

RM Secured Direct Lending plc

RM Secured Direct Lending aims to generate attractive and regular dividends through investment in direct loans to corporates mainly based in the UK.

- Companies with a good visibility over cash flow, earnings, exceptional management teams supported by strong security packages
- Typical investment size of £2-10m and typically 3-15 years

All of the loans will be secured on real assets and where possible contracted cash flows

- Security will be over a range of assets including real estate, plant and machinery and income streams
- The loans will be predominantly senior secured in the capital structure with attractive return

Controlled portfolio, diversified across more than four sectors

- Set-in-stone investment parameters:
 - Exposures: no single loan or borrower exceeding 10% of Gross Assets and UK focus with minimum 70% deployed in GBP
 - Counterparty exposure policy: loans with exposure to project development or construction assets limited to less than 20%
 - Key ethical restrictions
- Robust discount control mechanism
- All loans sourced or originated by the Investment Manager with a degree of inflation protection through index-linked returns where appropriate

Facts and Figures	
Initial funding target	£100m
Issue Price / Initial NAV	100p per share / 98p
Annual Management Fee	Up to 0.875% of Net Asset Value 50% of management fee reinvested for first 3 years
Performance Fee	None
Discount Control Mechanism	Share buy-back authority
Liquidity Mechanism	Year 4 investor liquidity option (every 3 years thereafter)
Gearing	Up to 20% of Net Asset Value

The Team

The team will be headed by Chief Investment Officer James Robson, Head of Sourcing and Origination Pietro Nicholls and Senior Investment Analyst Rosalind Dalton.



James Robson
Chief Investment Officer



Pietro Nicholls
Head of Sourcing & Origination



Rosalind Dalton
Senior Investment Analyst

Investment Manager with long track record in lending

- Founded in 2010
- RM Capital Markets Limited (the “Investment Manager”) which is authorized and regulated in the UK by the FCA.
- The Investment Manager has experience in industry and financial services including the trading and execution of debt instruments, management of client’s funds, lending, advisory, capital markets and risk management.
- The Investment Manager has transacted in excess of £50billion of bonds and loans since inception. In addition, the Investment Manager has advised or originated, structured and managed due diligence for over £1billion of GBP credit transactions and approximately €600m of euro based transactions in each case since 2012.

Provide capital growth and stable income over the long term

- Specific return objective is a highly visible long term dividend yield in excess of 6.5% (on the issue price) for the year to 31 December 2018 onwards. No performance fees.
- Quarterly dividend disbursements, achieved from investment in secured debt instruments all sourced or originated by the Investment Manager
- Target total dividend in the first financial period is 4% (on the issue price) that is the financial period from Admission to 31 December 2017
- Management Fee of up to 0.875% of NAV

Key Dates	
Closing Date	1pm on 9 th December 2016
Admission of the shares and dealings commence.	8am on 15 th December 2016



Case Study – Energy Financing

Energy Financing	
Borrower	UK Based Corporate
Facility Size	£10m GBP
Security / Rank	Senior Secured (LTV c. 54%)
Term	6 years / 3 years WAL
Repayment	Amortising to £0 over the term
Coupon	9.1%



Case Study – Telecommunications Financing

Telecommunications Financing	
Borrower	UK Based Corporate
Facility Size	\$10m USD
Security / Rank	Senior Secured
Term	3 years / 1.5years WAL
Repayment	Amortising to £0 over the term
Coupon	10% (fully hedged)



Key risks

- The Shares may not be suitable for all investors. You should ensure you fully understand the risks and seek independent financial advice if you do not fully understand or are in any doubt as to the suitability of the investment for your circumstances.
- The Shares may be covered by the UK Financial Services Compensation Scheme in the event that RM Secured Direct Lending plc is unable to pay its debts (subject to eligibility criteria).
- In the event that RM Secured Direct Lending plc cannot pay its debts in full, or goes out of business, you may lose some or all of your investment.
- The market price of the Shares could fall during the life of the investment. If you choose to sell your Shares before maturity you may get back less than your original investment.

Authorised Distributors

- AJ Bell
- Interactive Investor (“II”)
- Redmayne Bentley Stockbrokers
- RM Capital Markets
- Saga Share Direct
- Selftrade

Important Information

This advertisement is a financial promotion and not a prospectus. Before buying any Shares you should make sure that you fully understand and accept the risks that are set out in the prospectus dated 24 November 2016 (the “Prospectus”) relating to the Shares. The Prospectus is available to view at <https://rm-funds.co.uk/rm-secured-direct-lending-fund/>. Investors should not subscribe for any Shares except on the basis of the information in the Prospectus, which contains important risk factors and other information. If you are in any doubt as to the suitability of the Shares for your circumstances, you should seek independent advice from a tax adviser or investment professional, as appropriate, and from your stockbroker. To buy the Shares, you need to contact your stockbroker. The contents of this advertisement has been approved by, and is being issued by, RM Capital Markets Limited (the “Investment Manager”) solely for the purposes of section 21(2) (b) of the Financial Services and Markets Act 2000.

The Investment Manager, whose registered office is at 7 Melville Crescent, Edinburgh, Midlothian EH3 7JA, is regulated by the Financial Conduct Authority (registration number 562209). The Investment Manager does not provide legal, tax, accounting or investment advice in relation to the Shares and is not responsible for any advice you may receive from any third party. The Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The Shares may not be offered, sold or delivered within the United States or to, or for the account or benefit of, United States persons. The Shares are being sold outside the United States in reliance on Regulations of the Securities Act.