to be proposed at the General Meeting.

CONTENTS

Page

PART 1 Letter from the Chairman 3

PART 2 Proposed Final Terms for the issue of Series S1 Bonds 6

PART 3 A summary of the existing Bond Instrument and Security Arrangements

and the amendments proposed to be made thereto 7

PART 4 Definitions 14

Directory 16

NOTICE OF GENERAL MEETING OF BONDHOLDERS 17

**PART 1**

LETTER FROM THE CHAIRMAN

**AMBERSIDE ALP PLC**

*(Registered in England and Wales with registered number: 11041038)*

|  |  |
| --- | --- |
| *Directors:*  Robert McClatchley (Chairman)  David Lomas  David Scrivens Jeff Cornish | *Registered Office*  Amberside House, Wood Lane, Hemel Hempstead, Hertfordshire HP2 4TP |
|  |  |

3rd September 2018

Dear Bondholder

**The proposed issue of S Bonds**

**Introduction**

The Company and its wholly owned subsidiary, Amberside ALP Trading Ltd, were launched as a new money-lending platform earlier this year in March 2018 and the Company has since raised approximately £4 million (before expenses) in respect of the Bonds it has issued, which moneys have largely been invested by way of secured loans to Sterling Suffolk Limited (SSL), a company which intends to construct and operate an 8.3 hectare greenhouse, to grow premium quality tomatoes.

Additional funds raised by the Series A, Series B, Series C, Series Z bonds and other Bonds which will be issued in due course on a pari passu basis with these bonds (“Diversified Bonds”) will be invested by way of secured loans to other infrastructure borrowers as well as to SSL, in order to create a diverse loan portfolio underpinning the security of Diversified Bonds.

A number of potential investors have expressed interest in subscribing for a new Series of bonds the proceeds of which will be wholly applied only in the making of additional loans to SSL and which will be secured only on the cashflows received by ALP from SSL and not on the cashflows flowing to ALP from other lending transactions.

The Board is also keen to provide additional loan support to SSL, which is progressing well with the development of its facilities.

Therefore it is proposed, subject to the approval of the holders of Diversified Bonds, to issue a special Series of Bonds in order to raise additional capital to fund additional loans to SSL (in particular enabling SSL to undertake phase 2 of the construction project).

The Board also seeks Bondholder approval to issue other Series of special Bonds where there is investor interest in deploying bond capital in loans to specific projects rather than in loans to a diverse portfolio of borrowers.

By the terms of the Bond Instrument constituting the Diversified Bonds the approval of Bondholders is required where from time to time the Company wishes to constitute and issue Bonds which will not entitle their holders to participate in the assets of the Company on a basis which is pari passu with the holders of Diversified Bonds.

It is therefore proposed that the Bond Instrument should be amended so that the Board has the authority to issue special Series of Bonds (“S Bonds”) where the holders of a Series of S Bonds will be repaid only from the money and/or other assets which ALP receives from or in connection with the loans to be funded by the capital raised by that Series of S Bonds (“Linked Loans”). By the same token, the holders of a Series of S Bonds would not have any recourse to the money or assets received by ALP which are not held or received in connection with Linked Loans attributed to that Series of S Bonds.

Where Linked Loans are also funded by capital raised from Diversified Bonds or any other S Bonds attributed to the same Linked Loans, the holders of Diversified Bonds and of all Series of S Bonds attributed to those Linked Loans would rank on a pari passu basis alongside each other in proportion to the capital raised and invested in those Linked Loans from Diversified Bonds and those Series of S Bonds. The holders of Diversified Bonds will not otherwise have the right to seek repayment or otherwise benefit from the money or assets ALP receives from or in connection with Linked Loans attributed a Series of S Bonds.

The first Series of S Bonds to be issued in order to raise capital specifically for a Linked Loan to SSL would be known as Series S1 Bonds.

Further details of the proposed Final Terms for the issue of S1 Bonds to fund Linked Loans to SSL, are set out in Part 2 of this document.

A summary of the existing Bond Instrument and Security Trust Deed and an explanation of the amendments proposed thereto are set out in Part 3 of this Circular.

The Board believes that a number of potential benefits should accrue to the holders of Diversified Bonds if the proposals described in this Circular which will facilitate the issue of S Bonds are approved.

S Bonds will provide additional finance to valued customers of ALP. This should, it is believed, enhance the continuing security of any existing loans funded by Diversified Bonds to the same customers and thus, indirectly, the security of the Diversified Bonds.

The cost base of the Company will also be spread over a larger pool of assets thereby enhancing the reserves standing behind the Company’s obligations to all Bondholders.

Additionally, in the case of the issue of a Series of S1 Bonds to fund Linked Loans to SSL existing Bondholders will be provided with the opportunity, should they so wish, to redeem their existing holdings of Diversified Bonds and reinvest the redemption proceeds in subscribing for S1 Bonds which will offer a rolled up annual interest rate of 8.5% until their redemption on 31 January 2022. As appropriate it is anticipated that similar redemption and resubscription options will be offered in relation to future issues of S Bonds.

Accordingly, the Board considers the proposals for the amendments of the Bond Instrument and the Security Trust Deed which are necessary to allow for the issue of S Bonds generally to be fair and reasonable and in the best interests of the holders of Diversified Bonds.

**General Meeting**

In order to effect the proposals, the Company requires Bondholders’ approval of the amendments proposed to be made to the Bond Instrument and the Security Trust Deed described in Part 3 of this Circular. To this end, a Notice convening the General Meeting is set out at the end of this document. The Meeting will be held at Amberside House, Wood Lane, Hemel Hempstead, Hertfordshire HP2 4TP on 26th September 2018 from 12 noon.

Proxy forms (and pre-addressed envelopes for the return of the proxy forms) are also enclosed

**Action to be taken**

Before taking any action, you are recommended to read the further information set out in this document.

Bondholders will find enclosed with this document the form of proxy for use at the General Meeting. Whether or not you propose to attend the Meeting, you are requested to complete and return the form of proxy attached so as to be received not less than 48 hours before the time appointed for holding of the Meeting. Completion and return of a form of proxy will not prevent you from attending and voting in person at a Meeting, should you wish to do so.

**Recommendations**

The Board is of the opinion that the Special Resolution to be proposed at the General Meeting is in the best interests of the Bondholders as a whole and unanimously recommends you to vote in favour of all the Special Resolution.

I look forward to welcoming you at the Meeting and to your support for the Special Resolution to be proposed.

Yours faithfully

**Robert McClatchley**Chairman

**PART 2**

**Proposed Final Terms for S1 BONDS - 4-year 2022 fixed term bonds**

**Interest Payments Rolled Up**

|  |  |
| --- | --- |
| Series Number | S1 |
| Series Name | S1 Bonds |
| Linked Loans | The capital raised by the issue of S1 Bonds will be deployed wholly in funding loans to Sterling Suffolk Limited (company number: 08994132) |
| Half-Yearly Interest rate | 4.1634 % compounded on each Roll Over Date |
| Effective Annual Interest Rate | 8.5% per annum |
| Accumulated return | Interest is rolled up and paid on Redemption |
| Offer closes | 31 July 2019 with monthly capacity limited to maximum drawdown requirements of Sterling Suffolk Limited |
| Term | From the Commencement Date until the Redemption Date |
| Commencement Date | The date on which a Bond certificate is issued |
| Redemption Date | 31st January 2022 |
| Innovative Finance ISA status | Applicable |
| Issue price | £1 |
| Minimum Subscription | £100 |
| Transferability | Transferable |
| Interest Payment Date | Interest is paid on Redemption. |
| First Interest Period | From the Commencement Date to the last day of the Half-Year following that in which the Bond is subscribed provided that if the Bond is subscribed within the last month of a Half-Year then the First Interest Period will end of the last Business Day of the following Half-Year |
| Roll Over Date | On the last Business Day of each Half Year |
| Half-Years | 1 January to 30 June  1 July to 31 December |
| Final Interest Period | From midnight on the last Roll Over Date to close of Business on the Redemption Date |
| Other Interest Period(s) during the Term | From midnight on each Roll Over Date to midnight on the next Roll Over Date |
| General | The S1 Bonds will be secured on the cashflows received by the Company in respect of Linked Loans advanced to Stirling Suffolk Limited and will not be secured on any other assets of the Company or of its wholly owned subsidiary Amberside ALP Trading Ltd |

**Part 3**

**A summary of the existing Bond Instrument and Security Arrangements**

**and the amendments proposed to be made thereto if the Special Resolution is passed.**

**Amendments required to facilitate the issue of S Bonds**

Bonds are created under the Bond Instrument and issued under the programme described in the Information Memorandum and/or any document which is published supplemental hereto.

The Bonds constitute debt obligations of the Company and the obligations of the Company to pay all monies due under the Bonds are secured on the assets of the Company. This security is held by the Security Trustee for the benefit of all Bondholders pursuant to the terms of the Security Trust Deed.

Capital raised by the Company from the issue of Diversified Bonds is lent to the Company’s wholly owned subsidiary, Amberside ALP Trading Limited (Trading). The obligation of Trading to repay amounts due to the Company is secured on the assets of Trading. Those assets include the benefit of the loans made by Trading to third party Borrowers and the third party security arrangements agreed with those Borrowers.

Under the terms of the Bond Instrument all Bonds rank pari passu without any preference among themselves, that is to say, equally with each other as regards payments of amount due on the Bonds to their holders. The Company has so far issued three Series of Bonds, Series A Bonds, Series B bonds, Series C and Series Z Bonds. The terms of the Bond Instrument will apply equally to other Bonds issued under the Programme.

Additionally, the provisions of clause 3.17 of the Bond Instrument, restrict the issue of non pari passu bonds by the Company generally without bondholder consent, which provides as follows:

“The Company may from time to time constitute and issue bonds pursuant to other deeds which are executed by the Company at any time or times in the future and the issue of such other Bonds (“B” Bonds) shall not require the consent of Bondholders pursuant to this Deed if the holders of the “B” Bonds are only entitled to participate in the assets of the Company  on a basis which is  pari passu with the Bondholders of any  Series of Bonds issued pursuant to this deed as if the “B” Bonds were a Series of Bonds issued pursuant to this Deed.”

It is this feature of the Programme which it is proposed should be amended by the Special Resolution, because, as explained in Part 1 of this Circular, subject to the approval of Bondholders, the Company proposes to issue S Bonds which will not rank pari passu, that is equally, with the Diversified Bonds.

A Series of S Bonds will be different because the holders of S Bonds will be repaid only from the money and/or other assets which ALP receives from or in connection with the loans to be funded by the capital raised by that Series of S Bonds. By the same token, the holders of a Series of S Bonds would not have any recourse to the money or assets received by ALP which are not held or received in connection with Linked Loans attributed to that Series of S Bonds.

Where Linked Loans are also funded by capital raised from Diversified Bonds or any other S Bonds attributed to the same Linked Loans, the holders of Diversified Bonds and of all Series of S Bonds attributed to those Linked Loans would rank on a pari passu basis alongside each other in proportion to the capital raised and invested in those Linked Loans from Diversified Bonds and those Series of S Bonds. The holders of Diversified Bonds will not otherwise have the right to seek repayment or otherwise benefit from the money or assets ALP receives from or in connection with Linked Loans attributed a Series of S Bonds.

The first Series of S Bonds to be issued in order to raise capital specifically for a Linked Loan to SSL would be known as Series S1 Bonds

**Miscellaneous amendment**

Paragraph 4.4 of the Bond Instrument provides that where under the Final Terms of Issue for any Series of Bonds Bondholders are given the option to redeem their Bonds prior to the Redemption Date then the Company shall within such notice period and on such terms as may be specified in the relevant Final Terms of Issue redeem at par in Sterling the whole or any part of the Bonds in respect of which such an option to redeem has been exercised together with accrued but unpaid interest (including deferred interest and/or default interest). A redemption made in accordance with this Condition shall be made pari passu among the Bondholders who exercise such an option to redeem within the same month.

It is proposed to amend this paragraph (and to make certain consequential amendments ) to provide that if Bondholders exercise such an option to redeem in excess of 25% of the principal amount outstanding under any such Series of Bonds in any rolling period of six months then the Company shall have the option to defer the redemption of the excess over that threshold of 25% until a date chosen by the Company within the next successive rolling period of six months and within that next successive period Bondholders holding Bonds whose redemption has been so deferred shall rank in priority for the redemption of their Bonds which have been so deferred ahead of Bondholders who exercise their option to redeem for the first time in that next successive period.

The Bond Instrument and the Security Trust Deed have each been amended in draft to reflect these changes. Copies of the amended drafts are available for inspection at the Company’s registered office, on the Company’s website at https://www.ambersidealp.com and will also be available at the General Meeting.

**Proposed Amendments**

The specific amendments to the Bond Instrument and the Security Trust Deed which are proposed are as follows:

**Bond Instrument**

In clause 1.1 of the Bond Instrument, insert the following definitions”

*“Diversified Bonds” means all Bonds other than S Bonds.*

*“S Bonds” means those Bonds which are issued from time to time pursuant to the terms of the Bond Instrument the capital raised by which is to be wholly deployed in funding the Linked Loans described in their Final Terms of Issue.*

*“ Linked Loan(s)” means a loan or loans made by ALP which is or are to be funded by the capital raised by a Series of S Bonds as described by the Final Terms of Issue published in connection with that Series of S bonds, and so that, in this deed, references to a Linked Loan being attributed to a Series of S bonds or to a Series of S Bonds being attributed to a particular Linked Loan is a reference respectively to the loan or loans described in the Final Terms of Issue for that Series or, as the case may be, to the Series of S Bonds in whose Final Terms of Issue that Linked Loan is so described.*

Clause 3.4 of the Bond Instrument currently provides as follows:

* 1. *The Bonds shall constitute secured obligations of the Company ranking pari passu without any preference among themselves and the obligations of the Company under this Instrument shall be secured by way of the Company Security.*

Clause 3.4 of the Bond Instrument shall be amended as follows:

*3.4 The Bonds shall constitute secured obligations of the Company ranking pari passu without any preference among themselves and the obligations of the Company under this Instrument shall be secured by way of the Company Security provided however that as regards S Bonds the following additional provisions shall apply:*

*3.4 (a) the holders of a Series of S Bonds will be repaid only from the money and/or other assets which ALP receives from or in connection with the Linked Loans attributed to that Series of S Bonds;*

*3..4 (b) the holders of a Series of S Bonds shall not have any recourse to the money or assets received by ALP in connection with other assets of ALP* which are not held or received in connection with Linked Loans attributed to that Series of S Bonds.

*3.4 (c) where Linked Loans are also funded by capital raised from Diversified Bonds or any other S Bonds attributed to the same Linked Loans, the holders of Diversified Bonds and of all Series of S Bonds attributed to those Linked Loans shall rank on a pari passu basis alongside each other in proportion to the capital raised and invested in those Linked Loans from Diversified Bonds and those Series of S Bonds.*

*3.4 (d) save as mentioned in clause 3.4.(c) above, the holders of Diversified Bonds will have no right to seek repayment or otherwise benefit from the money or assets ALP receives from or in connection with Linked Loans attributed a Series of S Bonds;*

*3.4 (e) accordingly, in consequence of clauses 3.4.(b) and 3.4.(d), amounts due to the holders of a Series of S Bonds will not be reduced in order to reflect the losses (if any) attributable to loans made by ALP which not Linked Loans in respect of that Series of S Bonds*

*and for these purposes, the Company shall: (i) procure that the Company’s records and bank accounts shall be operated so that the assets attributable to the holders of each Series of S Bonds and Diversified Bonds can, at all times, be separately identified and, in particular, that a separate income and expenditure account (or if applicable, profit and loss account) balance sheet and cash flow account and such other separate accounts as may, in the opinion of the Directors, be desirable, shall be created and maintained in the books of the Company for the assets attributable to the holders of S Bonds and Diversified Bonds; (ii) apportion the reserves of the Company in proportion to the capital raised by S Bonds and Diversified Bonds and allocate to such reserves such proportion of the expenses and liabilities of the Company incurred or accrued as the Directors fairly consider to be allocable to the S Bonds and Diversified Bonds; and (iii) manage the assets of the Company so that the foregoing obligations can be complied with by the Company.*

Paragraph 4.4 of the Conditions attached to the Bond Instrument shall be amended by the addition of the following words at the end of that paragraph:

*If Bondholders exercise such an option to redeem in excess of 25% of the principal amount outstanding under any such Series of Bonds in any rolling period of six months then the Company shall have the option to defer the redemption of the excess over that threshold of 25% until a date chosen by the Company within the next successive rolling period of six months and within that next successive period Bondholders holding Bonds whose redemption has been so deferred shall rank in priority for the redemption of their Bonds which have been so deferred ahead of Bondholders who exercise their option to redeem for the first time in that next successive period. The Company may not defer the redemption of any specific Bonds pursuant to this Condition more than once.*

Paragraph 7.1 of the Conditions annexed to the Bond Instrument currently provides that:

*A Specified Majority may declare any Series of Bonds to be due and repayable immediately (and the Bonds shall thereby become so due and repayable together with all accrued and unpaid interest including deferred interest and/or default interest) if:* [amongst other things]

under paragraph 7(a)

1. *the Company shall fail on the due date to make any payments of principal to any Bondholder of Bonds in that Series under these Conditions and shall not remedy such breach within five Business Days unless payment is prohibited by the terms of the Intercreditor Deeds………*

under paragraph 7(b)

1. *the Company shall fail on the due date to make any payment of interest due to any Bondholder under these Conditions and shall not remedy such breach within ten Business Days unless payment is prohibited by the terms of the Intercreditor Deeds………*

under paragraph 7(i)

* + - * 1. *the Company is in default for more than 7 Business Days in the performance or observance of or compliance with any of its undertakings contained in the Security Trust Deed;*

Paragraph 7.1 of the Conditions annexed to the Bond Instrument shall be amended by:

under paragraph (a) by the addition of the following words

*……..provided however that if the Company exercises its option pursuant to Condition 4.4 to defer the redemption of any Bonds in the circumstances described in that Condition that deferral of the Bonds in question shall not constitute a default under this Condition 7.1 (a) but if the Company shall fail to redeem Bonds once so deferred by the end of the successive period of six months next following the deferral then on the occurrence of such failure the Company shall be in default under the terms of this Condition 7.1(a);*

under paragraph (b) by the addition of the following words:

*…………..provided however that if the Company exercises its option pursuant to Condition 4.4 to defer the redemption of any Bonds in the circumstances described in that Condition that deferral of the Bonds in question (and the failure to pay the accrued but unpaid interest (including deferred interest and/or default interest) that would have been payable had such redemption not been deferred) shall not constitute a default under this Condition 7.1 (b) but if the Company shall fail to redeem Bonds once so deferred by the end of the successive period of six months next following the deferral then on the occurrence of such failure the Company shall be in default under the terms of this Condition7.1(b);*

And the following additional paragraphs 7.2 and 7.3 shall be adopted within the Conditions of the Bond Instrument as follows:

*7.2 A failure by the Company to pay any amount due in respect of the Diversified Bonds shall not, of itself, constitute a default in respect of any Series of the S Bonds which entitles a Specified Majority to declare that the S Bonds are due and repayable immediately under the terms of clause 7.1;*

*7.3 A failure by the Company to pay any amount due in respect of a Series of S Bonds shall not, of itself, constitute a default in respect of any other Series of S Bonds which entitles a Specified Majority to declare that the first mentioned Series of S Bonds are due and repayable immediately under the terms of this clause 7.1.*

**The Security Trust Deed**

In clause 1.1 of the Security Trust Deed, insert the following definitions”

*“Diversified Bonds” means all Bonds other than S Bonds*

*“S Bonds” means those Bonds which are issued from time to time pursuant to the terms of the Bond Instrument the capital raised by which is to be wholly deployed in funding the Linked Loans described in their Final Terms of Issue.*

*“ Linked Loan(s)” a loan or loans made by ALP which is or are to be funded by the capital raised by a Series of S Bonds as described by the Final Terms of Issue published in connection with that Series of S bonds, and so that, in this deed, references to a Linked Loan being attributed to a Series of S bonds or to a Series of S Bonds being attributed to a particular Linked Loan is a reference respectively to the loan or loans described in the Final Terms of Issue for that Series or, as the case may be, to the Series of S Bonds in whose Final Terms of Issue that Linked Loan is so described.*

Clause 4.1 of the Security Trust Deed currently provides that

*4.1 The Security Trustee hereby accepts its appointment under clause 2 as trustee of the Trust Property with effect from the date of this Deed to hold the same on trust for the Bondholders and to apply the same in accordance with the provisions of clause 6.*

Clause 4.1 of the Security Trust Deed shall be amended as follows:

*4.1 The Security Trustee hereby accepts its appointment under clause 2 as trustee of the Trust Property with effect from the date of this Deed to hold the same on trust for the Bondholders and to apply the same in accordance with the provisions of clause 6 provided however that the Security Trustee shall hold and administer (i) the Trust Property attributable to money and assets received in respect of any Linked Loan solely for the benefit of the holders of the Series of S Bonds to which that Linked Loan is attributed; (ii) where a Linked Loan has also been funded by the capital raised from Diversified Bonds or any other S Bonds attributed to the same Linked Loan, the holders of Diversified Bonds and of all Series of S Bonds attributed to that Linked Loan shall rank on a pari passu basis alongside each other in proportion to the capital raised and invested in that Linked Loan from Diversified Bonds and those Series of S Bonds; subject thereto (iii) the Trust Property attributable to all other assets of the Company shall be held in trust solely for the benefit of the holders of Diversified Bonds; and (iv) clauses 4.2, 4.3 and 6 of this deed shall be construed subject to the provisions of this clause.*

A new Clause 4.14 shall be adopted as follows:

*4.14.* *The Parent shall at all reasonable times allow the Security Trustee or its duly authorised representatives to inspect and take copies of, and/or shall provide to the Security Trustee such copies as it may request of: all such information regarding the books and records (including bank statements of all relevant bank accounts) that the Parent is obliged to maintain in accordance with clause 3.4 of the Bond Instrument which separately identify the assets attributable to the holders of each Series of S Bonds and Diversified Bonds.*

PART 4

Definitions

In this Circular and in the notice attached the following expressions have the following meanings:

# Definitions

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

**“ALP”** Amberside ALP Trading Ltd (company number 11146970) the wholly owned subsidiary of the Company;

**“Board”** the board of directors of the Company;

**“Bond Instrument”** the secured, non-convertible, transferable debt instrument issued by the Company on 14th March 2018 by which the Bonds are constituted as amended from time to time;

**Bonds:** means the fixed rate secured Bonds of the Company constituted by the Bond Instrument or as the case may be the principal amount of the Bonds for the time being issued and outstanding and a reference to a Bond is a reference to any one of such Bonds;

**“Business Day”** any days on which banks are generally open in Aberdeen and London for the transaction of business, other than a Saturday or Sunday or a public holiday;

**Final Terms of Issue** any supplemental document issued by the Company in respect of a Series of Bonds specifying the commercial details of such Series, including (but not limited to) the interest rate, the maximum nominal amount, the minimum nominal amount, the commencement date, the closing date, the repayment date, and interest payment dates;

**“Information Memorandum”** the information memorandum published by the Company on 14th March 2018;

**“ Linked Loan(s)”** a loan or loans made by ALP which is or are to be funded by the capital raised by a Series of S Bonds as described by their Final Terms of Issue, and so that, references to a Linked Loan being attributed to a Series of S bonds or to a Series of S Bonds being attributed to a particular Linked Loan is a reference respectively to the loan or loans described in the Final Terms of Issue for that Series or, as the case may be, to the Series of S Bonds in whose Final Terms of Issue that Linked Loan is so described;

**“Security Trust Deed”** the Security Trust Deed between the City Partnership Trustee Limited (1) and the Company (2) executed on 14th March 2018;

**“Series A Bonds”** the Bonds constituted by the Bond Instrument and issued pursuant to the Information Memorandum;

**“Series B Bonds”** the Bonds constituted by the Bond Instrument and issued pursuant to this Information Memorandum;

**“Series C Bonds”** the Bonds constituted by the Bond Instrument and issued pursuant to the Information Memorandum; and

**“Series Z Bonds”** the Bonds constituted by the Bond Instrument and issued pursuant to the Information Memorandum; and

**“S Bonds”** means those Bonds which are issued from time to time pursuant to the terms of the Bond Instrument the capital raised by which is to be wholly deployed in funding the Linked Loans described in their Final Terms of Issue.

|  |  |
| --- | --- |
| **DIRECTORY** |  |
| The Directors | Robert McClatchley (Independent Chairman)  David Lomas  David Scrivens  Richard Spacey  Matthew Evans  Jeff Cornish |
| Company Secretary | The City Partnership (UK) Limited  110 George Street  Edinburgh EH2 4LH |
| Registered Office | Amberside House  Wood Lane  Hemel Hempstead  HP2 4TP |
| Registered Number | **11041038** (England and Wales) |
| ISA Arranger | Goji Financial Services Limited  WeWork 3 Waterhouse Square  138 Holborn  London EC1N 2SW |
| ISA Manager | Sapia Partners  134 Buckingham Palace Road  London SW1W 9SA |
| Security Trustee &  Receiving Agent | The City Partnership (UK) Limited  110 George Street  Edinburgh EH2 4LH |
| Solicitors | RW Blears LLP  29 Lincolns Inn Fields  London WC2A 3EG |

AMBERSIDE ALP PLC

NOTICE OF GENERAL MEETING OF BONDHOLDERS

(Registered in England and Wales with registered number 11041038)

Notice is hereby given that a general meeting **THE BONDHOLDERS of AMBERSIDE ALP PLC** (the “**Company**”) will be held at the offices of Amberside ALP plc at Amberside House, Wood Lane, Hemel Hempstead, Hertfordshire HP2 4TP on 28th September 2018 from 12 noon for the purposes of considering and, if thought fit, passing the following resolution, which will be proposed as a Special Resolution, that is to say as a resolution of the Bondholders present in person or by proxy by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is demanded then by a majority consisting of not less than three-fourths of the votes given on such poll where, on a poll, each Bondholder will have one vote for every £1 principal amount of the Bonds then outstanding of which he is the holder

All capitalised terms used in this notice of meeting shall bear the meanings given to them in the circular to shareholders dated 3 September 2018 (the “**Circular**”).

**SPECIAL RESOLUTION**

That the Company be authorised to amend the

* + Bond Instrument; and
  + Security Trust Deed

in accordance with the proposals set out in Part 3 of the Circular to Bondholders which accompanies this Notice.

|  |  |
| --- | --- |
| By Order of the Board  The City Partnership (UK) Limited  Company Secretary | Amberside House, Wood Lane, Hemel Hempstead, Hertfordshire HP2 4TP |
| **3rd September 2018** |  |

**Notes to the Notice of the General Meeting**

1. To be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the votes they may cast), bondholders must be registered in the Register of Bondholders of the Company on the date of the Notice of General Meeting. Changes to the Register of Bondholders of the Company after that date shall be disregarded in determining the rights of any person to attend and vote at the meeting.

2. A Bondholder entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote on his or her behalf. A proxy need not also be a Bondholder, but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

3. To appoint more than one proxy, you will need to complete a separate proxy form in relation to each appointment (you may photocopy the proxy form), stating clearly on each proxy form how many shares the proxy is appointed in relation to. A failure to specify the number of shares to which each proxy appointment relates or specifying an aggregate number of shares in excess of those held by the bondholder will result in the proxy appointment being invalid. Please indicate if the proxy instruction is one of multiple instructions being given. All proxy forms must be signed and should be returned together in the same envelope.

4. A personalised form of proxy is enclosed with shareholders’ copies of this document. To be valid, it should be lodged with Amberside ALP PLC at Amberside House, Wood Lane, Hemel Hempstead, Hertfordshire HP2 4TP by 12 noon on ● September 2018 to be so as to be received not later than 48 hours (excluding weekends and bank holidays) before the time appointed for the meeting or any adjourned meeting or, in the case of a poll taken subsequent to the date of the meeting or adjourned meeting, so as to be received no later than 24 hours before the time appointed for taking the poll. Prepaid self-addressed envelopes are included with the Notice of General Meeting.

5. As an alternative to returning the hard-copy form of proxy by post, you can appoint a proxy by sending the form by email to [alp@ambersidealp.com](mailto:alp@ambersidealp.com). For the proxy appointment to be valid, your form must be received in such time as it can be transmitted to the Company's registrar so as to be received no later than 48 hours (excluding weekends and bank holidays) before the time appointed for the meeting or any adjourned meeting.

6. Appointment of a proxy will not preclude a Bondholder from subsequently attending and voting at the meeting should the bondholder subsequently decide to do so. A bondholder can only appoint a proxy using the procedures set out in these notes and the notes to the proxy card. The termination of the authority of a person to act as a proxy must be notified to the Company in writing. Amended instructions must be received by the Company’s registrars by the deadline for receipt of proxies.

7. Series A Bonds, Series B Bonds, Series C Bonds and Series Z Bonds carry equal voting rights and a bondholder present in person or by proxy shall have one vote on a show of hands and on a poll shall have one vote for every £1 of principal amount of the bonds then outstanding of which he/she is the holder.

8. A person authorised by a corporation is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual bondholder of the Company. On a vote on a resolution on a show of hands, each authorised person has the same voting rights as the corporation would be entitled to. On a vote on a resolution on a poll, if more than one authorised person purports to exercise a power in respect of the same shares, if they purport to exercise the power in the same way, the power is treated as exercised; if they do not purport to exercise the power in the same way, the power is treated as not exercise.

14. By attending the meeting, bondholders and their proxies and representatives are understood by the Company to have agreed to receive any communications relating to the Company’s bonds made at the meeting.