

SEQUOIA ECONOMIC INFRASTRUCTURE INCOME FUND LIMITED
(the "Company")

**SUPPLEMENTAL DOCUMENT FOR POTENTIAL INVESTORS IN
THE EUROPEAN ECONOMIC AREA**

IMPORTANT NOTICE

This supplemental document (the "**Supplement**") accompanies, and must be read in conjunction with, the prospectus of the Company dated 3 May 2017 (the "**Prospectus**") and other materials relating to the Company which are being supplied by Stifel Nicolaus Europe Limited ("**Stifel**") to potential investors in the Company (such Prospectus, application forms and other materials being the "**Fund Materials**").

This Supplement contains information required by the European Union's Alternative Investment Fund Managers Directive ("**AIFMD**") to be provided to potential investors in the Company who are located in the European Economic Area and has not been prepared, and should not be relied upon, for any other purpose. All potential investors, including those located in the European Economic Area, should review all of the Company Materials in connection with any decision to invest in the Company and not rely on this Supplement. The Fund Materials contain significant information regarding an investment in the Company, including risk factors, that is not required to be included in this Supplement.

This Supplement does not constitute an offer of securities in the Company and shall not, nor shall any part of it, form the basis of or act as any inducement in relation to a decision to purchase or subscribe for or enter into any contract or commitment whatsoever with respect to the placement of interests in the Company. Any offering of interests in the Company may only be made pursuant to the Company Materials.

This Supplement is not to be construed as legal, financial, business, investment or tax advice. Each prospective investor should consult his, her or its legal adviser, independent financial adviser or tax adviser for legal, financial, business, investment or tax advice.

This Supplement is only for distribution in those member states of the European Economic Area in which its distribution is lawful, and in each such member state, only for distribution to such persons in that member state as is permitted by applicable national law. Any other person in possession of this Supplement should not act on it. This Supplement (and all other Fund Materials) may not be forwarded to any person without the prior consent of Stifel.

Potential investors located in the European Economic Area should note that the Company does not have a manager which is authorised under the AIFMD. Accordingly, the Company, and investors in the Company, are not entitled to the benefits and protections provided by the AIFMD.

Capitalised terms used in this Supplement have the meaning given to those terms in the Prospectus unless otherwise defined herein.

The information contained in this Supplement is current as at 3 May 2017.

1. LOCATION OF DISCLOSURES AND OTHER RESPONSES REQUIRED BY ARTICLE 23 OF THE AIFMD

Disclosure Item	Location of Disclosure/Other Response
1.(a) a description of the investment strategy and objectives of the AIF;	Refer to section "Investment Objective and Policy" on pages 65-68, Section 8 on page 73 and Section 10 Investment Strategy on pages 74-75 of the prospectus.
(b) if the AIF is a feeder AIF, information on where the master AIF is established;	Not applicable.
(c) if the AIF is a fund of funds, information where the underlying funds are established;	Not applicable.
(d) a description of the types of assets in which the AIF may invest;	Refer to sections "Investment Objective and Policy" on pages 65-68, "The Group" – 10. "Investment Strategy", 11. "Investments", 12. "Diversification" and 13. "Investment Process" on pages 69-81 of the Prospectus.
(e) the investment techniques that the AIF, or the AIFM on behalf of the AIF, may employ and all associated risks;	Refer to sections "Investment Objective and Policy" on pages 65-68, "The Group" – 10. "Investment Strategy", 11. "Investments", 12. "Diversification" and 13. "Investment Process" on pages 69-81 of the Prospectus.
(f) any applicable investment restrictions;	Refer to sections "Investment Objective and Policy" on pages 65-68, "The Group" – 10. "Investment Strategy", 11. "Investments", 12. "Diversification" and 13. "Investment Process" on pages 74-81 of the Prospectus.
(g) the circumstances in which the AIF may use leverage;	Refer to section "Summary", item B.35 on page 12, section "Risk Factors – Use of Leverage by the Company" on pages 34-35, and section "The Group" – 17. Debt facilities of the Company" on page 82 of the Prospectus.
(h) the types and sources of leverage permitted and the associated risks;	Refer to section "Summary", item B.35 on page 12, section "Risk Factors – Use of Leverage by the Company" on pages 34-35, and section "The Group" – 17. Debt facilities of the Company" on page 82 of

the Prospectus.

- (i) any restrictions on the use of leverage and any collateral and asset reuse arrangements; Refer to section "Summary", item B.35 on page 12, section "Risk Factors – Use of Leverage by the Company" on pages 34-35, and section "The Group – 17. Debt facilities of the Company" on page 82 of the Prospectus.
- (j) the maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF; Refer to section "Investment Objective and Policy – 4. Current gearing and maximum exposures" on page 68 of the Prospectus.
- (2) a description of the procedures by which the AIF may change its investment strategy or investment policy, or both; Refer to section "Investment Objective and Policy – 5. Material Change" on page 68 of the Prospectus.
- (3) a description of the main legal implications of the contractual relationship entered into for the purpose of investment, including information on jurisdiction, on the applicable law and on the existence or not of any legal instruments providing for the recognition and enforcement of judgments in the territory where the AIF is established; Investors will be required to apply for Ordinary Shares of no par value in the Company on the basis of (i) an Application Form attached to the Prospectus on page 227 et seq. on the terms of, and subject to, the Prospectus including the terms and conditions set out in Part 9 "Terms and Conditions of the Offer for Subscription" on page 133 et seq. of the Prospectus; (ii) an Application Form attached to the Prospectus on the terms of, and subject to, the Prospectus including the terms and conditions set out in Part 10 "Terms and Conditions of the Open Offer" on page 140 et seq. of the Prospectus; and (iii) through an Ordinary Share Placing on the terms of, and subject to, the Prospectus including the terms and conditions set out in Part 8 "Terms and Conditions of the Ordinary Share Placing" on page 121 et seq. of the Prospectus.

Investors will be required to apply for Placing Programme Shares of no par value in the Company on the terms of, and subject to, the Prospectus including the terms and conditions set out in Part 16 "Terms and Conditions of the Placing Programme" on page 206 et seq. of the Prospectus.

The Prospectus is subject to English law, the Listing Rules and subject to the Memorandum and Articles governed by

Guernsey law as to which reference is made to section "Additional Information on the Company – 3. Memorandum and Articles of Incorporation" on pages 170-183 and "Additional Information on the Company – 20. Documents Available for Inspection" on page 200 of the Prospectus.

The Terms and Conditions of the Issue include representations, warranties and undertakings to be made by the investor (refer to sections "Terms and Conditions of the Offer for Subscription" on page 133 et seq., "Terms and Conditions of the Open Offer" on page 140 et seq., "Terms and Conditions of the Ordinary Share Placing" on page 121 et seq. and "Terms and Conditions of the Placing Programme" on page 206 et seq. of the Prospectus).

Once a valid application has been accepted, investors will become Ordinary Shareholders (or in the case of a Placing Programme placing, Ordinary Shareholders) in the Company on the terms of the Company's Memorandum and Articles.

See "Enforcement of Judgments in the jurisdiction of establishment of the Company" below for a description of the enforcement of judgments in Guernsey.

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| (4) | the identity of the AIFM, the AIF's depositary, auditor and any other service providers and a description of their duties and the investors' rights; | Refer to "Service providers to the Company and description of their duties" below.

Investors in the Company have no direct rights against any service provider to the Company. |
| (5) | a description of how the AIFM is complying with the requirements of Article 9(7); | Refer further to section "Management and Administration – 10. The Investment Manager" on pages 91-92. |
| (6) | a description of any delegated management function as referred to in Annex I by the AIFM and of any safe-keeping function delegated by the depositary, the identification of the delegate and any conflicts of interest that | Refer to sections "Summary", item B.40 – "The Investment Advisory Agreement" on page 14, "Risk Factors – The Directors, the Investment Manager, the Investment Adviser and the Administrator may have conflicts of interest in the course of their |

may arise from such delegations;

duties" on page 31, "Risk Factor" – "The Investment Manager, the Investment Adviser and their respective principals are involved in other businesses and investment which may create conflicts of interest" on page 40, "The Group – 13.4 Investment approval" on page 80, "Management and Administration – 8. Management Engagement Committee and 15. Potential conflicts of interest" on pages 90 and 95-96, and "Additional Information on the Company – 9.4 Investment Management Agreement, 9.5 The Investment Advisory Agreement" on pages 189-193 of the Prospectus.

- (7) a description of the AIF's valuation procedure and of the pricing methodology for valuing assets, including the methods used in valuing hard-to-value assets in accordance with Article 19; Refer to section "Investment Policy and Objective – 4. Gearing and maximum exposures" on page 68," The Group – 15. Monthly net asset valuation" on page 82 of the Prospectus.
- (8) a description of the AIF's liquidity risk management, including the redemption rights both in normal and in exceptional circumstances, and the existing redemption arrangements with investors; Refer to sections "The Group – 1. Introduction" on page 69, "Risk Factors – Use of Leverage by the Company" on pages 34-35, "The Group – 19. Discount Control" on pages 83-84, "The Group – 23. Liquidity Risk Management" on pages 86-87, "Additional Information on the Company – 9.4 The Investment Management Agreement" on pages 189-191 of the Prospectus.
- Redemption rights are not applicable.
- (9) a description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors; Refer to sections "Summary", item B.40 on pages 13-16, "The Group – 20. Fees and expenses" on pages 84-86, "Additional Information on the Company – 6. Directors' remuneration and service agreements" on page 186 and, in respect of the Depositary, section 9.13 Depositary Agreement on page 197 of the Prospectus .
- (10) a description of how the AIFM ensures a fair treatment of investors; Investors in the Company will have the rights and obligations as Ordinary Shareholders as set out in the Articles. The new Ordinary Shares to be issued as part of the Issue will rank pari passu with the Ordinary Shares. The Placing Programme Shares will also rank pari

passu with the Ordinary Shares.

Also refer to sections "Management and Administration – 16. Interest in Shares" on page 96, "Terms and Conditions of the Offer for Subscription" on pages 133-139, and "Additional information on the Company – 1. Incorporation and Status of the Company, 2. Share Capital of the Company, 3. Memorandum and Articles of Incorporation" on pages 167-183 of the Prospectus.

- (11) whenever an investor obtains preferential treatment or the right to obtain preferential treatment, a description of:
- (a) that preferential treatment;
- (b) the type of investors who obtain such preferential treatment; and
- (c) where relevant, their legal or economic links with the AIF or AIFM;
- See paragraph 15.3 of Part 3 "Management and Administration" on pages 95-96.
- Certain investors may be party to side letter arrangements with the Investment Adviser which provide those investors a fee rebate payable out of the Investment Adviser's own fees and which therefore have the effect of providing those investors with favourable treatment in relation to the Company's investment advisory fees.
- These arrangements may be entered into by the Investment Adviser with certain institutional investors on the basis of the (i) relative size of the relevant investor's investment compared to other investors; (ii) the timing of the relevant investor's investment compared to other investors; or (iii) as may otherwise be negotiated between the relevant investor and the Investment Adviser.
- (12) the procedure and conditions for the issue and sale of units or shares;
- Refer to sections "The Issue" on pages 113-120, "Terms and Conditions of the Ordinary Share Placing" on pages 121-132, "Terms and Conditions of the Offer for Subscription" on pages 133-139, "Terms and Conditions of the Open Offer" on pages 140-162, "Terms and Conditions of the Placing Programme" on pages 206-212 of the Prospectus.
- (13) the latest net asset value of the AIF or the latest market price of the unit or share of the AIF, in accordance with Article 19;
- The Net Asset Value of the Company, as at 11 April 2017 is 102.85 pence per Ordinary Share.

- (14) the latest annual report referred to in Article 22; The latest annual report is available on the Company's website at <http://www.seqifund.com/downloads>.
- Please see section "Additional Information on the Company, 1.5 – Incorporation and status of the Company" on page 167 and "The Group – 23. Liquidity Risk Management" on pages 86-87 of the Prospectus.
- (15) where available, the historical performance of the AIF; Refer to last monthly investor reports which are available at <http://www.seqifund.com/investor-reports>.
- Refer to sections "Summary", item B.7 on pages 5-7, "Financial Information on the Company" on page 201 and "Documentation incorporated by reference" on pages 202 of the Prospectus.
- (16)(a) the identity of the prime broker; The Company does not have a prime broker.
- (b) a description of any material arrangements of the AIF with its prime brokers and the way the conflicts of interest are managed;
- (c) the provision in the contract with the depositary on the possibility of transfer and reuse of AIF assets; and
- (d) information about any transfer of liability to the prime broker that may exist; and
- (17) a description of how and when the information required under paragraphs 4 and 5 (liquidity risk and leverage disclosures) will be disclosed. Monthly reports are announced to the market and available on the Investment Adviser's website (<http://www.seqifund.com/>). Interim and annual financials will disclose risk management process and mitigants.
- The Investment Manager will periodically (and on at least an annual basis) make available to the Shareholders the following information in the Company's annual report and audited accounts.
- Please see "The Group – 23. Liquidity Risk Management" on pages 86-87 of the

Prospectus.

- (18) Any arrangement made by the depositary to contractually discharge itself of liability in accordance with Article 21(13). Please see "Additional information on the Company – 9.13. Depositary Agreement" on page 197 of the Prospectus.

2. SERVICE PROVIDERS TO THE COMPANY AND DESCRIPTION OF THEIR DUTIES

Investment Manager: The investment manager is International Fund Management Company.

The Investment Manager provides investment management and administrative services to the Company in connection with its investments.

Refer further to sections "Summary", item B.40 on pages 13-16, "Management and Administration – 10. The Investment Manager" on pages 91-92 and, "Additional Information on the Company – 9.4 The Investment Management Agreement" on pages 189-191 of the Prospectus.

Investment Adviser: The investment advisor is Sequoia Investment Management Company.

The Investment Manager has delegated certain portfolio management duties in connection with its investments to the Investment Adviser. The Investment Adviser provides these services to the Company under the Investment Advisory Agreement.

Refer further to sections "Summary", item B.40 on pages 13-16, "Management and Administration – 11. The Investment Adviser" on pages 93-94 and "Additional Information on the Company – 9.5 The Investment Advisory Agreement" on pages 191-193 of the Prospectus.

Sponsor, Sole Bookrunner and Broker: The sponsor and sole bookrunner is Stifel Nicolaus Europe Limited, 150 Cheapside, London, EC2V 6ET, United Kingdom.

Refer further to section "Additional Information on the Company – 9.1 Issue Agreement" on page 188 and "Additional Information on the Company – 9.6 Broking Agreement" on page 194 of the Prospectus.

Depositary: The depositary of the Company is Bank of New York Mellon SA/NV, Asset Servicing (the "Depositary"), a public limited company (société anonyme/naamloze vennootschap) acting through its Frankfurt branch, having its registered address at Friedrich-Ebert-Anlage 49, 60327 Frankfurt am Main, Germany.

Refer further to sections "Summary", item B.40 on pages 13-16, "Management and Administration – 14. Depository" on page 95 and "Additional Information on the Company – 9.13 Depository Agreement" on page 197 of the Prospectus.

**Portfolio Administrator,
Account Bank and
Custodian:**

The Custodian and Account Bank is Bank of New York Mellon, London Branch, the Portfolio Administrator is Bank of New York Mellon SA/NV.

Refer further to sections "Summary", item B.40 on pages 13-16, "Management and Administration – 13. Custodian" on pages 94-95 and "Additional Information on the Company – 9.12 Subsidiary Portfolio Administration and Agency Agreement" on pages 196-197 of the Prospectus.

Independent Auditor:

The auditors of the Company are KPMG Channel Islands Limited, Glatigny Court, Glatigny Esplanade, St. Peter Port, Guernsey, GY1 1WR.

Refer further to section "Directors, Agents and Advisers – Auditors" on page 60-61 and "Additional Information on the Company – 10 Auditors" on page 198 of the Prospectus.

Administrator:

The administrator of the Company is Praxis Fund Services Limited, Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR.

The Administrator performs certain functions relating to the administration of the Company pursuant to the Administration Agreement.

Refer further to sections "Summary", item B.40 on pages 13-16, "Management and Administration – 12. Administrator of the Company" on page 94 and "Additional Information on the Company – 9.7 The Administration Agreement" on page 194 of the Prospectus.

Reporting Accountants:

The reporting accountants of the Company are PricewaterhouseCoopers CI LLP, Royal Bank Place, 1 Glatigny Esplanade, St Peter Port, Guernsey, GY1 4ND.

Refer further to section "Directors, Agents and Advisers – Auditors" on page 60 of the Prospectus.

Receiving Agent:

The receiving agent is Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE.

Refer further to section "Additional Information on the Company – 9.9 The Receiving Agent Agreement" on page 195 of the Prospectus.

Registrar:

The (share) registrar is Computershare Investor Services (Guernsey) Limited, 1st Floor, Tudor House, Le Bodge, Le Bodge, Guernsey, GY1 1AA.

St Peter Port, Guernsey GY1 1DB.

Refer further to section "Additional Information on the Company – 9.8 The Share Registration Services Agreement" on pages 194-195 of the Prospectus.

Valuation Agent:

The valuation agent is PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT.¹

Refer further to section "Additional Information on the Company – 9.10 The Valuation Engagement Letter" on page 195 of the Prospectus.

3. ENFORCEMENT OF JUDGMENTS IN THE JURISDICTION OF ESTABLISHMENT OF THE COMPANY

The Company is established under the laws of Guernsey.

As a matter of Guernsey law, the choice of English law to govern a document will generally be upheld as a valid choice of law and English law, accordingly, be applied by the Guernsey courts if such documents or any contractual claims thereunder come under their jurisdiction upon proof of the relevant provisions of English law (subject to certain qualifications similar to those applicable under the Regulation (EC) No. 593/2008 of the European Parliament and of the Council on the law applicable to contractual obligations ("Rome I") and Regulation (EC) No. 1215/2012 of the European Parliament and of the Council). Likewise, a Guernsey court may decline to accept jurisdiction in any action where they determine that there is another more appropriate forum.

Guernsey have adopted the Judgments (Reciprocal Enforcement) (Guernsey) Law, 1957 (as amended). Under the Law, a judgment of a Superior Court can be reciprocally enforced by way of registration. Not all judgments given by a superior court can be registered and there are certain qualifications to registration. The Guernsey courts would recognise any final and conclusive judgment under which a sum of money is payable (not being a sum payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty) obtained against a Guernsey company in a Superior Court if deemed to have jurisdiction in accordance with the principles of private international law as applied by Guernsey law (which are broadly similar to the principles accepted under English law) and such judgment would be sufficient to form the basis of proceedings in the Guernsey courts for a claim for liquidated damages in the amount of such judgment. In such proceedings, the Guernsey courts would not re-hear the case on its merits save in accordance with such principles of private international law.

¹ Mazars LLP has been the Company's valuation agent since IPO. The Company is in the process of changing its valuation agent and PwC has been appointed valuation agent with effect from 1 May 2017.