

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own financial advice immediately from an independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended) if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside of the United Kingdom.**

If you have sold or otherwise transferred all of your Ordinary Shares, please pass this document (but not the accompanying personalised Form of Proxy) as soon as possible to the purchaser or transferee or to the stockbroker or other agent through whom you made the disposal for onward transmission to the purchaser or transferee.

# **TOC PROPERTY BACKED LENDING TRUST PLC**

(Incorporated in England and Wales with registered number 10395804 and registered as an investment company under section 833 of the Companies Act 2006)

## **Notice of General Meeting**

This document should be read as a whole. Nevertheless, your attention is drawn to Part I (Letter from the Chairman) of this document which contains a recommendation from the Board that you vote in favour of the resolutions to be proposed at the General Meeting.

Notice of the General Meeting to be held at the offices of Tier One Capital Ltd, Keel House, Garth Heads, Newcastle upon Tyne NE1 2JE on 29 March 2021 at 10.00 a.m. is set out at the end of this document. The Proposals described in this document are conditional upon Shareholder approval of the resolutions at the General Meeting. As explained in paragraph 9 of Part I (Letter from the Chairman) of this document, as a result of the current restrictions in connection with COVID-19, in particular on public gatherings, Shareholders must not attend the meeting in person. Any person who does attempt to attend the meeting in person will be refused admission. Shareholders are encouraged to vote on the resolutions to be considered at the General Meeting by proxy. To ensure their vote counts, Shareholders are directed to further information and instructions on voting by proxy set out in paragraphs 9 and 10 of Part I (Letter from the Chairman) of this document, the Notice of General Meeting and the Form of Proxy.

Shareholders are requested to complete and return the Form of Proxy accompanying this document for use at the General Meeting. To be valid, Forms of Proxy must be completed and returned in accordance with the instructions printed thereon to the Company's Registrar, Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible and in any event so as to arrive by no later than 10.00 a.m. on 25 March 2021. As an alternative to completing the hard-copy Form of Proxy, you can appoint a proxy electronically by going to [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and following the instructions. For an electronic proxy appointment to be valid, your appointment must be received by Computershare Investor Services PLC no later than 10.00 a.m. on 25 March 2021. Completion and return of a Form of Proxy would not normally preclude Shareholders from attending, speaking and voting at the General Meeting should they choose to do so, however as a result of the current restrictions in connection with COVID-19, in particular on public gatherings, Shareholders must not attend the meeting in person (for further information, please see paragraph 9 of Part I (Letter from the Chairman) of this document). Further instructions relating to the Form of Proxy are set out in paragraphs 9 and 10 of Part I (Letter from the Chairman) of this document, the Notice of General Meeting and the Form of Proxy.

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## Expected Timetable

Date of this document	10 March 2021
Latest time and date for receipt of Forms of Proxy, electronic appointment of proxy or transmission of CREST Proxy Instructions for the General Meeting	10.00 a.m. on 25 March 2021
General Meeting	10.00 a.m. on 29 March 2021

*The times and dates set out in the expected timetable above and mentioned throughout this document may, in certain circumstances, be adjusted by the Company, in which event details of the new times and dates will be notified, as required, to the FCA and the London Stock Exchange and, where appropriate, to Shareholders and an announcement will be made through a Regulatory Information Service. All references to times in this document are to London time unless otherwise stated*

## Part I – Letter from the Chairman

# TOC PROPERTY BACKED LENDING TRUST PLC

(Incorporated in England and Wales with registered number 10395804 and registered as an investment company under section 833 of the Companies Act)

Directors:  
John Newlands (Chairman)  
Matthew Harris  
Douglas Noble  
Ian McElroy

Registered Office:  
Keel House  
Garth Heads  
Newcastle upon Tyne  
NE1 2JE

10 March 2021

Dear Shareholder

### I INTRODUCTION

TOC Property Backed Lending Trust PLC (the “**Company**”) is a closed ended investment company whose Ordinary Shares are admitted to listing on the premium segment of the Official List of the FCA and to trading on the main market for listed securities of the London Stock Exchange. The Company is managed by Newcastle upon Tyne-based wealth management and property lending specialists Tier One Capital Ltd. The Company has a diversified portfolio of fixed rate loans predominantly secured over land and/or property in the United Kingdom.

I am writing to you in connection with proposals in relation to the Company, which would, inter alia, amend the Company’s investment policy, update the Existing Articles and authorise the Directors to allot Shares on a non-pre-emptive basis (the “**Proposals**”).

The Proposals require the approval of Shareholders and accordingly the General Meeting is being convened for this purpose. Further details on the General Meeting are set out in paragraph 9 below and the Notice of General Meeting is set out at the end of this document.

The Board has decided to bring forward the Continuation Resolution and propose it at the General Meeting being convened in connection with the Proposals, rather than at the annual general meeting which is due to be held in May 2021. Further information on the Continuation Resolution is set out at paragraph 4 below.

In addition, a portfolio update is set out at paragraph 2 below.

### 2 PORTFOLIO UPDATE

As announced by the Company on 10 March 2021, a new facility of £3.8 million was provided to Horizon Cremation (East Renfrewshire) Ltd, to facilitate the building of a modern and environmentally efficient crematorium at East Renfrewshire, Glasgow. The borrower is backed by private equity and property managers Maven Capital Partners LLP, and demonstrates the Company’s continuing commitment to supporting both residential and commercial developments. The Board, as advised by the Investment Adviser, considers that while in general the residential building sector is likely to offer better risk weighted opportunities for the Company this financial year than commercial property, each opportunity will continue to be examined on its own merits. Consequently, it was determined that this opportunity has a number of attractive attributes. In addition, the Company announced the successful redemption of its facilities with Dinosauria Ltd and Rare Earth Medburn Ltd, which are the eighth and ninth loans to be repaid from the portfolio. These were repaid in December 2020 and January 2021 respectively and generated an Internal Rate of Return (IRR) of 8.23% and 8.24% respectively.

### 3 PROPOSED AMENDMENTS TO THE INVESTMENT POLICY

On 10 March 2021, the Company announced its intention to seek approval from Shareholders to amend its investment policy to allow for greater flexibility to allocate capital to sectors that the Board, as advised by the Investment Adviser, has assessed as potentially more attractive within existing risk management parameters. The proposed amendments to the investment policy, marked to show the changes from the investment policy at the time of IPO, are set out in Part 2 (Proposed amendments to the investment policy) of this document.

The proposed changes will:

- reduce restrictions on sector caps imposed by the current investment policy. The current sector caps require a heavier exposure to lending to the commercial property sector than the Board, as advised by the Investment Adviser, considers is favourable in the current economic climate. The Board, as advised by the Investment Adviser, anticipates more attractive opportunities in small and medium-sized enterprise (SME) housebuilding, and has observed latent demand for the Company’s lending in the local market. Commercial property opportunities will nevertheless continue to be examined on merit, as with the crematorium project referred to in paragraph 2 (Portfolio update) above;
- remove reference to profit share agreements in the investment policy, including that the Directors, as advised by the Investment Adviser, anticipate that the Company will have the benefit of associated profit shares for approximately 80 per cent. of its future loan advances, as the anticipated evolution of the portfolio toward lower LTV loans is likely to result in fewer situations where an equity position can reasonably be achieved; and
- increase the maximum exposure to bridging loans, selected loan financings and other debt instruments so as to increase the flexibility available to the Investment Adviser for adding new secured loans to the portfolio that meet their risk adjusted return criteria/objectives.

The Company intends to maintain the existing policies that provide for risk management through diversification, in particular maintaining the current maximum exposure level of 20% of the Net Asset Value in respect of any one borrower or related borrowers or developer or related developer entities (calculated at the time of investment).

The Company has received written approval from the FCA to make the proposed amendments to the Company's investment policy set out above and, accordingly, in accordance with the Listing Rules, it intends to seek Shareholder approval for those amendments at the General Meeting by proposing resolution 1 set out in the Notice of General Meeting.

#### *Risk Factors*

Shareholders should note that while the Board, as advised by the Investment Adviser, does not anticipate any material short term change to the Company's current sector exposures, the proposed reduction on restrictions on sector caps and increase in the maximum exposure to bridging loans, selected loan financings and other debt instruments may lead the Company to have a greater concentration of investments in any one of these sectors or categories of investment. Greater concentration of investments in any one sector or category may result in greater volatility in the value of the Company's investments and may have a material adverse effect on the Company's performance, financial condition and business prospects. The Board, as advised by the Investment Adviser, remains confident that these potential risks can be mitigated by the robust risk management and credit processes that continue to encourage diversification across the Company's investments.

In addition, the removal of reference to profit share agreements in the investment policy, including that the Directors, as advised by the Investment Adviser, anticipate that the Company will have the benefit of associated profit shares for approximately 80% of its future loan advances, means that there may be less focus on such arrangements in future when considering and making new investments for the Company. This, in turn, means that future investments may be less likely to have the benefit of a profit share arrangement, carrying with it the benefit of any potential increase in value of project development vehicles over the life of a project, in addition to the interest returns received from the loans the Company makes to the vehicles. The Investment Adviser will continue to explore all options to provide bespoke commercial terms to potential borrowers, including profit share and exit fee arrangements, where appropriate. The Board, as advised by the Investment Adviser, considers that these risks are counterbalanced by the greater flexibility with the Company's investment focus, based on market opportunity and the balance of risk and return. In addition, the Investment Adviser remains committed to maximising fair value relative to the necessary risk for the Company by continuing to enhance potential additional returns through agreements such as exit fees and plot sale fees. The Company also retains the option of utilising profit shares to create additional value if the structure and risk profile of a particular transaction make this attractive on a risk adjusted basis.

## **4 CONTINUATION RESOLUTION**

Under the Existing Articles, the Directors are required to propose an ordinary resolution that the Company continue its business as presently constituted (the "**Continuation Resolution**") at the fifth annual general meeting of the Company and at each third annual general meeting of the Company thereafter. The fifth annual general meeting of the Company is due to be held in May 2021.

In the light of the portfolio update and proposed amendments to the investment policy (set out at paragraphs 2 and 3 above respectively), the Board has decided to bring forward the Continuation Resolution and propose it at the General Meeting. The Continuation Resolution is being proposed as resolution 2 set out in the Notice of General Meeting and will give Shareholders the opportunity to decide whether the Company should continue its business as presently constituted.

If the Continuation Resolution is not passed, the Directors are required to put proposals for the reconstruction, reorganisation or winding up of the Company to the Shareholders for their approval. Such proposals may result in the portfolio being realised at a material discount to its Net Asset Value and there can be no certainty as to how much cash would be returned to Shareholders or over what timeframe. Any such proposals would also result in the Company incurring additional costs in formulating those proposals.

## **5 ADOPTION OF NEW ARTICLES**

As a result of the Continuation Resolution being proposed early at the General Meeting (see paragraph 4 above), the Directors are also proposing to amend the Existing Articles so that they are not required to propose another Continuation Resolution at the annual general meeting to be held later this year in May. This would mean that the next Continuation Resolution after the General Meeting will not be proposed until the annual general meeting to be held in 2024. The Company is also taking the opportunity to update the Existing Articles in order to reflect changes to market practice since its IPO.

Adoption of the New Articles requires Shareholder approval and accordingly the Directors are proposing resolution 3 set out in the Notice of General Meeting which, if passed, means that the New Articles will take effect from the conclusion of the General Meeting.

The principal changes introduced by the New Articles are set out in Part 3 (Summary of the proposed amendments to the Existing Articles) of this document.

A copy of the Existing Articles marked to show all the changes and the New Articles will be available for inspection, subject to current COVID-19 restrictions and procedures, during normal business hours (excluding Saturdays, Sundays and bank holidays) at the Company's registered office and the offices of finnCap Ltd, 1 Bartholomew Close, London EC1A 7BL from the date of this document until the close of the General Meeting and at the place of the General Meeting from at least 15 minutes prior to the start of the meeting and up until the close of the meeting. As Shareholders cannot attend the General Meeting in person for the reasons set out below, a copy of the Existing Articles marked to show all the changes and the New Articles will also be made available on the Company's website [www.tocpropertybackedlendingtrust.co.uk](http://www.tocpropertybackedlendingtrust.co.uk).

## **6 DIVIDEND POLICY**

Further to the announcement made by the Company on 30 November 2020, and as announced on 1 March 2021, the Board has declared a final balancing dividend in respect of the financial year ended 30 November 2020 of 1.5 pence per Ordinary Share which will be paid on 1 April 2021 to Shareholders on the register on 12 March 2021. The corresponding ex-dividend date is 11 March 2021. This is sufficient for the Company to meet the requirement to distribute at least 85 per cent. of its eligible income in accordance with Chapter 4 of Part 24 of the CTA 2010 in order to retain its investment trust status.

As announced on 10 March 2021, the Board has also considered the appropriate dividend policy for the Company both for the current and for future financial years. Since June 2019, the Company has had the objective of paying dividends on a quarterly basis at the rate of 1.5 pence per quarter per Ordinary Share. In the current environment, however, not only have underlying base rates and LIBOR dropped, but (as described above) the Company is reducing the risk of its loans by requiring a higher equity component from its borrowers, and this will have the effect

of lowering interest earnings from the loans. As a consequence, the Board and the Investment Adviser have considered the likely dividend capacity of the Company. Bearing in mind (as described above) that the Company intends to distribute at least 85 per cent. of its eligible income in accordance with Chapter 4 of Part 24 of the CTA 2010 in order to retain its investment trust status, the Board has resolved to adopt a new dividend policy for the Company. It is anticipated that the new policy will first take effect in respect of the dividend due to be declared in respect of the first quarter of the current financial year (expected to be declared in May 2021). As a result, the Company expects to pay dividends at a rate of 1 penny per Ordinary Share per quarter, equivalent to 4 pence per Ordinary Share per year in aggregate.

The Company intends to continue to distribute at least 85 per cent. of its eligible income or such other percentage which may be prescribed by HMRC in accordance with Chapter 4 of Part 24 CTA 2010. Accordingly, to the extent required, at the end of each financial year, the Board will consider whether payment of an additional dividend (to be paid alongside the final fourth quarter dividend for that year) is appropriate and/or required for the Company to maintain its investment trust status.

## **7 PREMIUM MANAGEMENT AND DISCOUNT CONTROL**

The Board has the discretion to seek to manage, on an ongoing basis, the premium or discount at which the Shares may trade to their Net Asset Value through further issues and buy-backs, as appropriate.

### **7.1 Premium management**

When the Shares trade at a premium to Net Asset Value, the Company may issue new Shares as long as no Shares are issued at a price below Net Asset Value per Share. Issue of new Shares would enable the Company to seek to manage the premium to Net Asset Value at which the Shares may trade. At the time of its launch, the Company took Shareholder authority, inter alia, to allot Ordinary Shares and/or C Shares on a non-pre-emptive basis, but this authority expired at the third annual general meeting of the Company held in 2020. As the Directors do not have any current authority to allot Shares, resolution 4 set out in the Notice of General Meeting is to be proposed which deals with the Directors' authority to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company in accordance with section 551 of the Companies Act. If passed, the resolution will authorise the Directors to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to a maximum nominal amount of £53,848.13 which represents approximately 20% of the Company's total ordinary share capital in issue (excluding treasury shares) as at 9 March 2021 (being the latest practicable date before publication of this document). The Company did not hold any treasury shares as at 9 March 2021 (being the latest practicable date before publication of this document). The Directors have no present intention to exercise the authority conferred by this resolution. The authority granted by this resolution will expire on 31 May 2021 or, if earlier, on the conclusion of the next annual general meeting.

If the Directors wish to exercise the authority under resolution 4 set out in the Notice of General Meeting to allot new Shares or to sell Shares from treasury for cash, company law requires that these are first offered to existing Shareholders in proportion to their existing holdings. There may be occasions, however, when the Directors will need the flexibility to take advantage of opportunities to allot new Shares or to sell Shares from treasury for cash without first offering them to existing Shareholders in proportion to their holdings. This cannot be done unless the Shareholders have first waived their pre-emption rights. Accordingly, the Company is proposing resolution 5, which will, if passed, give the Directors power, pursuant to the authority to allot granted by resolution 4, to allot equity securities (as defined by section 560 of the Companies Act) or sell treasury shares for cash without first offering them to existing Shareholders in proportion to their existing holdings up to a maximum nominal amount of £53,848.13 which represents approximately 20% of the total equity share capital in issue as at 9 March 2021 (being the latest practicable date before publication of this document). The power granted by this resolution will expire on the conclusion of the next annual general meeting or, if earlier, on 31 May 2021. The Directors have no present intention to exercise the authority conferred by this resolution. Unless previously authorised by Shareholders, no Shares will be issued at a price less than the prevailing Net Asset Value per Share at the time of the issue unless they are offered pro rata to existing Shareholders.

Going forward, the Directors intend to seek these authorities annually at the Company's annual general meeting, including the annual general meeting to be held later in 2021.

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

### **7.2 Discount control**

The Board obtained a discretionary share buyback authority at the general meeting of the Company held on 11 August 2020 (the "**2020 General Meeting**") and this authority will expire on the earlier of the conclusion of the annual general meeting to be held in 2021 and 15 months from the passing of the resolution. It is the intention of the Directors to renew the authority obtained at the 2020 General Meeting at the annual general meeting to be held in 2021. The Directors will consider repurchasing Shares in the market if they believe it to be in Shareholders' interests as a whole and as a means of correcting any imbalance between supply of and demand for Shares. The Directors will only make such repurchases through the market at prices (after allowing for costs) below the relevant prevailing Net Asset Value per Share under the guidelines established by the Board.

Shareholders should note that the purchase of Shares by the Company is at the absolute discretion of the Directors and is subject, amongst other things, to the amount of cash available to the Company to fund such purchases. Accordingly, no expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions.

## **8 CONSENT**

The Investment Adviser has given and has not withdrawn its written consent to the inclusion of the reference to its name in the form and context in which it is included.

## **9 GENERAL MEETING**

The Proposals require the approval of Shareholders at the General Meeting. The General Meeting will be held on 29 March 2021 at 10.00 a.m. at the offices of Tier One Capital Ltd, Keel House, Garth Heads, Newcastle upon Tyne NE1 2JE. The Notice of General Meeting is set out at the end of this document.

As a result of the current restrictions in connection with COVID-19, in particular on public gatherings, the General Meeting will be run as a closed meeting and Shareholders must not attend the General Meeting in person. Any person who does attempt to attend the General Meeting in person will be refused admission.

As Shareholders cannot attend the General Meeting in person, Shareholders are encouraged to vote on the resolutions to be considered at the General Meeting by proxy. To vote by proxy, Shareholders should follow the instructions set out in paragraph 10 below, the Notice of General Meeting and the Form of Proxy. In order for their vote to count, Shareholders should appoint the chairman of the meeting as their proxy. This is because of the closed nature of the General Meeting described above, meaning that any other person attempting to attend the General Meeting will be refused admission and will therefore be unable to vote.

The Board welcomes questions from Shareholders with regard to the resolutions being put to the General Meeting or to any other matter relating to the Company. Given the unique circumstances prevailing in connection with COVID-19, it is requested that any such questions be submitted ahead of the General Meeting by email to [cossec@maitlandgroup.com](mailto:cossec@maitlandgroup.com).

The situation relating to COVID-19 is constantly evolving and the UK Government may change current restrictions in connection with COVID-19 and/or implement further measures that affect the holding of shareholder meetings. Any changes to the General Meeting will be communicated to Shareholders through the Company's website at [www.tocpropertybackedlendingtrust.co.uk](http://www.tocpropertybackedlendingtrust.co.uk) and, where appropriate, by announcement through a Regulatory Information Service.

Resolutions 1, 2 and 4 set out in the Notice of General Meeting will be proposed as ordinary resolutions and resolutions 3 and 5 will be proposed as a special resolutions. In order to be passed, the resolutions to be proposed as ordinary resolutions will require the approval of Shareholders representing more than 50 per cent. of the votes cast at the General Meeting and the resolutions to be proposed as special resolutions will require the approval of Shareholders representing more than 75 per cent. of the votes cast at the General Meeting. As Shareholders cannot attend the General Meeting for the reasons set out above, the resolutions will be taken on a poll, which the Board feels is the fairest approach in the light of the restrictions on attendance at the General Meeting.

The Existing Articles provide that (subject to certain exceptions) at the General Meeting each Shareholder present in person or by proxy or who (being a corporation) is present by a representative shall on a show of hands have one vote and on a poll shall have one vote for each Share of which he is the holder. The quorum for the General Meeting shall be two persons entitled to attend and to vote on the business to be transacted, each being a Shareholder so entitled or a proxy for a Shareholder so entitled or a duly authorised representative of a corporation which is a Shareholder so entitled. In the event that the General Meeting is adjourned because a quorum is not present by the time specified in the Existing Articles or ceases to be present and the above-mentioned quorum is not present by the time specified in the Existing Articles, at such adjourned General Meeting the quorum shall be one person entitled to attend and to vote on the business to be transacted, being a Shareholder so entitled or proxy for a Shareholder so entitled or duly authorised representative of a corporation which is a Shareholder so entitled. Shareholders are reminded that, for the reasons set out above, the General Meeting will be run as a closed meeting and Shareholders must not attend the General Meeting in person and so are encouraged to vote by proxy.

As soon as practicable following the General Meeting, the results of the voting will be announced via a Regulatory Information Service and also placed on the Company's website at [www.tocpropertybackedlendingtrust.co.uk](http://www.tocpropertybackedlendingtrust.co.uk).

## **10 ACTION TO BE TAKEN**

Shareholders will find enclosed with this document a Form of Proxy for use at the General Meeting. As Shareholders cannot attend the General Meeting in person, Shareholders are encouraged to vote on the resolutions to be considered at the General Meeting by proxy. To vote by proxy, Shareholders should follow the instructions set out in this paragraph 10, the Notice of General Meeting and the Form of Proxy. In order for their vote to count, Shareholders should appoint the chairman of the meeting as their proxy. This is because of the closed nature of the General Meeting described above, meaning that any other person attempting to attend the General Meeting will be refused admission and will therefore be unable to vote.

Shareholders are asked to complete and return the Form of Proxy in accordance with the instructions printed thereon to the Company's Registrar, Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible and in any event so as to arrive by no later than 10.00 a.m. on 25 March 2021. As an alternative to completing the hard-copy Form of Proxy, you can appoint a proxy electronically by going to [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and following the instructions. For an electronic proxy appointment to be valid, your appointment must be received by Computershare Investor Services PLC no later than 10.00 a.m. on 25 March 2021. If you hold your Ordinary Shares in uncertificated form (that is, in CREST) you may appoint a proxy by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual so that it is received by the Registrar (under CREST participant ID 3RA50) by no later than 10.00 a.m. on 25 March 2021. CREST members may choose to use the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the Form of Proxy and the Notice of General Meeting.

## **11 RECOMMENDATION**

The Board considers that all the proposals to be considered at the General Meeting are in the best interests of the Shareholders taken as a whole and accordingly, the Board unanimously recommends that Shareholders vote in favour of the resolutions to be proposed at the General Meeting.

The Board intends to vote in favour of the resolutions to be proposed at the General Meeting in respect of their holdings of Ordinary Shares amounting to 143,560 Ordinary Shares in aggregate (representing approximately 0.3 per cent. of the issued share capital of the Company as at 9 March 2021).

Yours faithfully

**John Newlands**

Chairman

**TOC Property Backed Lending Trust plc**

10 March 2021

## Part 2 – Proposed amendments to the investment policy

The proposed amendments to the investment policy, marked to show the changes from the investment policy at the time of the Company's IPO, are set out below. Additions are indicated with underline and deletions are indicated with strikethrough.

The Company will seek to achieve its investment objective through: (i) a diversified portfolio of fixed rate loans predominantly secured over land and/or property in the UK; and (ii) receiving, in many cases, the benefit of an associated Profit Share, usually obtained by acquiring (at nil cost) a minority equity stake in the relevant borrower project development vehicle.

The Company will attempt to reduce downside risk by focusing on secured debt with both quality collateral and contractual protection.

The Company will make investments primarily through senior secured loans although other loans such as bridging loans, subordinated loans, selected loan financings and other debt instruments may be considered if appropriate.

The Company anticipates that the typical loan term will be between one and five years. The Company retains absolute discretion to make investments for either shorter or longer periods.

### Loan to value

The Company will typically seek to originate debt where the effective loan to real estate value ratio of any investment is between 40 per cent. and 100 per cent. at the time of origination. The Company will typically seek to achieve a blended LTV across the Portfolio of no more than 75 per cent. (based on the initial valuations at the time of loan origination) once fully invested.

### Sector

The Company's portfolio is intended to be appropriately diversified by sector and will be predominantly split between:

- regional residential housebuilding across the UK, with a preliminary focus on non-London based property;
- small to medium commercial property development across the UK primarily focusing on small serviced office space, hotel developments and wedding and conferencing venues; and
- direct sale and leaseback vehicles primarily operating in the professional sectors of dentists, accountants, solicitors and finance professionals.

### Profit-Shares

The Company anticipates that, for many of the fixed rate loans it will make, it will have the benefit of an associated profit share arrangement: usually obtained by acquiring (at nil cost) a minority equity stake in the relevant borrower project development vehicle. It is anticipated that each Profit Share will be with a particular borrowing team pursuant to which the Company will have a right of first refusal to provide the financing for that borrowing team's next five projects via the relevant borrower project development vehicle. The Directors (as advised by the Investment Adviser) anticipate that the Company will have the benefit of associated Profit Shares for approximately 80 per cent. of its future loan advances.

The Directors intend to negotiate Profit Shares on a developer-by-developer basis. The Company will have the benefit of suitable minority protection rights (e.g. reserved matters requiring shareholder approval and the ability to appoint director(s) to the boards of the project development vehicle) in order to protect its investment but neither the Company nor the Investment Adviser will be involved in the day-to-day operations of the project development vehicle or associated borrowing team.

Given the time frame required to fully maximise the value of a Profit Share, the Board expects that the Company's interest in a Profit Share will be held for the medium to long term. The Company will only take the benefit of Profit Share investments where the underlying loans are consistent with the investment objective and investment policy of the Company, and following completion of satisfactory due diligence, irrespective of whether a Profit Share is available.

The Initial Portfolio of 10 loans includes loans associated with 3 borrowers who have previously entered into profit sharing arrangements with the Investment Adviser. The Company will not have a right of first refusal on any further loans to such borrowers. However, Profit Share arrangements for future loans advanced by the Company to projects associated with those borrowers would accrue for the benefit of the Company and would not be retained by the Investment Adviser.

### Investment restrictions

The Company will observe the following investment restrictions:

- the Company will derive its income from a portfolio of not less than five loans;
- no more than 50~~100~~ per cent. of the NetGross Asset Value will be exposed to the regional residential housebuilding sector, calculated at the time of investment;
- no more than 50~~100~~ per cent. of the NetGross Asset Value will be exposed to the small to medium commercial property development sector, calculated at the time of investment;
- no more than 30 per cent. of the Net Asset Value will be exposed to direct sale and leaseback vehicles, at the time of investment;
- no more than 25~~50~~ per cent. of the Net Asset Value will be exposed to subordinated loans, calculated at the time of investment and/or subsequent subordination;
- no more than 10~~50~~ per cent. of the Net Asset Value will be exposed to bridging loans, selected loan financings and other debt instruments, calculated at the time of investment;
- no more than 5 per cent. of the Net Asset Value will be exposed to unsecured loans, calculated at the time of investment;
- no single investment, or aggregate investments secured on a single property or group of properties or connected with related borrowers, will exceed 20 per cent. of the Net Asset Value, calculated at the time of investment;



- no more than 25 per cent. of the Net Asset Value for the first six months after Initial Admission, and no more than 20 per cent. of the Net Asset Value thereafter will be exposed to any one borrower or related borrowers or developer or related developer entities calculated at the time of investment;
- no more than 10 per cent. of the Net Asset Value will be exposed to any sector other than regional residential housebuilding and small to medium commercial property development and direct sale and leaseback vehicles; and
- the Company will not invest in other listed closed-ended investment companies.

**Borrowing**

The Company may use gearing if it believes it will enhance Shareholder returns over the longer term. If the Company does decide to introduce gearing it would intend to limit the Company's borrowings to a maximum of 30 per cent. of the Net Asset Value at the time of drawdown.

**Cash management**

The Company may from time- to-time have surplus cash. It is expected that any surplus cash will be temporarily invested in cash or cash equivalents, money market instruments, bonds, commercial paper or other debt obligations with banks or other counterparties having a single-A (or equivalent) or higher credit rating as determined by an internationally recognised rating agency or gilts or otherwise approved by the Board.

**Use of derivatives and hedging**

The Company may invest through derivatives for efficient portfolio management. In particular, the Company may engage in interest rate hedging or otherwise seek to mitigate the risk of interest rate increases as part of the Company's efficient portfolio management.

In the event of a breach of the investment policy or the investment restrictions set out above, the Investment Adviser shall inform the Directors upon becoming aware of the same and if the Directors consider 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.

## **Part 3 – Summary of proposed amendments to the Existing Articles**

The Board is proposing to make amendments to the Existing Articles to enable the Directors to determine the time and place of general meetings and the manner in which they are conducted (including the ability to hold hybrid meetings). The amendments are being sought in response to challenges posed by the government restrictions on social interactions as a result of the COVID-19 pandemic, which have made it difficult or impossible for shareholders to attend physical meetings. The key changes proposed to be introduced in the Existing Articles, and their effect, are set out below. Further amendments are also being proposed to be made to the Existing Articles to reflect recent changes to law and regulation (including changes to the AIC Code as described below) and to permit the Company to request information from Shareholders to satisfy due diligence and reporting requirements under the US Foreign Account Tax Compliance Act (“**US FATCA**”) or similar laws and thereby avoid adverse tax consequences which would otherwise arise under US FATCA or similar laws. In addition, the Company is seeking an amendment to the Existing Articles to permit the Company to require the transfer of shares where the Shareholder in question fails to comply with such request or may cause the Company issues under US FATCA or any similar laws.

This summary is intended only to highlight the principal amendments which are likely to be of interest to Shareholders and there are additional consequential changes which will be required as result of the principal amendments being made. It is not intended to be comprehensive and cannot be relied upon to identify amendments or issues which may be of interest to Shareholders. A copy of the Existing Articles marked to show all the changes and the New Articles will be available for inspection, subject to current COVID-19 restrictions and procedures, during normal business hours (excluding Saturdays, Sundays and bank holidays) at the Company’s registered office and the offices of finnCap Ltd, 1 Bartholomew Close, London EC1A 7BL from the date of this document until the close of the General Meeting and at the place of the General Meeting from at least 15 minutes prior to the start of the meeting and up until the close of the meeting. As Shareholders cannot attend the General Meeting in person for the reasons set out above, a copy of the Existing Articles marked to show all the changes and the New Articles will also be made available on the Company’s website [www.tocpropertybackedlendingtrust.co.uk](http://www.tocpropertybackedlendingtrust.co.uk).

### **1 Continuation Resolution (article 166.2 of the New Articles)**

Under the Existing Articles, the Directors are required to propose a Continuation Resolution at the fifth annual general meeting of the Company and at each third annual general meeting of the Company thereafter. The fifth annual general meeting of the Company is due to be held in May 2021, but as set out at paragraph 4 of Part 1 (Letter from the Chairman) of this document, the Board has decided to bring forward the Continuation Resolution to the General Meeting due to be held on 29 March 2021. As a result of the Continuation Resolution being proposed early, the Directors propose to amend the Existing Articles accordingly so that they are not required to propose another Continuation Resolution at the annual general meeting to be held later this year in May. However, under the New Articles the Directors will still be required to propose a Continuation Resolution at each third annual general meeting of the Company, meaning that the next Continuation Resolution after the General Meeting will be proposed at the annual general meeting to be held in 2024.

### **2 Electronic participation in general meetings (articles 56 - 59 and 65 of the New Articles)**

The Board will have the ability to determine whether a general meeting shall be held as either a ‘physical meeting’ or as a ‘hybrid meeting’, with the latter involving both the physical attendance of members and participation by members via electronic means. It is the current expectation of the Directors that hybrid meetings would only be used where a solely physical meeting is impracticable or unworkable.

### **3 Postponement of general meetings and alternative arrangements for general meetings (article 61 of the New Articles)**

The Board’s existing ability to postpone the time at which a general meeting is to be held, or change the place of the general meeting, will be updated, including to allow changes to the electronic facility or facilities to be used, in the event that they decide it has become impracticable or undesirable to hold the meeting at the declared time and place or using the declared facility or facilities.

### **4 Power to adjourn (articles 66 and 67 of the New Articles)**

The chairman of a general meeting (with the consent of the meeting) will have the ability to adjourn the meeting from time to time and from place to place (or in the case of a meeting held at a principal meeting place and one or more satellite meeting places, such other places) and/or from such electronic facility or facilities for the attendance and participation to such electronic facility or facilities as determined by the chair of the meeting (or, in default, the Board) in his or its absolute discretion. Further, the chairman of a general meeting will have the ability to interrupt or adjourn the meeting without the consent of the meeting if it appears to the chairman that the facilities at the principal meeting place or any satellite meeting place or an electronic facility or facilities or security at the general meeting have become inadequate or are otherwise not sufficient to allow the meeting to be conducted substantially in accordance with the provisions set out in the notice of meeting.

### **5 Accommodation of members and security arrangements (article 69 of the New Articles)**

The Board will have the ability to put in place security measures where considered appropriate in the circumstances, and to take such action, give such directions or put in place such arrangements as are considered appropriate to secure the safety of those attending the meeting and to promote the orderly conduct of the meeting in relation to both physical attendance and attendance by electronic facility.

### **6 Method of voting (article 71 of the New Articles)**

A resolution put to vote at a general meeting held partly by means of electronic facility or facilities shall be decided on a poll, which poll votes may be cast by such electronic means as the Board deems appropriate.

### **7 Information rights and forced transfers (article 43 of the New Articles)**

The Board will have the ability, at any time, to serve notice on any member requiring that member to promptly provide the Company with any information, representations, certificates, waivers or forms relating to such member to enable the Company to satisfy its diligence and reporting requirements in relation to the U.S. Foreign Account Tax Compliance Act of 2010 and the requirements of similar laws which the Company may be subject from time to time.

## **8 Annual re-election of directors (article 94 of the New Articles)**

Under the Existing Articles, at each annual general meeting of the Company, one-third of the Directors or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third, must retire from office by rotation, or if there are fewer than three Directors, one Director must retire from office. The New Articles require that, in accordance with the provisions of the AIC Code, all of the Directors shall retire from office at each annual general meeting of the Company except any Director appointed by the Board after the notice of that annual general meeting has been given and before the annual general meeting has been held.

## **9 Re-election of directors to comply with legal requirements (articles 96.2 and 110 of the New Articles)**

As set out at paragraph 8 above, the New Articles will require that each Director will automatically retire at each annual general meeting of the Company. The New Articles also contain provisions (allowing additional appointments or automatic re-election) so that the Company can continue to operate, and comply with its legal and regulatory obligations, in the event that not enough Directors are able to act because the resolutions for re-election put to an annual general meeting have not been passed.

## **10 Invalidly appointed proxies (article 82.1 of the New Articles)**

The Existing Articles set out when appointment of a proxy will be invalid. The New Articles expand these provisions to expressly prevent invalidly appointed proxies from attending, speaking at or voting on resolutions at general meetings.

## **11 Sending share certificates at member's risk (article 18.6 of the New Articles)**

The New Articles clarify that share certificates sent by the Company are sent at the member's risk.

## **12 Unclaimed dividends (article 154.2 of the New Articles)**

The Existing Articles set out that all dividends, interest or other sums payable and unclaimed for a period of 12 months after having become payable may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and that all dividends unclaimed for a period of 12 years shall, if the Board so resolves, be forfeited. The New Articles clarify the circumstances in which the Company may treat payments as unclaimed by members.

## **13 Destruction of documents (article 48 of the New Articles)**

In line with market practice, the New Articles incorporate additional categories of documents that may be destroyed, which includes the following: (i) all paid dividends, warrants and cheques after one year from the date of payment; (ii) all proxy appointments used for the purposes of a poll after one year from the date of use; and (iii) all proxy appointments not used for the purposes of a poll after one month from the date of the end of the meeting to which the proxy appointment relates and no poll was demanded.

# Definitions

In this document the words and expressions listed below have the meanings set out opposite them, except where the context otherwise requires:

<b>“AIC Code”</b>	the AIC Code of Corporate Governance
<b>“Articles”</b>	the articles of association of the Company, as amended from time to time
<b>“Board”</b>	the board of directors of the Company or any duly constituted committee thereof
<b>“Companies Act”</b>	the Companies Act 2006 and any statutory modification or re-enactment thereof for the time being in force
<b>“Continuation Resolution”</b>	has the meaning given to it in paragraph 4 of Part I (Letter from the Chairman) of this document
<b>“CREST Manual”</b>	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
<b>“CREST Proxy Instruction”</b>	allowing holders of shares in uncertificated form (that is, in CREST) to appoint a proxy by completing and transmitting a CREST Proxy Instruction
<b>“CREST”</b>	the computerised settlement system operated by Euroclear which facilitates the transfer of title to Ordinary Shares in uncertificated form
<b>“C Shares”</b>	C shares of 10 pence each in the capital of the Company and <b>“C Share”</b> shall be construed accordingly
<b>“CTA 2010”</b>	Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force
<b>“Directors”</b>	the directors of the Company
<b>“Existing Articles”</b>	the articles of association of the Company as at the date of this document
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, being the operator of CREST
<b>“FCA”</b>	the Financial Conduct Authority
<b>“Form of Proxy”</b>	the personalised form of proxy provided with this document for use by Shareholders in connection with the General Meeting
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended)
<b>“Gross Asset Value”</b>	the value, as at any date, of the assets of the Company determined in accordance with the accounting policies adopted by the Company from time-to-time
<b>“General Meeting”</b>	the general meeting of the Company to consider the Proposals, convened for 10.00 a.m. on 29 March 2021 or any adjournment thereof, notice of which is set out at the end of this document
<b>“HMRC”</b>	HM Revenue and Customs
<b>“Initial Admission”</b>	admission to trading on London Stock Exchange plc’s main market for listed securities of Ordinary Shares becoming effective in accordance with the admission and disclosure standards published by London Stock Exchange plc and admission of the Ordinary Shares to the premium listing segment of the Official List of the Financial Conduct Authority becoming effective in accordance with the listing rules made by the Financial Conduct Authority pursuant to Part VI of the Financial Services and Markets Act 2000, as amended
<b>“Initial Portfolio”</b>	the initial portfolio of the Company, assigned to the Company on Initial Admission
<b>“Investment Adviser”</b>	Tier One Capital Ltd
<b>“IPO”</b>	the initial public offering of the Company
<b>“Listing Rules”</b>	the listing rules made by the Financial Conduct Authority under section 73A of FSMA
<b>“London Stock Exchange”</b>	London Stock Exchange plc

<b>"LTV"</b>	loan-to-value
<b>"Net Asset Value"</b> or <b>"NAV"</b>	the value, as at any date, of the assets of the Company after deduction of all liabilities determined in accordance with the accounting policies adopted by the Company from time-to-time
<b>"Net Asset Value per C Share"</b> or <b>"NAV per C Share"</b>	at any time the Net Asset Value attributable to the C Shares divided by the number of C Shares in issue (other than C Shares held in treasury) at the date of calculation
<b>"Net Asset Value per Ordinary Share"</b> or <b>"NAV per Ordinary Share"</b>	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
<b>"Net Asset Value per Share"</b> or <b>"NAV per Share"</b>	the NAV per Ordinary Share and/or NAV per C Share, as appropriate
<b>"New Articles"</b>	the articles of association proposed to be adopted by the Company at the General Meeting
<b>"Notice of General Meeting"</b>	the notice of the General Meeting as set out at the end of this document
<b>"Ordinary Shares"</b>	ordinary shares of one pence each in the capital of the Company and <b>"Ordinary Share"</b> shall be construed accordingly
<b>"Portfolio"</b>	the Company's portfolio of investments
<b>"Profit Share"</b>	a profit share arrangement, usually obtained by acquiring (at nil cost) a minority equity stake in the relevant borrower project development vehicle
<b>"Proposals"</b>	has the meaning given to it in paragraph I of Part I (Letter from the Chairman) of this document
<b>"Registrar"</b>	Computershare Investor Services PLC
<b>"Regulatory Information Service"</b>	a service authorised by the Financial Conduct Authority to release regulatory announcements to the London Stock Exchange
<b>"Shareholder"</b>	a holder of Shares and <b>"Shareholders"</b> shall be construed accordingly
<b>"Shares"</b>	Ordinary Shares and/or C Shares, as the context may require
<b>"UK"</b> or <b>"United Kingdom"</b>	the United Kingdom of Great Britain and Northern Ireland

## Notice of General Meeting

# TOC Property Backed Lending Trust plc

(Incorporated in England and Wales with registered number 10395804 and registered as an investment company under section 833 of the Companies Act 2006)

Notice is hereby given that a general meeting (the "**General Meeting**") of TOC Property Backed Lending Trust plc (the "**Company**") will be held at the offices of Tier One Capital Ltd, Keel House, Garth Heads, Newcastle upon Tyne NE1 2JE at 10.00 a.m. on 29 March 2021 for the purposes of considering and, if thought fit, passing the resolutions below. Resolutions 1, 2 and 4 will be proposed as ordinary resolutions and resolutions 3 and 5 will be proposed as a special resolutions.

**As a result of the current restrictions in connection with COVID-19, in particular on public gatherings, the General Meeting will be run as a closed meeting and shareholders must not attend the General Meeting in person. Any person who does attempt to attend the General Meeting in person will be refused admission. As shareholders cannot attend the General Meeting in person, shareholders are encouraged to vote on the resolutions to be considered at the General Meeting by proxy. To vote by proxy, shareholders should follow the instructions set out in paragraph 10 in Part I (Letter from the Chairman) of the Circular (as defined below), this Notice of General Meeting and the form of proxy provided with this document for use by Shareholders in connection with the General Meeting.**

- 1 THAT the Company adopts the proposed changes to its investment policy, as set out in the circular to Shareholders dated 10 March 2021 (the "**Circular**"), of which this notice forms part.
- 2 THAT the Company continue its business as presently constituted.
- 3 THAT, with effect from the conclusion of the meeting, the draft articles of association produced to the meeting and, for the purposes of identification, initialled by the chairman of the meeting, be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.
- 4 THAT, in accordance with section 551 of the Companies Act 2006 (the "**CA 2006**"), the board of directors of the Company (or a duly constituted committee of the directors of the Company) (the "**Directors**") be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £53,848.13 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 31 May 2021 or, if earlier, the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require shares in the Company to be allotted or rights to subscribe for or to convert any security into shares in the Company to be granted and the Directors may allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.
- 5 THAT, subject to the passing of resolution 4 and in accordance with section 570 of the CA 2006, the Directors be authorised to allot equity securities (as defined in section 560 of the CA 2006) for cash under the authority conferred by resolution 4 and/or to sell ordinary shares of one pence each in the capital of the Company held by the Company as treasury shares as if section 561 of the CA 2006 did not apply to any such allotment or sale, provided that such authority shall be limited to the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £53,848.13. The authority granted by this resolution will, unless renewed, varied or revoked by the Company, expire at the conclusion of the Company's next annual general meeting after this resolution is passed or, if earlier, at the close of business on 31 May 2021, save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted (or treasury shares to be sold) after the authority expires and the Directors may allot equity securities (or sell treasury shares) in pursuance of any such offer or agreement as if the authority had not expired. This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities or sell treasury shares as if section 561 of the CA 2006 did not apply but without prejudice to any allotment of equity securities or sale of treasury shares already made or agreed to be made pursuant to such authorities.

By order of the Board

Maitland Administration Services (Scotland) Limited

Company Secretary

Registered office: Keel House, Garth Heads, Newcastle upon Tyne NE1 2JE

10 March 2021

## Notes

Terms defined in the Circular, of which this notice forms part, shall have the same meaning in these Notes, unless the context otherwise requires.

- 1 Only Shareholders on the Register of Members (the "**Register**") at close of business on 25 March 2021 are entitled to attend, speak and vote at the General Meeting in respect of the number of shares registered in their name at such time. In the event of any adjournment of the General Meeting, the time by which a person must be entered on the Register in order to have the right to attend and vote at the adjourned General Meeting is close of business on the day two days prior (excluding non-business days) to the adjourned meeting. Such Shareholders can vote in respect of the number of shares registered in their names at that time, but any subsequent changes to the Register shall be disregarded in determining rights to attend and vote. Shareholders are reminded that their rights to attend, speak and vote are subject to the restrictions on attendance set out in paragraph 9 of Part I (Letter from the Chairman) of the Circular.
- 2 A member entitled to attend and vote at the General Meeting is entitled to appoint one or more proxies to exercise all or any of the rights of the member to attend and speak and vote in his place. A proxy need not be a member of the Company. If a member appoints more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member. However, Shareholders are reminded that their rights to attend and vote are subject to the restrictions on attendance set out in paragraph 9 of Part I (Letter from the Chairman) of the Circular and that in order for their vote to count, Shareholders should appoint the chairman of the meeting as their proxy. This is because of the closed nature of the General Meeting described above, meaning that any other person attempting to attend the General Meeting will be refused admission and will therefore be unable to vote.
- 3 To appoint a proxy you may use the Form of Proxy enclosed with this notice. To be valid, the Form of Proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be completed and returned in accordance with the instructions printed thereon to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY to be received as soon as possible and in any event by not later than 10.00 a.m. on 25 March 2021. You can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy. Shareholders are reminded that in order for their vote to count, Shareholders should appoint the chairman of the meeting as their proxy. This is because of the closed nature of the General Meeting described above, meaning that any other person attempting to attend the General Meeting will be refused admission and will therefore be unable to vote.
- 4 As an alternative to completing the hard-copy Form of Proxy, you can appoint a proxy electronically by going to [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and following the instructions. For an electronic proxy appointment to be valid, your appointment must be received by Computershare Investor Services PLC no later than 10.00 a.m. on 25 March 2021.
- 5 Completion of the Form of Proxy would not normally prevent you from attending and voting in person, however, Shareholders are reminded that their rights to attend and vote are subject to the restrictions on attendance set out in paragraph 9 of Part I (Letter from the Chairman) of the Circular and that in order for their vote to count, Shareholders should appoint the chairman of the meeting as their proxy. This is because of the closed nature of the General Meeting described above, meaning that any other person attempting to attend the General Meeting will be refused admission and will therefore be unable to vote.
- 6 Any person receiving a copy of this notice as a person nominated by a member to enjoy information rights under section 146 of the Companies Act (a "**Nominated Person**") should note that the provisions in note 2 above concerning the appointment of a proxy or proxies to attend the General Meeting in place of a member, do not apply to a Nominated Person as only shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights at the General Meeting.
- 7 Nominated Persons should also remember that their main point of contact in terms of their investment in the Company remains the member who nominated the Nominated Person to enjoy information rights (or perhaps the custodian or broker who administers the investment on their behalf). Nominated Persons should continue to contact that member, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interest in the Company (including any administrative matter). The only exception to this is where the Company expressly requests a response from a Nominated Person.
- 8 In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- 9 Shareholders who hold their Ordinary Shares electronically may submit their votes through CREST, by submitting the appropriate and authenticated CREST message so as to be received by the Company's registrar not later than 48 hours (excluding non-business days) before the start of the meeting. Instructions on how to vote through CREST can be found by accessing the following website: [www.euroclear.com/CREST](http://www.euroclear.com/CREST).
- 10 If you are a CREST system user (including a CREST personal member) you can appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by Computershare Investor Services PLC (ID number 3RA50) not later than 48 hours before the time appointed for holding the General Meeting excluding non-business days.
- 11 For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which Computershare Investor Services PLC is able to retrieve the message. CREST personal members or other CREST sponsored members should contact their CREST sponsor for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

- 12 Any corporation which is a member may appoint one or more corporate representative(s) who may exercise on its behalf all of its powers as a member provided that, if it is appointing more than one corporate representative, it does not do so in relation to the same shares. It is, therefore, no longer necessary to nominate a designated corporate representative. Representatives should bring to the General Meeting evidence of their appointment, including any authority under which it is signed. However, Shareholders are reminded that their rights to attend and vote are subject to the restrictions on attendance set out in paragraph 9 of Part I (Letter from the Chairman) of the Circular and that in order for their vote to count, Shareholders should appoint the chairman of the meeting as their proxy. This is because of the closed nature of the General Meeting described above, meaning that any other person attempting to attend the General Meeting will be refused admission and will therefore be unable to vote.
- 13 If the chairman of the meeting, as a result of any proxy appointments, is given discretion as to how the votes of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the chairman of the meeting, result in the chairman of the meeting holding such number of voting rights that he has a notifiable obligation under the Disclosure Guidance and Transparency Rules, the chairman of the meeting will make the necessary notifications to the Company and the Financial Conduct Authority. As a result, any member holding 3 per cent or more of the voting rights in the Company who grants the chairman of the meeting a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and the Financial Conduct Authority.
- 14 A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
- 15 Voting on all resolutions will be conducted by way of a poll rather than on a show of hands as shareholders cannot attend the General Meeting for the reasons set out in paragraph 9 of Part I (Letter from the Chairman) of the Circular, which the Board feels is the fairest approach in the light of the restrictions on attendance at the General Meeting.
- 16 As soon as practicable following the meeting, the results of the voting will be announced via a regulatory information service and also placed on the Company's website.
- 17 Any question relevant to the business of the General Meeting may be asked at the General Meeting by anyone permitted to speak at the General Meeting. However, Shareholders are reminded that their rights to attend and vote are subject to the restrictions on attendance set out in paragraph 9 of Part I (Letter from the Chairman) of the Circular. A holder of shares may alternatively submit a question in advance by a letter addressed to the Company's registered office. Under section 319A of the Companies Act, the Company must answer any question a shareholder asks relating to the business being dealt with at the General Meeting, unless, (i) answering the question would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
- 18 Further information regarding the General Meeting which the Company is required by section 311A of the Companies Act to publish on a website in advance of the General Meeting can be accessed at [www.tocpropertybackedlendingtrust.co.uk](http://www.tocpropertybackedlendingtrust.co.uk).
- 19 As at 12 noon on 9 March 2021 (the latest practicable date before publication of this notice), the Company's issued share capital consists of 26,924,063 Ordinary Shares. Each Ordinary Share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 12 noon on 9 March 2021 is 26,924,063.
- 20 You may not use any electronic address provided either in this notice or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.