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NEPTUNE-CALCULUS INCOME AND GROWTH VCT PLC
Dealing Procedures Manual

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DEALING PROCEDURES MANUAL

INTRODUCTION

This manual sets out the procedures to be followed by Neptune-Calculus Income And Growth Vct plc (the "**Company**") in relation to Dealings in Company Securities.

The Company has a Dealing Code which imposes restrictions on dealings in Company Securities by PDMRs and their PCAs..

The purpose of this manual and the Dealing Code is to assist the Company to comply with its obligations under the Market Abuse Regulation and to ensure that the Company has the necessary systems and procedures in place to assist its PDMRs to comply with their obligations under the Market Abuse Regulation.

The Company's dealing procedures recognise different types of periods during which dealing restrictions apply: (i) those imposed by the Market Abuse Regulation; (ii) those that the Company has adopted for periods prior to announcements of the Company's financial results (which will overlap with, but may be longer than, those imposed by the Market Abuse Regulation); and (iii) those which arise due to the existence of Inside Information.

The Company may be able to be more flexible in respect of Dealings in its securities that are proposed to take place during periods that fall into the latter two categories, given that the requirements of the Market Abuse Regulation may not strictly apply to prevent the relevant transaction at those times. However, the Company should take advice before deciding whether to relax the requirements set out in this document.

SECTION 1 GENERAL DEALING REQUIREMENTS

1 DEALINGS BY PDMRS

- 1.1 A PDMR must not Deal in Company Securities without obtaining advance clearance from the Company. Part A of the Dealing Code sets out the Dealing clearance request procedure for PDMRs. Any PCAs of a PDMR must obtain clearance through their PDMR prior to dealing.

The rules below for PDMR dealing and notification, also apply to PCAs.

- 1.2 The definitions of "Dealing" and "Company Securities" (see Schedule 1 (*Defined terms*) and Schedule 2 (*Dealing*)) are very broad and will capture nearly all transactions in the Company's shares or debt instruments (or any linked derivatives or financial instruments, including phantom options) carried out by a PDMR, regardless of whether such transaction is carried out for the account of the PDMR or for the account of another person.

2 IDENTIFYING PDMRS

The Dealing Code applies to PDMRs who are persons discharging managerial responsibilities in respect of the Company.

2.1 PDMRs

- (a) The Company's PDMRs are the members of the Board and the Company Secretary;
- (b) The Company will identify any non-board member who is a PDMR and inform him or her in writing that he or she is a PDMR and subject to the Dealing Code.

3 CLEARANCE PROCEDURE

- 3.1 When an application to Deal in Company Securities is received by the Company Secretary from a PDMR, the Company Secretary will review the application to check that the PDMR has provided:

- (a) all of the information required by the clearance request form set out in Schedule 2 to the Dealing Code; and
- (b) any additional information which the Company Secretary believes the Designated Officer might require to assess the application.

If any further information is required, this will be requested by the Company Secretary and should be provided by the PDMR before the application is submitted to a Designated Officer.

- 3.2 As soon as practicable after a complete application and all additional information is received, the Company Secretary will pass the clearance request and relevant supporting information to the relevant Designated Officer for consideration.

- 3.3 The Designated Officer will review the clearance request and supporting information and will provide a written response to the Company Secretary as soon as practicable and in any event within two business days of receipt of the

application. The Designated Officer can choose to impose conditions in respect of any clearance given.

- 3.4 The Company Secretary will communicate the Designated Officer's decision to the relevant PDMR in writing without delay and in any event within five business days¹ of the clearance request being received and all relevant information being provided. As a general rule, the reasons for refusing clearance should not be given as that could constitute an improper disclosure of Inside Information.
- 3.5 For each clearance request, the Company Secretary will retain:
- (a) a copy of the application (including any additional information provided);
 - (b) a record of the decision taken in respect of the application, including the name of the Designated Officer, the date of the decision, whether clearance was granted and any special conditions attaching to the clearance; and
 - (c) a copy of the response sent to the PDMR.

4 **CIRCUMSTANCES FOR REFUSAL**

4.1 Clearance for PDMRs

- (a) PDMRs will not ordinarily be given clearance to Deal in Company Securities at any time during which there is any matter which constitutes Inside Information. The Company may also consider it appropriate to withhold clearance when there is sensitive information relating to the Company (e.g. the Company is in the early stages of a significant transaction but the existence of such transaction does not yet constitute Inside Information).
- (b) The Company will not ordinarily give clearance to PDMRs to Deal in Company Securities during a MAR Closed Period, but it can give clearance on a case-by-case basis if:
 - (i) there is no matter at that time which constitutes Inside Information which would preclude a Dealing; and
 - (ii) the requirements of one of the paragraphs in Section 2 of this manual are satisfied.
- (c) During a Closed Period² which is not a MAR Closed Period, the Company will not ordinarily give clearance to PDMRs to Deal in Company Securities. However, during such Closed Periods and provided that there is no matter at the time which constitutes Inside Information which would preclude a Dealing, the Company has greater flexibility and can consider, on a case-by-case basis, giving clearance to Deal.
- (d) A PDMR will not ordinarily be given clearance to Deal in any Company Securities on considerations of a short-term nature. A sale of Company

¹ This should match paragraph 1.4 of the Dealing Code.

² If the Company does not wish to retain the extended definition of "Closed Period" and to adopt the MAR Closed period only, this manual will need to be amended accordingly.

Securities which were acquired less than a year previously will be considered to be Dealing of a short-term nature.³

5 **ACTING AS A TRUSTEE**

- 5.1 Where a PDMR acts as a trustee, Dealing in Company Securities on behalf of the trust will not require clearance if the decision to Deal was taken by the other trustees (or by the trust's investment managers) independently of the PDMR.
- 5.2 The other trustees and the trust's investment managers can be assumed to have acted independently of the PDMR where the decision to deal was taken without consultation with, or other involvement of, the PDMR or was taken by a committee of which the PDMR was not a member.

6 **FUNDS AND PORTFOLIOS OF ASSETS**

6.1 The Dealing Code tells PDMRs to contact the Company Secretary before carrying out a transaction relating to a collective investment undertaking (e.g. a UCITS or an Alternative Investment Fund) or a portfolio of assets. As Company Securities could be held or dealt in by a collective investment undertaking or form part of a portfolio of assets, a transaction relating to a collective investment undertaking or a portfolio of assets could require clearance and could be a 'Notifiable Transaction' under Part B of the Dealing Code. However, the exemptions below are likely to apply in most cases.

6.2 A PDMR can be given clearance to carry out transactions in financial instruments linked to Company Securities where at the time of the transaction:

- (a) the financial instrument is a unit or share in a collective investment undertaking (e.g. a UCITS or an Alternative Investment Fund) in which the exposure to Company Securities does not exceed 20% of the assets held by that collective investment undertaking; or
- (b) the financial instrument provides exposure to a portfolio of assets in which the exposure to the issuer's shares or debt instruments does not exceed 20% of the portfolio's assets,

and the relevant PDMR cannot determine or influence the investment strategy or transactions carried out by the manager of that collective investment undertaking or portfolio.

6.3 Clearance can also be given for transactions in units or shares in a collective investment undertaking, or in financial instruments which provide exposure to a portfolio of assets, where the PDMR does not know, and could not know, whether or not Company Securities comprise more than 20% of the assets held by that collective investment undertaking or portfolio of assets, and there is no reason to believe that such 20% threshold is exceeded, provided again that the relevant manager operates with full discretion.

6.4 The ability of PDMRs to carry out transactions in units or shares in a collective investment undertaking, or in financial instruments which provide exposure to a portfolio of assets, (as described above) during a MAR Closed Period remains uncertain. Until further guidance is available, it would be prudent for the Company

³ Not expressly included in MAR. See footnote 2 of the dealing code.

to take advice before giving clearance to a PDMR to carry out such transactions during a MAR Closed Period.

- 6.5 Transactions subject to the exemptions from clearance described above are also not “Notifiable Transactions” under Part B of the Dealing Code.

SECTION 2
EXCEPTIONS FOR PDMR DEALINGS DURING MAR CLOSED PERIODS

7 EXCEPTIONAL CIRCUMSTANCES

7.1 A PDMR can be given clearance to sell (but not to purchase) the Company's shares (but not other Company Securities) during a MAR Closed Period if he or she is in severe financial difficulty, or there are other exceptional circumstances, which require the immediate sale of shares. Clearance may only be granted in respect of such number of shares as the PDMR needs to sell to obtain the required financial resources.

7.2 Any request to Deal by reason of exceptional circumstances must be accompanied by a written statement that describes the exceptional character of the circumstances and explains the transaction envisaged, why that transaction could not be executed at a time other than during the MAR Closed Period and why the sale of shares is the only reasonable alternative to obtain the necessary financing. If such a written statement is not included with the PDMR's clearance request, then the Company Secretary should request one from the PDMR before the decision to grant clearance is taken.

7.3 Circumstances are 'exceptional' only if they are extremely urgent, unforeseen and compelling and where their cause is external to the relevant PDMR and he or she has no control over them. When considering whether the circumstances are exceptional, the Designated Officer must take into account (among other things) the extent to which the PDMR:

- (a) is facing a legally enforceable commitment or claim, such as a court order; and
- (b) could not reasonably satisfy a financial commitment (which was entered into before the start of the MAR Closed Period) to a third party (including a tax authority) otherwise than by selling the relevant shares immediately.

7.4 Given the stringent requirements described above, clearance to Deal under this exception is unlikely to be granted except in rare cases.

8 EXCEPTION FOR ENTITLEMENTS IN RESPECT OF RIGHTS ISSUES AND OTHER OFFERS

8.1 The following Dealings by a PDMR can be permitted during a MAR Closed Period:

- (a) an undertaking or election to take up entitlements under a rights issue or other offer (including an offer for Company Securities in lieu of a cash dividend);
- (b) the take up of entitlements under a rights issue or other offer; and
- (c) allowing entitlements to lapse under a rights issue or other offer,

provided that the PDMR explains the reasons for the Dealing not taking place at another time and that the Designated Officer is satisfied with that explanation.

8.2 Notwithstanding paragraph 10.1 above, the status of Dealings by PDMRs in respect of rights issues and other offers during MAR Closed Periods remains uncertain. Until

further guidance is available, it would be prudent for the Company to take advice before clearing any such Dealing.⁴

9 **EXCEPTION FOR TRANSFERS BETWEEN ACCOUNTS**

9.1 A PDMR can be permitted to transfer Company Securities between two accounts of that PDMR during a MAR Closed Period, provided that such a transfer does not result in a change in price of the relevant Company Securities. Absent further guidance, this should be taken to mean that the transfer should not affect the price of that Company Security.

9.2 A transfer of Company Securities into the relevant PDMR's personal pension scheme and a transfer to a family trust or an account held jointly with another person would not be viewed as a transfer between two accounts of a PDMR and would therefore not qualify for this exception.

10 **OTHER EXCEPTIONS**

Article 19(12)(b) of the Market Abuse Regulation may also allow the Company to give clearance to PDMRs during a MAR Closed Period for other Dealings relating to (a) qualifications or entitlements to shares or (b) transactions where the beneficial interest in the relevant Company Security does not change. The Company should seek advice before clearing any Dealing under this paragraph.

⁴ It is still unclear whether the take up of entitlements under a rights issue fall within the non-exhaustive list of trading which is permitted during a MAR Closed Period, provided it cannot take place at another time. This is one of the questions which has been put to the FCA for clarification.

Defined terms

“**Closed Period**” means any of the following:

- (a) the period from the end of the relevant financial year up to the release of the preliminary announcement of the Company’s annual results (or, where no such announcement is released, up to the publication of the Company’s annual financial report) or, if longer, the period of 30 calendar days before such release (or publication);^{5 6}
- (b) the period from the end of the relevant financial period up to the release of the Company’s half-yearly financial report or, if longer, the period of 30 calendar days before such release[; and

“**Company Securities**” means any publicly traded or quoted shares or debt instruments of the Company (or of any of the Company’s subsidiaries or subsidiary undertakings) or derivatives or other financial instruments linked to any of them, including phantom options.

“**Dealing**” (together with corresponding terms such as “**Deal**” and “**Deals**” means any type of transaction in Company Securities, including purchases, sales, the exercise of options, the receipt of shares under share plans, using Company Securities as security for a loan or other obligation and entering into, amending or terminating any agreement in relation to Company Securities (e.g. a Trading Plan). Schedule 2 (*Dealing*) contains a non-exhaustive list of transactions which are Dealings.

“**Dealing Code**” means the Company’s dealing code, which regulates Dealings in Company Securities by Restricted Persons.

“**Designated Officer**” means:

- (a) if the Restricted Person seeking clearance to Deal is a director (other than the chairman), the chairman; or
- if the Restricted Person seeking clearance to Deal is the chairman, John Glencross

“**FCA**” means the UK Financial Conduct Authority.

“**Inside Information**” means information which relates to the Company or any Company Securities, which is not publicly available, which is likely to have a non-trivial effect on the price of Company Securities and which an investor would be likely to use as part of the basis of his or her investment decision.

“**Investment Programme**” means a share acquisition scheme relating only to the Company’s shares under which: (a) shares are purchased by a Restricted Person

⁵ The FCA has stated that, pending clarification from the European Commission and European Securities and Markets Authority (ESMA), it will continue to take the view that where an issuer announces preliminary results, the closed period, when dealing is prohibited, is immediately before the preliminary results are announced. This applies only where the preliminary announcement contains all inside information expected to be included in the year-end report.

⁶ Alternative formulations for this paragraph (a) could be adopted, but the period must be at least 30 calendar days to satisfy the requirements of the Market Abuse Regulation.

pursuant to a regular standing order or direct debit or by regular deduction from the person's salary or director's fees; or (b) shares are acquired by a Restricted Person by way of a standing election to re-invest dividends or other distributions received; or (c) shares are acquired as part payment of a Restricted Person's remuneration or director's fees.

"MAR Closed Period" means:

- (a) the period of 30 calendar days before the release of a preliminary announcement of the Company's annual results or, where no such announcement is released, the period of 30 calendar days before the publication of the Company's annual financial report;
- (b) the period of 30 calendar days before the publication of the Company's half-yearly financial report; and

"Market Abuse Regulation" means the EU Market Abuse Regulation (596/2014).

"PDMR" means a person discharging managerial responsibilities in respect of the Company, being either:

- (a) a director of the Company; or
- (b) the Company secretary.

"PCA" means a person closely associated with a PDMR, being either:

- (a) A spouse or partner considered to be equivalent to a spouse in accordance with national law;
- (b) A dependent child, in accordance with national law;
- (c) A relative who has shared the same household for at least one year on the date of the transaction concerned; or
- (d) A legal person, trust or partnership, the managerial responsibilities of which are discharged by a PDMR or by a person referred to in any of the preceding categories, which is directly or indirectly controlled by such a person which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person.

"Prohibited Period" means in respect of a PDMR, any Closed Period and/or any period when there exists any matter that constitutes Inside Information

"Restricted Person" means a PDMR

"Trading Plan" means a written plan entered into by a PDMR and an independent third party that sets out a strategy for the acquisition and/or disposal of Company Securities by the PDMR, and:

- (a) specifies the amount of Company Securities to be dealt in and the price at which and the date on which the Company Securities are to be dealt in; or
- (b) gives discretion to that independent third party to make trading decisions about the amount of Company Securities to be dealt in and the price at which and the date on which the Company Securities are to be dealt in; or

- (c) includes a method for determining the amount of Company Securities to be dealt in and the price at which and the date on which the Company Securities are to be dealt in.

Schedule 2

Dealing⁷

The following is a non-exhaustive list of transactions which are Dealings for the purposes of this manual and the Dealing Code:

- 1 the pledging or lending of Company Securities (although a pledge, or a similar security interest, of Company Securities in connection with the depositing of Company Securities in a custody account is not 'Dealing', unless and until such pledge or other security interest is designated to secure a specific credit facility);
- 2 transactions in Company Securities carried out by persons professionally arranging or executing transactions or by another person on behalf of a Restricted Person, including where discretion is exercised;
- 3 transactions in Company Securities made under a life insurance policy, where (i) the policyholder is a Restricted Person; (ii) the investment risk is borne by the policyholder; and (iii) the policyholder has the power or discretion to make investment decisions regarding specific instruments in that life insurance policy or to execute transactions regarding specific instruments for that life insurance policy;
- 4 an acquisition, disposal, short sale, subscription or exchange of Company Securities;
- 5 the acceptance or exercise of an option over Company Securities, including of a share option granted as part of a remuneration package, and the disposal of shares stemming from the exercise of a share option;
- 6 entering into or exercise of equity swaps related to Company Securities;
- 7 transactions in or related to derivatives over Company Securities, including cash-settled transactions and phantom options;
- 8 entering into a contract for difference on Company Securities;
- 9 the acquisition, disposal or exercise of rights in relation to Company Securities, including put and call options and warrants;
- 10 subscription to a share capital increase or debt instrument issuance of the Company;
- 11 transactions in derivatives and financial instruments linked to a debt instrument of the Company including credit default swaps;
- 12 conditional transactions relating to Company Securities. The completion of such transactions upon fulfilment of the conditions (provided no further action is required by the Restricted Person) does not constitute Dealing and therefore does not require clearance, but such completion would be a 'Notifiable Transaction' under Part B of the Dealing Code;
- 13 the automatic or non-automatic conversion of a Company Security into another Company Security, including the exchange of convertible bonds to shares;*

⁷ This is the non-exhaustive list from Article 10 (Notifiable transactions) of Commission Delegated Regulation (EU) 2016/522 and from Article 19(7) of MAR.

- 14 gifts and donations of Company Securities made or received, or an inheritance of Company Securities received;*
- 15 transactions executed in index-related products, baskets and derivatives transacting in Company Securities;
- 16 transactions executed in shares or units of investment funds which transact in Company Securities;
- 17 transactions in Company Securities executed by a manager of an investment fund in which a Restricted Person has invested;*
- 18 transactions in Company Securities executed by a third party under an individual portfolio or asset management mandate on behalf or for the benefit of a Restricted Person; and
- 19 borrowing or lending of Company Securities.

* Note: Certain transactions which fall within these paragraphs may not constitute 'Dealing' as they are passive transactions over which the relevant Restricted Person has no control (e.g. the receipt of a gift by a Restricted Person). Until further guidance is received, it would be prudent for the Company to take advice when deciding whether or not a particular passive transaction would constitute 'Dealing' for the purposes of this manual and the Dealing Code. Even if such transaction does not constitute 'Dealing', it would still be a 'Notifiable Transaction' under Part B of the Dealing Code.