

**FORM OF PROXY**

**The SME Loan Fund plc**

*(Incorporated in England and Wales with company no. 09682883 and registered as an investment company under section 833 of the Companies Act 2006) (the "Company")*

**GENERAL MEETING**

This Form of Proxy is for use by holders of ordinary shares in the Company at the general meeting of the Company (the "**General Meeting**") to be held at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH on 27 April 2017 at 1:00 p.m. for the purpose of considering and, if thought fit, passing the resolutions set out in the notice dated 5 April 2017 convening the General Meeting (the "**Notice**").

I/We.....  
*(full name(s) of registered member(s) in block capitals) (See Note 7 overleaf)*  
of

.....  
.....  
*(address in block capitals)*

being a member/members of the Company, hereby appoint the Chairman of the General Meeting  
*(See Note 3 overleaf)*

or,  
.....  
of  
.....

.....  
*(name and address of proxy in block capitals)*

as my/our proxy to attend and speak, and on a poll, vote in my/our names(s) and on my/our behalf at the General Meeting of the Company to be held at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH on 27 April 2017 at 1:00 p.m. and at any adjournment thereof.

I/We wish my/our proxy to vote as I/we have indicated below in respect of the resolution to be proposed at the General Meeting, as set out in the Notice convening the General Meeting.

*Please indicate which way you wish your proxy to vote by ticking the appropriate box alongside each resolution. (See Note 4 overleaf).*

|   |   | FOR | AGAINST | VOTE WITHHELD |
|---|---|-----|---------|---------------|
| 1 | <p><b>ORDINARY RESOLUTION</b></p> <p>That the investment objective and investment policy of the Company be amended and restated with effect from the date of this resolution in accordance with the amendments set out in Part 2 of the circular to shareholders dated 5 April 2017 which contains the notice of the general meeting.</p>   |     |         |               |
| 2 | <p><b>SPECIAL RESOLUTION</b></p> <p>That the existing articles of association of the Company be replaced in their entirety with new articles of association in the form laid before the general meeting and signed by the chairman of the general meeting for the purpose of identification.</p>  |     |         |               |
| 3 | <p><b>ORDINARY RESOLUTION</b></p> <p>That, conditional upon the passing of Resolution 4 below (but for its own conditionality on the passing of this Resolution 3), the Board be and is hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot up to 250 million Ordinary Shares and/or C Shares in aggregate, such authority to expire 18 months from the date that this Resolution 3 is passed (unless previously revoked or varied by the Company in general meeting), save that the Company may before such expiry make an offer or agreement which would or might require Ordinary Shares and/or C Shares to be allotted after such expiry in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.</p> |     |         |               |
| 4 | <p><b>SPECIAL RESOLUTION</b></p> <p>That, conditional upon the passing of Resolution 3 above, the Board be and it is hereby generally empowered (pursuant to section 570 of the Companies Act 2006) to allot Ordinary Shares and C Shares for cash pursuant to the authority referred to in Resolution 3 above as if section 561 of the Companies Act 2006 did not apply to any such allotment, such power to expire 18 months from the date that this Resolution 4 is passed (unless previously revoked or varied by the Company in general meeting), save that the Company may before such expiry make an offer or enter into an agreement which would or might require Ordinary Shares and/or C Shares to be allotted after such expiry in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.</p>           |     |         |               |

Signature ..... (See Note 7 below)

Date ..... 2017

Print Name .....

## NOTES:

1. A member of the Company who is entitled to attend, speak and vote at the General Meeting is entitled to appoint one or more proxies to attend and to speak and on a poll to vote in his or her place. A proxy need not be a member of the Company. Completion of the Form of Proxy will not preclude a member from attending and voting in person. Only those members entered on the Company's register of members at close of business on 25 April 2017 shall be entitled to attend, speak and vote at the General Meeting or any adjournment.
2. To allow effective constitution of the General Meeting, if it is apparent to the Chairman that no members of the Company will be present in person or by proxy, other than the Chairman, then the Chairman may appoint a substitute to act as proxy in his stead for any member of the Company, provided that such substitute proxy shall vote on the same basis.
3. If you wish to appoint as your proxy someone other than the Chairman of the General Meeting, cross out the words "the Chairman of the General Meeting", and write on the dotted line the full name and address of your proxy. The change should be initialled. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. In the absence of instructions, the person appointed proxy may vote or abstain from voting as he or she thinks fit on any resolution and, unless instructed otherwise, the person appointed proxy may also vote or abstain from voting as he or she thinks fit on any other business (including amendments to any resolution) which may properly come before the General Meeting.
5. On a poll you have one vote in respect of each eligible share you hold. You do not have to cast all of your votes in the same way and if you wish to split your votes you can enter the number of votes you wish to vote for, against and withhold in the boxes next to each resolution. The total number of votes must equal the total number of votes you hold. If you simply enter a tick in one of the boxes for a resolution you will be deemed to vote all your votes in that way.
6. A vote withheld is not a vote in law and will not be counted in the calculation of the proportion of the votes for or against the relevant resolution.
7. This form must be signed and dated by the shareholder or his/her attorney duly authorised in writing. If shares in the Company are held by a nominee(s), a Form(s) of Proxy must be completed and signed by the nominee(s). If the shareholder is a company, it may execute under its common seal, by the signature of a director and its secretary or two directors or other authorised signatories in the name of the company or by the signature of a duly authorised officer or attorney. In the case of joint holdings, any one holder may sign this form. The vote of the senior joint holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the register of members in respect of the joint holding.
8. To appoint more than one proxy to vote in relation to different shares within your holding, you may photocopy this form. Please indicate on each copy of the form the proxy's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the appointment of a proxy is one of multiple appointments being made. All such forms should be signed and returned together in the same envelope.
9. This form must be completed and lodged with at the offices of the Company Secretary, Elysium Fund Management Limited, PO Box 650, 1st Floor Royal Chambers, St. Julian's Avenue, St. Peter Port, Guernsey GY1 3JX together with the power of attorney or other authority (if any) under which it is signed or a copy of such authority certified notarially, no later than 1.00 p.m. on 25 April 2017.
10. CREST members may alternatively choose to utilise the CREST electronic proxy appointment service. Please refer to the Notice for instructions with regard to submitting a CREST proxy instruction.