

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**When considering what action you should take, you are recommended immediately to seek your own personal financial advice from an appropriately qualified independent adviser authorised under the Financial Services and Markets Act 2000.**

If you have disposed of all your Shares in the Company, please pass this document (and the enclosed 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.

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# **Finsbury Growth & Income Trust PLC**

*(Incorporated and registered in Scotland with company number SC13958  
an investment company within the meaning of Section 833 of the Companies Act 2006)*

## **Circular to Shareholders and Notice of General Meeting relating to the renewal of the Directors' authority to allot new shares and disapply pre-emption rights**

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Notice of a General Meeting of the Company to be held at 10.00 a.m. on Monday, 14 July 2014 at 25 Southampton Buildings, London WC2A 1AL is set out at the end of this document.

**To be valid, the enclosed Form of Proxy for use at the General Meeting must be completed and returned in accordance with the instructions printed thereon to the Company's Registrars, Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, or delivered by hand during office hours only to the same address as soon as possible and in any event so as to arrive by not later than 10.00 a.m. on Thursday, 10 July 2014.**

# Finsbury Growth & Income Trust PLC

*(Incorporated and registered in Scotland with company number SC13958  
an investment company within the meaning of Section 833 of the Companies Act 2006)*

*Directors:*

Anthony Townsend (Chairman)  
John Allard  
Neil Collins  
David Hunt, FCA  
Vanessa Renwick

*Registered Office:*

50 Lothian Road  
Festival Square  
Edinburgh EH3 9WJ

19 June 2014

*To Shareholders*

Dear Sir or Madam

## **Introduction**

At the Company's Annual General Meeting held on Wednesday, 29 January 2014, the Directors were granted authority to allot up to 8,865,156 Shares on a non-pre-emptive basis. The authority requires that the Shares be issued at a price not less than the Net Asset Value per Share. While this means that such Shares could be allotted to investors without first offering them *pro rata* to all Shareholders, Shareholders are protected from any dilution through such share issuance. As at 19 June 2014, the Company has allotted 6,333,655 new shares and the authority granted in January 2014 has been almost fully utilised.

## **Renewal of the Directors' authority to allot additional Shares on a non-pre-emptive basis**

Over the past six months, the Company's Shares have consistently traded close to the Net Asset Value per Share, which indicates that there is reasonable demand for them in the market. In order to satisfy this demand, the Company has issued 6,333,655 Shares in the period from the Annual General Meeting to 19 June 2014 and the authority granted in January 2014 has been almost fully utilised. These Shares were all issued at a premium to the cum income Net Asset Value per Share prevailing at the time of their issue.

On 18 June 2014 (being the latest practicable date prior to the publication of this document) the premium of the Share price to the cum income Net Asset Value per Share was 0.81 per cent. In the face of continuing demand and having regard to the benefits of enlarging the Company, the Directors have resolved to convene a General Meeting in order to seek Shareholder authority to issue further Shares on a non-pre-emptive basis. In so doing the Directors have taken into account the desirability of limiting the premium to Net Asset Value per share at which the Company's Shares trade in order to ensure that long-term Shareholders who regularly acquire Shares are not disadvantaged by being required to acquire additional shares at a high premium.

The Resolutions, if passed, will give the Directors the authority to allot up to 9,498,521 Shares or, if changed, such number of Shares as represents 10 per cent. of the issued share capital on the day of the General Meeting, on a non-pre-emptive basis. The authority represents 10 per cent. of the issued share capital at the date of this document. The Directors intend to use this authority to satisfy continuing demand for the Company's Shares. As with the Share issuance to date, the Shares will be issued at a premium to the prevailing cum income Net Asset Value per Share and will be accretive to the Net Asset Value per Share.

The authority conferred by the Resolutions will lapse at the conclusion of the next Annual General Meeting, to be held in early 2015. If the authority conferred by the Resolutions is exhausted either before or after the Company's Annual General Meeting in 2015, the Directors intend to seek Shareholder authority to issue further Shares on a non-pre-emptive basis at one or more subsequent general meetings.

### **Benefits of the Renewal of the Authority to Allot Shares**

The Directors believe that any Share issuance pursuant to the authority conferred by the Resolutions should yield the following principal benefits:

- improvement of liquidity in the market for the Company's Shares;
- maintenance of the Company's ability to issue Shares tactically, so as to better manage the premium to NAV per Share at which the Shares trade;
- enhancement of the NAV per Share of existing Shares through share issuance at a premium to the cum income NAV per Share; and
- increase in the size of the Company, thereby spreading operating costs over a larger capital base which should reduce the ongoing charges ratio.

The Directors have considered the potential impact of the above on the payment of dividends to Shareholders and will take steps to ensure that it will not result in any material dilution of the dividends per Share that the Company may be able to pay.

### **Use of proceeds**

The net proceeds of any Shares issued pursuant to the authority conferred by the Resolutions will be invested by the Investment Manager on behalf of the Company in accordance with the Company's published investment policy which, in summary, is to invest principally in the securities of UK listed companies, although up to a maximum of 20 per cent. of the Company's portfolio, at the time of acquisition, can be invested in quoted companies worldwide.

### **Dilution and treasury shares**

The allotment of Shares pursuant to the authority conferred by the Resolutions will dilute the voting control of Shareholdings of existing Shareholders. Assuming that the authority is used in full, this will result in a dilution of approximately 9.1 per cent. in existing Shareholders' voting control of the Company.

No Shares were held in treasury at the date of this document.

### **General Meeting**

The Resolutions to be considered at the General Meeting of the Company which has been convened for 10.00 a.m. on Monday, 14 July 2014 will be proposed as an ordinary resolution to renew the Company's authority to allot shares and a special resolution to disapply pre-emption rights. The Board recommends that Shareholders vote in favour of the Resolutions.

All Shareholders are entitled to attend and vote at the General Meeting. In accordance with the Company's Articles of Association, all Shareholders present in person or by proxy shall upon a show of hands have one vote and upon a poll shall have one vote in respect of each Share held. In order to ensure that a quorum is present at the General Meeting, it is necessary for two Shareholders entitled to vote to be present, whether in person or by proxy (or, if a corporation, by a representative). The formal notice convening the General Meeting is set out on pages 6 to 8 of this document.

### **Action to be taken**

**The only action that you need to take is to complete the accompanying Form of Proxy for use at the General Meeting.**

Shareholders are asked to complete and return the Form of Proxy in accordance with the instructions printed thereon to the Company's Registrar, Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, or deliver it by hand during office hours only to the same address so as to be received as soon as possible and in any event by not later than 10.00 a.m. on Thursday, 10 July 2014.

**Shareholders are requested to complete and return a Form of Proxy whether or not they wish to attend the General Meeting.**

**Recommendation**

The Directors consider the proposals set out in this document to be in the best interests of Shareholders as a whole. Accordingly the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting. The Directors intend to vote in favour of the Resolutions in respect of their holdings of Shares amounting to 288,221 Shares in aggregate (representing approximately 0.30 per cent. of the issued Share capital of the Company as at 19 June 2014, (the latest practicable date prior to the publication of this document)).

Yours faithfully

**Anthony Townsend**  
(Chairman)

## DEFINITIONS

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

Board	the board of Directors of the Company or any duly constituted committee thereof
Business Day	any day on which banks are open for business in London (excluding Saturdays and Sundays)
Company	Finsbury Growth & Income Trust PLC
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the Uncertificated Securities Regulations 2001
cum income NAV	NAV calculated on the total value of underlying assets, including accumulated or accrued income, less any liabilities
Directors	the directors of the Company or any duly constituted committee thereof
Disclosure and Transparency Rules	the disclosure and transparency rules made by the Financial Conduct Authority under section 73A of the Financial Services and Markets Act 2000
Euroclear	Euroclear UK & Ireland Limited, being the operator of CREST
Form of Proxy	the form of proxy provided with this document for use in connection with the General Meeting
General Meeting or Meeting	the general meeting of the Company convened for Monday, 14 July 2014 at 10.00 a.m. or any adjournment thereof
Investment Manager	Lindsell Train Limited
Annual General Meeting	the Annual General Meeting of the Company held on Wednesday, 29 January 2014
NAV per Share or Net Asset Value per Share	the value of the Company's net assets (calculated by the Company in accordance with the Company's accounting policies and the Company's Articles of Association) per Share
Notice of General Meeting or Notice	the notice of the General Meeting as set out at the end of this document
Resolutions	(i) the ordinary resolution to renew the Company's authority to allot shares and (ii) the special resolution to dis-apply pre-emption rights, which will be proposed at the General Meeting and details of which are contained in the Notice of General Meeting
Shares	an ordinary share of 25p in the capital of the Company
Shareholder	a holder of Shares

## NOTICE OF GENERAL MEETING

# FINSBURY GROWTH & INCOME TRUST PLC

*(Incorporated and registered in Scotland with company number SC13958  
an investment company within the meaning of Section 833 of the Companies Act 2006)*

Notice is hereby given that a General Meeting (the “**Meeting**”) of Finsbury Growth & Income Trust PLC (the “**Company**”) will be held at 10.00 a.m. on Monday, 14 July 2014 at 25 Southampton Buildings, London WC2A 1AL to consider and, if thought fit, approve resolution one which will be proposed as an ordinary resolution and resolution two which will be proposed as a special resolution:

### Ordinary Resolution

1. THAT, in addition to any subsisting authorities the Directors be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (“**CA 2006**”) to exercise all powers of the Company to allot relevant securities (within the meaning of Section 551 of CA 2006) up to a maximum aggregate nominal amount of £2,374,630 being 10 per cent. of the issued share capital at 19 June 2014 and representing 9,498,521 shares of 25p each in the Company (or, if changed, the number representing 10 per cent. of the issued share capital of the Company at the date at which this resolution is passed) provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2015, except that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

### Special Resolution

2. THAT, in addition to any subsisting authorities, the Directors be and they are hereby empowered pursuant to section 570 and section 573 of CA 2006 to allot equity securities (within the meaning of section 560 CA 2006) for cash pursuant to the authority conferred by resolution 1 set out in the Notice of General Meeting, as if section 561(1) CA 2006 did not apply to any such allotment, provided that this power shall:
  - (i) be limited to the allotment or sale of equity securities up to an aggregate nominal amount of £2,374,630, or, if changed, such number as is equal to 10 per cent. of the nominal value of the issued share capital of the Company as at the conclusion of the General Meeting; and
  - (ii) expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, except that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

### BY ORDER OF THE BOARD

Frostrow Capital LLP  
Company Secretary

*Registered Office:*

50 Lothian Road  
Festival Square  
Edinburgh EH3 9WJ

Date: 19 June 2014

*Notes:*

- (i) A member entitled to attend and vote at the Meeting convened by the above Notice 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 shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a member of the Company.
- (ii) To appoint a proxy you may use the Form of Proxy enclosed with this Notice of Meeting. 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 the Company's Registrar, Capita Asset Services, or delivered by hand during office hours only to the same address as soon as possible and in any event by not later than 10.00 a.m. on Thursday, 10 July 2014.
- (iii) A vote withheld is not a vote in law, which means the vote will not be counted in the calculation of votes for or against the resolutions. If no voting indication is given, a proxy may vote or abstain from voting at his/her discretion. A proxy may vote (or abstain from voting) as he or she thinks fit in relation to any other matter put before the meeting.
- (iv) Completion of the Form of Proxy will not prevent you from attending and voting in person.
- (v) Members who wish to change their proxy instructions should submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
- (vi) If a Member submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
- (vii) In order to revoke a proxy instruction, members will need to inform the Company. Members should send a signed hard copy notice clearly stating their intention to revoke a proxy appointment to Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU.
- (viii) 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 2006 (a "Nominated Person") should note that the provisions in Notes (i) to (iii) above concerning the appointment of a proxy or proxies to attend the 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 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 Meeting.
- (ix) 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.
- (x) Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only Shareholders registered in the register of members of the Company by not later than 5.30 p.m. two days (excluding non-working days) prior to the time fixed for the Meeting shall be entitled to attend and vote at the Meeting in respect of the number of Shares registered in their name at such time. If the Meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend and vote at the adjourned Meeting is 5.30 p.m. two days prior to the time of the adjournment. Changes to the register of members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
- (xi) 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.
- (xii) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by following the procedures described in the CREST manual which can be viewed at [www.euroclear.com/CREST](http://www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (RA10) by not later than 10.00 a.m. on Thursday, 10 July 2014. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- (xiii) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

- (xiv) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- (xv) If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject 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, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure and Transparency Rules, the Chairman 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 a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure and Transparency Rules, need not make a separate notification to the Company and the Financial Conduct Authority.
- (xvi) Any question relevant to the business of the Meeting may be asked at the Meeting by anyone permitted to speak at the Meeting. A holder of Shares may alternatively submit a question in advance by a letter addressed to the Company Secretary at the Company's registered office. Under Section 319A of the Companies Act 2006, the Company must answer any question a shareholder asks relating to the business being dealt with at the Meeting, unless (i) answering the question would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information; (ii) the answer had 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 Meeting that the question be answered.
- (xvii) In accordance with Section 311A of the Companies Act 2006, the contents of this Notice, details of the total number of Shares in respect of which members are entitled to exercise voting rights at the Meeting and, if applicable, any members' statements, members' resolution or members' matters of business received by the Company after the date of this Notice will be available on the Company's website [www.finsburygt.com](http://www.finsburygt.com).
- (xviii) As at 19 June 2014, being the last Business Day prior to the printing of this Notice, the Company's issued capital consisted of 94,985,212 Shares carrying one vote each. Therefore, the total voting rights in the Company as at 19 June 2014 are 94,985,212.
- (xix) You may not use the 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.