THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own financial advice immediately from an independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended) (''FSMA'') if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

A copy of this document, which comprises a prospectus relating to the C Shares prepared in accordance with the Prospectus Rules of the Financial Conduct Authority made under Section 84 of FSMA, has been delivered to the Financial Conduct Authority in accordance with Rule 3.2 of the Prospectus Rules.

Applications will be made to the UK Listing Authority for all of the C Shares to be issued pursuant to the Issue to be admitted to the Premium Listing segment of the Official List and for all such C Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. On conversion of the C Shares into new Ordinary Shares, as set out in Part 5 of this document, applications will be made to the UK Listing Authority for the Ordinary Shares arising on Conversion to be admitted to the Premium Listing segment of the Official List and to the London Stock Exchange for the Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that dealings in the C Shares will commence on 14 February 2017.

If you sell or have sold or otherwise transferred your Ordinary Shares in certificated form before 23 January 2017 (being the ex-entitlement date for the Open Offer) please send this document, together with any Open Offer Application Form, if received, at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee except that this document and the Open Offer Application Form should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so may constitute a violation of local securities laws or regulations, including, but not limited to, the Excluded Territories. If you sell or have sold or otherwise transferred all or some of your Ordinary Shares held in uncertificated form before 23 January 2017 (being the ex-entitlement date for the Open Offer), a claim transaction will automatically be generated by Euroclear which, on settlement, will transfer the appropriate number of Basic Entitlements and Excess CREST Open Offer Entitlements to the purchaser or transferee. If you sell or have sold or have otherwise transferred only part of your holding of Ordinary Shares held in certificated form before 23 January 2017 (being the ex-entitlement date for the Open Offer), you should refer to the instruction regarding split applications in Part 10 of this document.

The release, publication or distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and, therefore, any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable requirements. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. This document has been prepared to comply with the requirements of English law, Jersey law and the Prospectus Rules of the Financial Conduct Authority and information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of any jurisdiction outside England and Jersey. In particular, subject to certain exceptions, this document and the Open Offer Application Form should not be distributed, forwarded to or transmitted into the United States or into any other Excluded Territory.

GCP Asset Backed Income Fund Limited (the ''**Company**'') and each of the Directors, whose names appear on page 46 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Prospective investors should read the entire document and, in particular, the section headed ''Risk Factors'' beginning on page 19 when considering an investment in the C Shares.

GCP ASSET BACKED INCOME FUND LIMITED

(formerly called Project Finance Investments Limited)

(a company incorporated in Jersey under The Companies (Jersey) Law, 1991 (as amended) with registered number 119412)

Open Offer (on the basis of one C Share for each Ordinary Share), Placing and Offer for Subscription for a target issue of 100 million C Shares at 100 pence per C Share

Investment Manager

Gravis Capital Partners LLP

Sponsor, Sole Placing Agent and Financial Adviser

Cenkos Securities plc

Cenkos Securities plc (''**Cenkos**''), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting for the Company and for no-one else in connection with the Issue and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, nor for providing advice in connection with the Issue. Cenkos is not responsible for the contents of this document. This does not limit or exclude any responsibilities which Cenkos may have under FSMA or the regulatory regime established thereunder.

This document contains the information required to be made available to investors in the Company before they invest, pursuant to Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers (the ''**AIFM Directive**'') and UK implementing measures (the Alternative Investment Fund Managers Regulations No. 1773/2013, and consequential amendments to the FCA Handbook).

The Open Offer will remain open until 11.00 a.m. on 8 February 2017, the Offer for Subscription will remain open until 1.00 p.m. on 9 February 2017 and the Placing will remain open until 3.00 p.m. on 9 February 2017.

Persons wishing to participate in the Open Offer should complete the Open Offer Application Form or settle the relevant CREST instructions (as appropriate). To be valid, Open Offer Application Forms must be completed and returned with the appropriate remittance, by post or by hand (during business hours only), to the Receiving Agent, Capita Asset Services,

Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received no later than 11.00 a.m. on 8 February 2017.

Persons wishing to participate in the Offer for Subscription should complete the Application Form set out in Appendix 1 and, if applicable, the Tax Residency Self-Certification Form set out in Appendix 2 to this document. To be valid, Application Forms and, if applicable, Tax Residency Self-Certification Forms must be completed and returned with the appropriate remittance, by post or by hand (during business hours only), to the Receiving Agent, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received no later than 1.00 p.m. on 9 February 2017.

Neither the Ordinary Shares nor the C Shares have been or will be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or with any securities or regulatory authority of any state or other jurisdiction of the United States and neither the Ordinary Shares nor the C Shares may be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. There will be no public offer of the Ordinary Shares and/or C Shares in the United States. The C Shares are being offered or sold outside the United States to non U.S. Persons in offshore transactions in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder. The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "**U.S. Investment Company Act**") and investors will not be entitled to the benefits of the U.S. Investment Company Act.

Neither the U.S. Securities and Exchange Commission (the "**SEC**") nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offence in the United States.

This document, including the Open Offer Application Form, does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, Ordinary Shares or C Shares in any jurisdiction where such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the Investment Manager or Cenkos. The offer and sale of Ordinary Shares or C Shares has not been and will not be registered under the applicable securities law of Canada, Japan, Australia or the Republic of South Africa. Subject to certain exemptions, neither the Ordinary Shares nor the C Shares may be offered to or sold within Canada, Japan, Australia or the Republic of South Africa or to any national, resident or citizen of Canada, Japan, Australia or the Republic of South Africa.

Dated: **20 January 2017**

CONTENTS

	Page
SUMMARY	4
RISK FACTORS	19
IMPORTANT INFORMATION	39
EXPECTED TIMETABLE	44
ISSUE STATISTICS	45
DEALING CODES	45
DIRECTORS, MANAGEMENT AND ADVISERS	46
PART 1 – INFORMATION ON THE COMPANY	48
PART 2 – CURRENT PORTFOLIO AND PIPELINE OF FUTURE ASSETS	59
PART 3 – DIRECTORS, MANAGEMENT AND ADMINISTRATION	63
PART 4 – THE ISSUE	69
PART 5 – DETAILS OF THE C SHARES	75
PART 6 – FINANCIAL INFORMATION RELATING TO THE COMPANY	81
PART 7 – TAXATION	86
PART 8 – GENERAL INFORMATION	92
PART 9 – DEFINITIONS AND GLOSSARY	121
PART 10 – TERMS AND CONDITIONS OF APPLICATION UNDER THE OPEN OFFER	127
PART 11 – TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION	148
PART 12 – TERMS AND CONDITIONS OF APPLICATION UNDER THE PLACING	156
APPENDIX 1 – APPLICATION FORM	167
APPENDIX 2 – INDIVIDUAL HOLDER TAX RESIDENCY SELF CERTIFICATION FORM – SOLE HOLDING	173

SUMMARY

Summaries are made up of disclosure requirements known as ''Elements''. These Elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of security and issuer. Some Elements are not required to be addressed which means there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted into the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of ''not applicable''.

Section A – Introduction and warnings

Element	Disclosure Requirement	Disclosure
A.1.	Warning	This summary should be read as an introduction to this document. Any decision to invest in C Shares should be based on consideration of the document as a whole by the investor. Where a claim relating to the information contained in this document is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Union, have to bear the costs of translating this document before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document or it does not provide, when read together with the other parts of this document, key information in order to aid investors when considering whether to invest in such securities.
A.2	Subsequent resale or final placement of securities through financial intermediaries	Not applicable, the Company is not engaging any financial intermediaries for any resale or final placement of securities after publication of this document.

Section B – Issuer

Element	Disclosure Requirement	Disclosure
B.1.	Legal and commercial name	GCP Asset Backed Income Fund Limited.
B.2.	Domicile and legal form	The Company is a closed-ended investment company incorporated in Jersey under the Companies Law on 7 September 2015 with registered number 119412. The principal legislation under which the Company operates is the Companies Law.
B.5.	Group description	The Company is the parent company of the Group. The Company has two directly or indirectly wholly owned subsidiaries: (i) GCP Asset Backed Income (UK) Limited (formerly, Project Finance Investments (UK) Limited); and (ii) GABI GS Limited (each a ''**Subsidiary**'' and together the ''**Subsidiaries**'' together with the Company, the ''**Group**''). The Company does not have any other subsidiaries.
B.6.	Major shareholders	As at 31 December 2016 (and taking account of any notifications of interests in Ordinary Shares received by the Company since 31 December 2016), insofar as is known to the Company, the following persons hold directly or indirectly three per cent. or more of the Ordinary Shares:

Name	Number of Ordinary Shares held	% of issued Ordinary Share Capital
City of Bradford Metropolitan DC	11,940,088	7.25
CCLA Investment Management	11,011,478	6.69
Bank of Montreal	11,000,000	6.68
Brewin Dolphin	10,812,979	6.57
Premier Asset Managers	9,893,334	6.01
Close Brother Asset Management	9,053,139	5.5
EFG Harris Allday	8,656,921	5.26
Smith & Williamson Investment Management	6,619,852	4.02

None of the Company's shareholders has or will have voting rights attached to the Shares held by them which are different from the voting rights attached to any other Shares in the same class in the Company.

As at the date of this document, the Company and the Directors are not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

B.7. Selected key historical financial information and significant change to the Company's financial condition and operating results

The selected financial information set out below, which has been prepared under IFRS, has been extracted without material adjustment from the audited financial information of the Company for the period from the Company's incorporation (being 7 September 2015) to 31 December 2015 and the interim report and unaudited financial statements for the period from the Company's incorporation (being 7 September 2015) to 30 June 2016:

Statement of financial position

Assets	Financial period from the Company's incorporation (being 7 September 2015) to 31 December 2015 (audited) £'000	Financial period from the Company's incorporation (being 7 September 2015) to 30 June 2016 (unaudited) £'000
Financial assets at fair value through profit or loss	43,159	113,036
Other receivables and prepayments	74	366
Cash and cash equivalents	61,267	35,583
Total assets	**104,500**	**148,985**
Other payables and accrued expenses	(218)	(511)
Liability in respect of C Share issue	(43,037)	
Total liabilities	(218)	(43,548)
Net assets	**104,282**	**105,437**
Share capital	103,766	103,772
Retained earnings	516	1,665
Total capital and reserves	**104,282**	**105,437**

Statement of comprehensive income

Income	Period from 7 September 2015 (date of incorporation) to 31 December 2015 (audited) £'000	Period from 7 September 2015 (date of incorporation) to 30 June 2016 (unaudited) £'000
Total income	721	4,160
Total expenses	(205)	(1,061)
Profit for the period	516	3,064
Total comprehensive income	**516**	**3,064**
Basic and diluted earnings per Ordinary Share	0.81 pence	3.42 pence

During the period from the Company's incorporation (being 7 September 2015) to 30 June 2016:

- the Company carried out a placing and offer for subscription of Ordinary Shares which raised gross proceeds of c.£106.0 million;

		• the Company carried out an open offer, placing and offer for subscription of C Shares which raised gross proceeds of c.£44.1 million. Those C Shares converted into Ordinary Shares in October 2016; and • the Group completed 9 investments totalling £112.4 million in aggregate. Save to the extent disclosed below, as at the date of this document, there has been no significant change to the financial condition or operating results of the Company or the Group since 30 June 2016 (the date to which the latest financial statements of the Company have been prepared): • the Valuation Agent completed valuations of the Group's investment portfolio as at 30 September 2016 and 31 December 2016. Pursuant to such valuations, the Valuation Agent valued the Group's investment portfolio at £129.6 million and £158.3 million respectively compared to the valuation of £113.0 million as at 30 June 2016. • on 7 November 2016, the Company issued 14,964,734 Ordinary Shares fully paid pursuant to a placing which raised gross proceeds of c.£15.6 million. • the Group has completed 5 investments totalling £40.2 million in aggregate and the Company's cash balance reduced from £35.6 million at 30 June 2016 to £6.8 million at 31 December 2016 (the NAV per Ordinary Share as at 30 June 2016 and 31 December 2016 was 99.47 pence and 100.01 pence respectively). • the Company declared: (i) the second interim dividend for 2016 of 1.5 pence per Ordinary Share on 20 July 2016 which was paid on 22 August 2016; (ii) the third interim dividend for 2016 of 1.5 pence per Ordinary Share on 19 October 2016 which was paid on 22 November 2016; and (iii) the fourth interim dividend for 2016 of 1.5 pence per Ordinary Share on 18 January 2017. • on 18 October 2016, 44,086,270 C Shares converted into 43,647,347 Ordinary Shares. • on 13 January 2017 the Company executed a 2 year (plus 12 month extension option, with lender approval) £15 million revolving credit facility with The Royal Bank of Scotland Plc (as arranger, agent and security agent) and The Royal Bank of Scotland International Limited (as original lender). As at the date of this document no amounts have been drawn down under the facility.
B.8.	Key *pro forma* financial information	Not applicable. No *pro forma* financial information is included in this document.
B.9.	Profit forecast	Not applicable. No profit forecast or estimate made.
B.10.	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. The audited financial information of the Company contained in this document does not contain any qualifications.
B.11.	Qualified working capital	Not applicable. The Company is of the opinion that the working capital available to the Group is sufficient for its present requirements, that is for at least the next 12 months from the date of this document.
B.34.	Investment policy	**Investment Objective** The Company's investment objective is to generate attractive risk-adjusted returns primarily through regular, growing distributions and modest capital appreciation over the long term.

Investment Policy

The Company will seek to meet its investment objective through a diversified portfolio of investments which are secured against contracted, predictable medium to long term cash flows and/or physical assets. The Company's investments will predominantly be in the form of medium to long term fixed or floating rate loans and secured against cash flows and/or physical assets which are predominantly UK based.

The Company's investments will typically be unquoted and will include, but not be limited to, senior loans, subordinated loans, mezzanine loans, bridge loans and other debt instruments. The Company may also make limited investments in equities and equity-related derivative instruments such as warrants.

The Company will at all times invest and manage its assets in a manner which is consistent with the objective of spreading investment risk.

Investment restrictions

The Company will observe the following investment restrictions:

- any single investment, or any investments with a single counterparty, will be limited to 20 per cent. of the gross assets of the Company;
- investments in equity and equity-related instruments will be limited to 10 per cent. of the gross assets of the Company;
- no more than 20 per cent. of the gross assets of the Company will be used to finance investments outside the UK; and
- the Company will not invest in other listed closed-ended funds.

The limits set out above shall all apply as at the time of investment, as appropriate.

Borrowing and gearing policy

The Company may, from time to time, use borrowings for investment purposes, to manage its working capital requirements or in order to fund the market purchase of its own Shares. Gearing, represented by borrowings, will not exceed 25 per cent. of NAV, calculated at the time of borrowing.

Hedging and derivatives

The Company may invest through derivatives for investment purposes and efficient portfolio management. In particular, the Company may engage in interest rate hedging or otherwise seek to mitigate the risk of interest rate changes as part of the Company's efficient portfolio management.

Investments will be denominated primarily in Sterling. However, the Company may make limited investments denominated in currencies other than Sterling including U.S. Dollars, Euros and Australian Dollars. In the event of the Company making such investments, the Board will use its judgement, in light of the Company's investment policy, in deciding whether or not to effect any currency hedging in relation to any such investments. Whilst the Board does not currently intend to engage in currency hedging, the Company may do so where the Investment Manager considers such hedging to be in the interests of efficient portfolio management and may utilise derivative instruments to seek to achieve this. The Company will not engage in currency trading for speculative purposes.

Any use of derivatives for investment purposes will be made on the basis of the same principles of risk spreading and diversification that apply to the remainder of the Company's investment portfolio and will be subject to the investment restrictions described above.

Structure of investments

The Company currently anticipates that it will make investments directly or indirectly through one or more underlying special purpose vehicles which will typically be wholly owned by the Company and over which the Company will exercise control as regards investment decisions. The Company may from time to time invest through vehicles which are not wholly owned by it. In such circumstances the Company will seek to secure controlling rights over such vehicles through shareholder agreements or other legal arrangements.

		In the event of a breach of the investment restrictions set out above, the Investment Manager shall inform the Directors upon becoming aware of the same and if the Directors consider the breach to be material, notification will be made to a Regulatory Information Service. No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution.
B.35.	Borrowing limits	The Company may, from time to time, use borrowings for investment purposes, to manage its working capital requirements or in order to fund the market purchase of its own Shares. Gearing, represented by borrowings, will not exceed 25 per cent. of NAV, calculated at the time of borrowing. On 13 January 2017 the Company executed a 2 year (plus 12 month extension option, with lender approval) £15 million revolving credit facility with The Royal Bank of Scotland Plc (as arranger, agent and security agent) and The Royal Bank of Scotland International Limited (as original lender). As at the date of this document, no amounts have been drawn down under the facility.
B.36.	Regulatory status	The Company operates under the Companies Law and ordinances and regulations made thereunder. The Company is registered in Jersey as a listed fund and is regulated pursuant to the CIF and the Jersey Listed Fund Guide. The Company is not regulated as a collective investment scheme by the FCA. However, it is subject to the Prospectus Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation, the Listing Rules and the rules of the London Stock Exchange.
B.37.	Typical investor	An investment in Shares is only suitable for institutional investors and professionally-advised private investors who understand and are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from such an investment.
B.38.	Investment of 20 per cent. or more in a single underlying issuer or investment company	Not applicable. The Company will not invest 20 per cent. or more in a single underlying issuer or investment company.
B.39.	Investment of 40 per cent. or more in another collective investment undertaking	Not applicable. The Company will not invest in another collective investment undertaking.
B.40.	Applicant's service providers	*Investment Manager* The Company has appointed the Investment Manager to act as the Company's manager for the purposes of AIFMD pursuant to the Investment Management Agreement and accordingly the Investment Manager is responsible for providing discretionary portfolio management and risk management services to the Company, subject to the overall control and supervision of the Directors. The Investment Manager is entitled to receive from the Company: (i) an investment management fee which is calculated and paid quarterly in arrears at an annual rate of 0.9 per cent. per annum of the prevailing NAV (net of cash holdings); and (ii) a £22,500 per annum fee in relation to the Investment Manager's services provided in its role as the Company's AIFM. In addition, the Investment Manager, at its discretion, is entitled to an arrangement fee of up to one per cent. of the cost of each investment made by the Company. The Investment Manager typically expects the costs of any such fee to be covered by the borrowers, and not the Company. To date, such fee has been borne by borrowers. To the extent any arrangement fee negotiated by the Investment Manager with a borrower exceeds one per cent. the benefit of any such excess shall be paid to the Company. There are no performance fees payable.

		Administrator and secretary Capita Financial Administrators (Jersey) Limited has been appointed as administrator and secretary to the Company pursuant to the Administration Agreement. In such capacity, the Administrator provides the day-to-day administration of the Company and is also responsible for the Company's general administrative and secretarial functions, such as the calculation and publication of the NAV and maintenance of the Company's accounting and statutory records. Under the terms of the Administration Agreement, the Administrator is entitled to an administration fee equal to: (i) 0.125 per cent. per annum of the prevailing NAV up to £150 million; (ii) 0.11 per cent. per annum of the prevailing NAV in excess of £150 million but not exceeding £300 million; and (iii) 0.10 per cent. per annum of the prevailing NAV in excess of £300 million, subject to a minimum fee of £125,000 per annum. This fee is calculated and payable quarterly in arrears. The Administrator is also entitled to an annual fee for Jersey regulatory and compliance support of £10,000 per annum. This fee is calculated and payable quarterly in arrears. The Administrator is also entitled to an annual fee of £275 for submission of the Company's Jersey tax return. *Depositary* Capita Trust Company (Jersey) Limited has been appointed as the depositary, for the purposes of AIFMD, to the Company pursuant to the Depositary Agreement. Under the terms of the Depositary Agreement, the Depositary is entitled to receive a fee equal to 0.03 per cent. per annum of the NAV subject to a minimum annual fee of £30,000. Such fees are payable quarterly in arrears. *Registrar* Capita Registrars (Jersey) Limited has been appointed as registrar to the Company pursuant to the Registrar Agreement. In such capacity, the Registrar is responsible for the transfer and settlement of Shares held in certificated and uncertificated form. Under the terms of the Registrar Agreement, the Registrar is entitled to an annual maintenance fee of £2.00 per Shareholder account per annum, subject to a minimum fee of £10,000 per annum (exclusive of VAT). The Registrar is also entitled to activity fees under the Registrar Agreement. *Valuation agent* Mazars LLP has been appointed as valuation agent to the Company pursuant to the Valuation Agent engagement letter. In such capacity, the Valuation Agent is responsible for (a) providing a quarterly valuation report to the Company updating the quarterly valuation of the Group's portfolio of investments; and (b) valuing the investments made as at the date of the investment. The Valuation Agent is entitled to on each investment an initial fee of an amount equal to the greater of 0.08 per cent. of the nominal value of the investment made and £5,000, subject to a maximum amount of £30,000. In addition, the Valuation Agent receives an annual fee of 0.04 per cent. of the aggregate nominal value of the investments held by the Company up to an aggregate nominal value of £250 million and, to the extent that the aggregate nominal value of the investments held by the Company is more than £250 million an additional 0.03 per cent. of the aggregate nominal value of the investments above £250 million.
B.41.	Regulatory status of investment manager and the depositary	The Investment Manager is authorised and regulated by the Financial Conduct Authority. The Depositary is regulated by the Jersey Financial Services Commission.

B.42.	Calculation of NAV	The NAV (and NAV per Ordinary Share) is calculated quarterly by the Administrator following the Valuation Agent carrying out the fair market valuation of the Company's investments. Calculations are made in accordance with IFRS or as otherwise determined by the Board. The NAV per C Share will also be calculated quarterly by the Administrator on the same basis, until Conversion. Details of each quarterly valuation, and of any suspension in the making of such valuations, are announced by the Company through a Regulatory Information Service and will be made available on the Investment Manager's website as soon as practicable after the end of the relevant quarter.
B.43.	Cross liability	Not applicable. The Company is not an umbrella collective investment undertaking and as such there is no cross liability between classes or investment in another collective investment undertaking.
B.44.	No financial statements have been made up	Not applicable. The Company has commenced operations and historical information is included within this document. Please see the key financial information at B.7.
B.45.	Portfolio	As at the date of this document the Company was exposed to a portfolio of 14 loans, as set out below, with a weight-adjusted average annualised yield of 8.2 per cent. and an average life across the portfolio of approximately 12.2 years:

Sector	Asset	Security	Inflation linkage	Indirect inflation/ Rates protection	Investment date	Current yield (%)	Discount rate (%)	Valuation (£m)	% of total assets
Property	Residential property	Senior	No	Yes	05-Nov-15	7.60	7.60	20.25	12.3
Energy & Infrastructure	Material recovery facility	Senior	No	No	01-Apr-16	9.50	9.45	14.52	8.8
Asset Finance	Domestic boilers	Senior	No	No	30-Oct-15	7.80	7.80	14.45	8.8
Social Infrastructure	Student accommodation	Mezzanine	No	No	23-Aug-16	9.50	9.50	13.96	8.5
Property	Residential property	Senior	No	Yes	21-Jun-16	7.80	7.80	13.00	7.9
Social Infrastructure	Care home	Senior	No	Yes	30-Sep-16	7.73	8.07	12.80	7.8
Property	Residential property	Senior	No	Yes	14-Jan-16	7.80	7.80	11.99	7.3
Energy & Infrastructure	Various	Senior	No	Yes	16-Nov-15	7.00	7.00	11.50	7.0
Social Infrastructure	Care home	Senior	No	Yes	01-Apr-16	7.73	8.06	11.34	6.9
Social Infrastructure	Social housing	Senior	Yes	N/A	29-Feb-16	6.30	6.30	10.70	6.5
Energy & Infrastructure	O&M contracts	Senior	No	No	03-Nov-15	7.80	7.80	10.34	6.3
Social Infrastructure	Student accommodation	Mezzanine	No	No	14-Dec-16	9.50	8.82	8.04	4.9
Social Infrastructure	Social housing	Senior	Yes	N/A	22-Dec-16	6.00	6.00	2.77	1.7
Social Infrastructure	Multi-use community facility	Senior	No	No	19-Dec-16	8.75	8.24	2.61	1.6
TOTAL								158.27	**96%**

The information set out above is unaudited.

B.46.	Net Asset Value	As at 31 December 2016, the unaudited NAV per Ordinary Share was 100.01 pence.

Section C – Securities

Element	Disclosure Requirement	Disclosure
C.1.	Type and class of securities	The Company is targeting raising Gross Proceeds of £100 million. The maximum number of C Shares available under the Issue is 164,612,083. The aggregate Net Proceeds are expected to be c.£98.1 million on the assumption that the Gross Proceeds are £100 million. The actual number of C Shares to be issued pursuant to the Issue, and therefore the Gross Proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service announcement prior to Admission. All of the C Shares are being initially offered to Qualifying Shareholders by way of the Open Offer pursuant to which they will be entitled to apply for one C Share for each Ordinary Share held on the Record Date (being 5.00 p.m. on

		18 January 2017). Any C Shares not taken up by Qualifying Shareholders under the Open Offer, will be made available at the discretion of the Directors, under the Excess Application Facility or Placing and Offer for Subscription. The Issue has not been underwritten. The ISIN of the C Shares is JE00BYYS2J04 and the SEDOL is BYYS2J0. The ISIN for the Basic Offer Entitlement is JE00BYV23V4 and the SEDOL is BYV23V4. The ISIN for the Excess CREST Open Offer Entitlement is JE00BYV23W5 and the SEDOL is BYV23W5. The ticker for the Ordinary Shares is GABI and the ticker for the C Shares is GABC.
C.2.	Currency	Sterling.
C.3.	Details of share capital	The issued share capital of the Company as at the date of this document is 164,612,083 Ordinary Shares. The Ordinary Shares are fully paid up. No C Shares are in issue. The Ordinary Shares and the C Shares have no par value.
C.4.	Description of the rights attaching to the securities	**Ordinary Shares** The holders of Ordinary Shares carry the right to receive all dividends declared in relation to the Ordinary Shares which shall be divided *pro rata* among the holders of the Ordinary Shares. On a winding-up or a return of capital by the Company, provided the Company has satisfied all of its liabilities and subject to the rights conferred by any C Shares in issue at the time to participate in the winding-up or return of capital, the holders of the Ordinary Shares shall be entitled to any surplus assets of the Company which shall be divided *pro rata* among the holders of the Ordinary Shares. The Ordinary Shares carry the right to receive notice of, attend and vote at general meetings of the Company and, on a poll, to one vote for each Ordinary Share held. The consent of the holders of Ordinary Shares is required for the variation of any rights attached to the Ordinary Shares. The Ordinary Shares are in registered form, have been admitted to the Premium Listing segment of the Official List and are traded on the London Stock Exchange's main market for listed securities. **C Shares** The assets representing the net proceeds of any issue of C Shares will be maintained, managed and accounted for as a separate pool of capital of the Company until those C Shares convert into new Ordinary Shares (which will occur once at least 90 per cent. of all the assets representing the net proceeds (or such other percentage as the Directors and Investment Manager shall agree) shall have been invested in accordance with the Company's investment policy (or, if earlier, six months after the date of issue of the C Shares)). On such conversion, each holder of C Shares will receive such number of Ordinary Shares as equals the number of C Shares held by him multiplied by the NAV per C Share and divided by the NAV per Ordinary Share, in each case as at a date shortly prior to conversion. C Shares carry the right to receive all dividends resolved by the Directors to be paid out of the pool of assets attributable to the C Shares which shall be divided *pro rata* among the holders of the C Shares. There is no current expectation that any dividends will be paid in respect of the C Shares issued pursuant to the Issue but the Directors will have the power to declare dividends in the event that the assets that are attributable to such C Shares generate material income while the C Shares are in issue. On a winding-up or a return of capital by the Company, provided the Company has satisfied all of its liabilities, the holders of C Shares will be entitled to any surplus assets of the Company attributable to the C Shares. The C Shares carry the right to receive notice of, attend and vote at general meetings of the Company and, on a poll, to one vote for each C Share held.

		The consent of the holders of C Shares is required for the variation of any rights attached to the C Shares. C Shares will be issued in registered form and applications will be made in conjunction with any issue of C Shares for those C Shares to be admitted to the Premium Listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities.
C.5.	Restrictions on the free transferability of the securities	Not applicable; there are no restrictions on the free transferability of the Ordinary Shares or the C Shares, subject to compliance with applicable securities laws and regulations.
C.6.	Admission	Application will be made to the UK Listing Authority for all of the C Shares to be issued pursuant to the Issue to be admitted to the Premium Listing segment of the Official List and for all such C Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. The C Shares will be held in registered form and will be eligible for settlement in CREST. Temporary documents of title will not be issued. It is expected that Admission will become effective, and that dealings in the C Shares will commence, at 8.00 a.m. on 14 February 2017. On conversion of the C Shares into new Ordinary Shares, as set out in this document, an application will be made to the UK Listing Authority for all the Ordinary Shares to be admitted to the Premium Listing segment of the Official List and for all such Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities.
C.7.	Dividend policy	The Company is targeting an annual dividend of 6 pence per Ordinary Share. The Directors expect to grow the dividend, in absolute terms, modestly over the long term. The Company intends to pay dividends on a quarterly basis with dividends typically declared in January, April, July and October and paid in February, May, August and November in each financial year. In respect of the financial period from IPO Admission to 31 December 2016, the Company paid or declared dividends totalling 5.82 pence per Ordinary Share, representing an annualised dividend yield of 5 per cent. (based on the IPO Issue Price). The Company will target an IRR of between 7 and 8 per cent. (net of expenses and fees) on the IPO Issue Price over the long term. Investors should note that the targeted dividend yield and targeted IRR are targets only and not profit forecasts and there can be no assurance that either will be met or that any dividend or capital growth will be achieved. Although there is no current expectation that they will exercise such power, the Directors will have the power to declare dividends in relation to the C Shares in the event that the assets that are attributable to the C Shares generate material income while the C Shares are in issue. The new Ordinary Shares arising on Conversion of the C Shares will rank *pari passu* with the Ordinary Shares then in issue for dividends and distributions made or declared by reference to a record date falling after the Calculation Date.
C.22	Information about the Ordinary Shares arising on Conversion	Following Conversion, the investments which were attributable to the C Shares will be merged with the Company's existing portfolio of investments. The new Ordinary Shares arising on Conversion of the C Shares will rank *pari passu* with the Ordinary Shares then in issue for dividends and distributions made or declared by reference to a record date falling after the Calculation Date. Please see the currency of the Ordinary Shares, the description of the Ordinary Shares and a confirmation that there are no restrictions on their transferability at C.2., C.4. and C.5. respectively.

		The Ordinary Shares are in registered form and have been admitted to the Premium Listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities respectively. An application will be made to the UK Listing Authority and the London Stock Exchange for all the Ordinary Shares arising on Conversion to be admitted to the Premium Listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. No application will be made for the Ordinary Shares arising on Conversion to be listed or dealt in on any other stock exchange or investment exchange.

Section D – Risks

Element	Disclosure Requirement	Disclosure
D.1.	Key information on the key risks that are specific to the Company or its industry	The Company may not meet its investment objective or target dividend yield or target IRR and there is no guarantee that the Company's targeted dividend yield and targeted IRR will be met or that any dividend or capital growth will be achieved. There is no guarantee that the Net Proceeds will be deployed in a timely manner, or at all. It is currently envisaged that the Net Proceeds will be substantially invested within six months after Admission. In particular, there is no guarantee that some or all of the potential portfolio of investments identified in Part 2 of this document will be made, or if they are upon what terms. If the Investment Manager is not able to source a sufficient number of suitable investments within a reasonable time frame whether by reason of lack of demand, competition or otherwise, a greater proportion of the Company's C Share assets pool will be held in cash for longer than anticipated, which may delay conversion of the C Shares to Ordinary Shares and the Company's ability to achieve its investment objective will be adversely affected. Further, to the extent any cash has not been invested before Conversion the holders of existing Ordinary Shares will be exposed to a portfolio containing cash and be subject to the risk of cash drag (the long stop date for conversion of the C Shares to Ordinary Shares is six months after Admission). The Investment Manager's due diligence process may not reveal all facts that may be relevant in connection with an investment leading to a risk that the return received on investments will be lower than envisaged and that the principal may not be repaid in full, or at all. The Group has no employees and accordingly its performance is reliant on the ability and services of third party service providers. Up to 20 per cent. of the gross assets of the Group may be invested in a single investment or investments with a single counterparty and there are no restrictions on the Group's exposure to one particular sector. Concentration of the Group's portfolio of investments in any one holding or with any single counterparty or in any particular sector may result in greater volatility in the Group's investments and consequently the NAV. The Group and its operations are subject to laws and regulations enacted by national and local governments and government policy. Any change in the laws, regulations and/or government policy affecting the Group may have a material adverse effect on the ability of the Group to successfully pursue its investment policy and meet its investment objective and on the value of the Company and the Shares. Borrowers to whom the Group provides finance may be exposed to credit risk from a wide range of counterparties. A counterparty default may impact on the ability of the borrower to service its debts including any investment made by the Group. The Group's investment portfolio includes investments which are dependent on the performance of sub-contractors or third party servicers under a contractual relationship. If a sub-contractor or servicer fails to perform its role competently it may result in the borrower suffering financial loss thereby impairing its ability to service its debts, including any investment by the Group.

		If a borrower to whom the Group has provided finance is required to replace a key sub-contractor or servicer due to the insolvency of that sub-contractor or servicer or for any other reason there can be no certainty that an adequate replacement can be found nor at what cost. Any resulting increase in the costs of the borrower may adversely affect its ability to service its debts, including any investment by the Group. The Group makes asset backed finance investments predominantly in the form of medium to long term loans. As it is not typically a shareholder in the borrower, the Group does not normally have control over decisions made at that level. This may result in decisions being made by the borrower that are not in the interests of the Company. The Group's investments include those which rely on detailed financial models based on certain assumptions, estimates and projections of each such investment's future cashflows (which primarily consist of interest and principal receipts). There can be no assurance that the assumptions, estimates and projections used turn out to be accurate and hence that an investment's actual cash flows will equal or exceed those that are expected or that the targeted return on such investment will be achieved. Errors in these financial models, or in the methodology used in such financial models, or in the analysis of the models or their assumptions, may mean that the return on an investment in an asset is less than expected. The Group's investment portfolio includes investments based on estimates or projections of future rates of inflation and/or interest rates. If actual inflation rates and/or interest rates differ from the expectations the net cash flow of a borrower may be lower than anticipated which may adversely affect such borrower's ability to service its debts. The Group's investment portfolio includes investments which are secured against assets which are under development or construction and which are not yet cash generative. Should there be any delay in completion of the construction phase in relation to any such asset or any "overrun" in the costs of construction, there is a risk that the borrower to whom the Group has provided finance may be unable to service its debts as expected. Development or construction assets, including property, carry a higher degree of risk than is associated with operating assets and may be subject to delays, disruptions, vacancies and regulatory changes outside the borrowers' control and which would adversely affect the level of income obtained and the value of the property or assets. The success or otherwise of the Group's investments is dependent on borrowers fulfilling their payment obligations when they are due. Borrowers to whom the Group has provided loans may be unable to fulfil such payment obligations in full, or at all, and/or may cause, or fail to rectify, other events of default under the loans including through the insolvency of such borrowers. Accordingly, the Group may be unable to recover all or any of its investment made in relation to such loans. Non-performing loans may require a substantial amount of negotiations and/or restructuring which may result in further substantial, irrecoverable costs being incurred by the Group and/or a substantial write down of the principal of such loan. The Group has made subordinated and mezzanine loans which are subordinate to the borrower's senior debt. Where an event of default has occurred, the senior lenders will normally have a priority claim on cashflow generated by the borrower and/or have the right to take control of the borrower and ultimately to sell it. In such circumstances, the borrower may be unable to satisfy part, or all, of its payment obligations in respect of the Group's interest in the relevant subordinated debt investment. The Group and the assets against which it invests may also be subject to a significant period of uncertainty in the period leading up to the eventual exit of the UK from the EU ("**Brexit**") including, *inter alia*, uncertainty in relation to any potential regulatory or tax change. In addition, the macroeconomic effect of an eventual Brexit on the value of investments in the asset backed lending market, and, by extension, the value of the investments in the Group's investment portfolio is unknown.

		Whilst the Group's investments are predominantly and will be predominantly in the form of loans whose revenue streams are secured against contracted, predictable cash flows and/or physical assets, the value of any collateral for such loans may be uncertain, have little or no market value and the process for securing such collateral may be lengthy and expensive. If the market value of any investments secured against physical assets for which the Group has provided finance is found to be materially lower than assumed or projected, this may adversely impact the Group's ability to recover the value of its investments in the event of a borrower default. If the Group's investments do not benefit from the expected collateral or security arrangements this may affect the performance of the Company, the NAV, the Company's earnings and returns to Shareholders. Changes in the Group's tax status or tax treatment (including following the recommendations made on Base Erosion and Profit Shifting) may adversely affect the Group and if the Company becomes subject to the UK offshore fund rules there may be adverse tax consequences for certain UK resident Shareholders.
D.3.	Key information on the key risks that are specific to the Shares	The value of the Ordinary Shares and C Shares and any income derived from those shares can fluctuate and may go down as well as up. The C Shares and the Ordinary Shares may trade at a discount to their respective NAVs. The Company may issue additional Ordinary Shares and/or C Shares that dilute existing Shareholders' voting rights or have a negative impact on the Share price. It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Ordinary Shares or the C Shares.

Section E – Offer

Element	Disclosure Requirement	Disclosure
E.1.	Proceeds and costs of the Issue	On the assumption that Gross Proceeds of £100 million are raised pursuant to the Issue, the costs and expenses incurred by the Company are anticipated to be approximately £1.9 million resulting in Net Proceeds of approximately £98.1 million. The costs of the Issue will be borne indirectly by holders of C Shares as they will be paid out of the pool of assets attributable to the C Shares. In the event that the Issue does not proceed, all costs associated with the Issue will be paid by the Company. It is estimated that such fees will be approximately £200,000. In the event that the Issue does not proceed, no fees shall be payable, *inter alia*, to the Investment Manager, Cenkos or Highland Capital Partners pursuant to the Issue.
E.2.a.	Reason for the Issue and use of proceeds	**Reasons for the Issue** The Investment Manager continues to see substantial asset backed finance investment opportunities which are consistent with the Company's investment policy. To take advantage of these opportunities, and in light of ongoing demand for the Ordinary Shares, the Board announced on 5 January 2017 that it was considering an issue of C Shares. The Board believes that the Issue has, *inter alia*, the following principal benefits for Shareholders: ● the additional capital raised will enable the Company to take advantage of attractive investment opportunities, thereby further diversifying its investment portfolio, by both number of investments and by sector; ● the market capitalisation of the Company will increase immediately following the Issue, which will help meet investor demand for investment in the Company which cannot currently be met in the secondary market,

		as reflected by the prevailing premium to NAV per Ordinary Share at which the Ordinary Shares currently trade; ● an increase in the size of the Company is expected to improve market liquidity of the Company's shares. This may enhance the marketability of the Company and may result in a broader investor base over the longer term; ● an increase in the size of the Company will mean that the fixed costs of operating the Company are spread over a larger asset base, thereby reducing the Company's ongoing charges per Ordinary Share; and ● the Open Offer provides Qualifying Shareholders (if they decide to take up their entitlements under the Open Offer) and potential investors (in respect of the Offer for Subscription and Placing) with the ability to invest in the Company without, depending on individual Qualifying Shareholder's or individual investor's circumstances, incurring dealing costs or paying the current premium to NAV for acquiring Ordinary Shares in the secondary market which as at the Latest Practicable Date was 6.2 per cent. to the prevailing published unaudited NAV per Ordinary Share (being 100.01 pence as at 31 December 2016). The issue of further equity in the form of C Shares is designed to overcome the potential disadvantages for both existing and new investors which would arise out of a conventional fixed price issue of further Ordinary Shares for cash. In particular: ● by holding the net proceeds of the issue of C Shares, and any assets acquired therewith, as a distinct pool of assets until Conversion, Ordinary Shareholders will not be exposed to a portfolio containing a substantial amount of uninvested cash before Conversion, thereby mitigating the risk of cash drag for existing holders of Ordinary Shares; ● subject to the Issue proceeding, the NAV of the Ordinary Shares will not be diluted by the expenses directly associated with the Issue, which will be borne by the subscribers for C Shares; and ● the basis upon which the C Shares will convert into new Ordinary Shares is such that the number of Ordinary Shares to which the C Shareholders will become entitled will reflect the relative NAV of the assets attributable to the C Shares and to the Ordinary Shares. As a result, the NAV per Ordinary Share will not be adversely affected by Conversion. Following Conversion, the investments which were attributable to the C Shares will be merged with the Company's existing portfolio of investments. The new Ordinary Shares arising on Conversion of C Shares will rank *pari passu* with the Ordinary Shares then in issue for dividends and distributions made or declared by reference to a record date falling after the Calculation Date. **Use of proceeds** The Gross Proceeds will be invested in accordance with the Company's investment policy and to meet the costs and expenses of the Issue. The Gross Proceeds may be used to repay monies drawn down by the Company under the Revolving Credit Facility to fund new investments in the period from the date of this document to Admission. If Gross Proceeds are deployed in this way, the relevant investments and interest accrued thereon will be allocated to the pool of assets attributed to the C Shares and will be accounted for in this separate pool of C share assets until the C Shares convert into new Ordinary Shares. It is currently envisaged that the Net Proceeds will be substantially invested within six months after Admission.
E.3.	Terms and conditions of the offer	The Open Offer, Placing and Offer for Subscription will each be made at an Issue Price of 100 pence per C Share. The Issue is conditional, *inter alia*, on: ● Admission having become effective at or before 8.00 a.m. on 14 February 2017 or such later time and date as the Company, the

Investment Manager and Cenkos may agree (being not later than 8.00 a.m. on 6 April 2017); and

- the Placing Agreement becoming wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms at any time prior to Admission.

The Directors also have the discretion not to proceed with the Issue if all of the above conditions have been met. If the Issue does not proceed, any monies received under the Issue will be returned to applicants without interest.

Open Offer

Under the Open Offer, an aggregate of 164,612,083 C Shares will be made available to Qualifying Shareholders at the Issue Price *pro rata* to their holdings of Ordinary Shares, on the terms and subject to the conditions of the Open Offer on the basis of:

One C Share for each Ordinary Share

held and registered in their name at the Record Date (being 18 January 2017).

The latest time and date for acceptance and payment in full in respect of the Open Offer will be 11.00 a.m. on 8 February 2017.

Existing Shareholders who take up all of their entitlements under the Open Offer may also apply for additional C Shares under an excess application facility ("**Excess Application Facility**"). Applications for additional C Shares under the Excess Application Facility will be allocated in such manner as the Directors (in their absolute discretion) determine.

Any C Shares not taken up by Qualifying Shareholders under the Open Offer, will be made available at the discretion of the Directors, under the Excess Application Facility or Placing and Offer for Subscription.

Existing Shareholders may also subscribe for C Shares in excess of their Basic Entitlement through the Excess Application Facility and/or the Placing and Offer for Subscription, as appropriate.

Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should note that their Open Offer Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Basic Entitlements will be admitted to CREST and enabled for settlement, the Basic Entitlements will not be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Placing

Cenkos has agreed to use its reasonable endeavours to procure subscribers pursuant to the Placing for the C Shares on the terms and subject to the conditions set out in the Placing Agreement. The Placing will close at 3.00 p.m. on 9 February 2017 or such later date as the Company and Cenkos may agree (being no later than 31 March 2017). The Terms and Conditions of Application under the Placing are set out in Part 12. If the Placing is extended, the revised timetable will be notified to investors through the publication of an announcement through a Regulatory Information Service.

Offer for Subscription

The Company has agreed to make an offer for C Shares pursuant to the Offer for Subscription at the Issue Price and subject to the terms and conditions under the Offer for Subscription.

The Terms and Conditions of Application under the Offer for Subscription are set out in Part 11.

The Offer for Subscription will close at 1.00 p.m. on 9 February 2017 or such later date as the Company and Cenkos may agree (being no later than 31 March 2017). If the Offer for Subscription is extended, the revised timetable will be notified to investors through the publication of an announcement through a Regulatory Information Service.

Any application under the Offer for Subscription may be rejected in whole or in part at the sole discretion of the Company.

E.4.	Material interests	Not applicable. No interest is material to the Issue.
E.5.	Name of person selling securities and lock-up agreements	Not applicable. No person or entity is offering to sell Ordinary Shares and/or C Shares as part of the Issue. There are no lock-up agreements.
E.6.	Dilution	The C Shares issued pursuant to the Issue will convert into new Ordinary Shares. The number of Ordinary Shares into which each C Share converts will be determined by the relative NAV per C Share and NAV per Ordinary Share at the Calculation Date. As a result of Conversion, the percentage of the issued Ordinary Shares held by each existing holder of Ordinary Shares will be reduced to the extent that Shareholders do not take up their Basic Entitlements in full (however, Conversion will be NAV neutral to holders of Ordinary Shares).
E.7.	Estimated Expenses charged to the investor by the Company	The Company will not charge investors any separate costs or expenses in connection with the Issue. The costs and expenses incurred in connection with the Issue are anticipated to be approximately £1.9 million (assuming Gross Proceeds of £100 million are raised) and will, subject to the Issue proceeding, be borne indirectly by the C Shareholders since they will be paid out of the pool of assets attributable to the C Shares.

RISK FACTORS

Investors should consider carefully all of the information set out in this document and the risks attaching to an investment in the Company or the C Shares, including, in particular, the risks described below. An investment in the C Shares is only suitable for investors who understand the risk of capital loss and that there may be limited liquidity in the underlying investments of the Company and in the C Shares, for whom an investment in the C Shares would be of a long term nature and constitute part of a diversified investment portfolio and who understand and are willing to assume the risks involved in investing in the C Shares.

The Directors believe the risks described below are the material risks relating to an investment in the C Shares or the Ordinary Shares at the date of this document. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem immaterial at the date of this document, may also have an adverse effect on the performance of the Company and the value of the C Shares and/or the Ordinary Shares. Investors should review this document carefully and in its entirety and consult with their professional advisers before making an application to participate in the Issue.

RISKS RELATING TO THE COMPANY AND ITS INVESTMENT STRATEGY

The Company may not meet its investment objective or target dividend yield or target IRR

The Company may not achieve its investment objective. Meeting the investment objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met.

The Company's investment objective is to generate attractive risk-adjusted returns primarily through regular, growing distributions and modest capital appreciation over the long term. The amount of any capital appreciation will depend upon, amongst other things, the Company successfully pursuing its investment policy and the performance of the Group's portfolio of investments. The declaration, payment and amount of any future dividends by the Company will be subject to the discretion of the Directors and will depend upon, amongst other things, the Company successfully pursuing the Company's investment policy and the Group's earnings, financial position, cash requirements, level and rate of borrowings and availability of profit, as well as the provisions of relevant laws or generally accepted accounting principles from time to time.

There is no guarantee that the Company's targeted dividend yield and targeted IRR will be met or that any dividend or capital growth will be achieved.

The success of the Company will depend on the Investment Manager's ability to identify, acquire and realise investments in accordance with the Company's investment policy. This, in turn, will depend on the ability of the Investment Manager to apply its investment processes in a way which is capable of identifying suitable investments for the Company. There can be no assurance that the Investment Manager will be able to do so or that the Company will be able to invest on attractive terms or generate any investment returns for Shareholders or indeed avoid investment losses.

The Group has a limited operating history

The Group has a limited operating history. Accordingly, there is limited historical financial information and other meaningful operating and financial data with which to evaluate the Group and its performance. An investment in the Company is therefore subject to all the risks and uncertainties associated with a business with a limited operating history, including the risk that the Company will not achieve its investment objective and that the value of an investment in the Company could decline substantially as a consequence. In any event, past performance cannot be relied upon as an indicator of the future performance of the Group.

Investor returns will be dependent upon the performance of the investment portfolio and the Group may experience fluctuations in its operating results

Any returns generated by the Company are reliant primarily upon the performance of the Group's investments. No assurance is given, express or implied, that Shareholders will receive back any of their original investment in the C Shares or Ordinary Shares arising on Conversion.

The Group may experience fluctuations in its operating results due to a number of factors, including changes in the values of investments made by the Group, defaults in payment of interest and repayment of principal, changes in the Group's operating expenses, and general economic and market conditions (including changes to interest rates, credit spreads, equity risk premium, inflation

and bond ratings, changes in laws or regulations, national and international political circumstances as well as the performance of the borrowers and general market pricing of similar investments).

Such variability may lead to volatility in the trading price of the C Shares and/or the Ordinary Shares and cause the Company's results for a particular period not to be indicative of its performance in a future period and this may materially adversely affect the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

Availability of appropriate investments

There is no guarantee that the Net Proceeds will be deployed in a timely manner, or at all. It is currently envisaged that the Net Proceeds will be substantially invested within six months after Admission. In particular, there is no guarantee that some or all of the potential portfolio of investments identified in Part 2 of this document will be made, or if they are upon what terms. If the Investment Manager is not able to source a sufficient number of suitable investments within a reasonable time frame whether by reason of lack of demand, competition or otherwise, a greater proportion of the Company's C Share assets pool will be held in cash for longer than anticipated, which may delay conversion of the C Shares to Ordinary Shares and the Company's ability to achieve its investment objective will be adversely affected. Further, to the extent any cash has not been invested before Conversion the holders of existing Ordinary Shares will be exposed to a portfolio containing cash and be subject to the risk of cash drag (the long stop date for conversion of the C Shares to Ordinary Shares is six months after Admission).

In addition, the Company is subject to competition in sourcing and making investments. Competition for investments may result in the Company being unable to acquire assets or lead to the available interest coupon on investments decreasing, which may further limit the Company's ability to generate its targeted returns.

To the extent that any of the group's investments prepay, mature or are sold it will seek to reinvest such proceeds in accordance with the Company's investment policy. There can be no guarantee that such further investments can be made in a timely manner (or at all) and such proceeds may be reinvested in the purchase of assets with a lower yield and/or with different characteristics to those replaced.

Cash management and credit risk of bank deposits

To the extent the Group has cash balances (including any uninvested proceeds of the Issue), these may be held on deposit with banks or financial institutions. Returns on cash may be materially lower than those available on the Company's target investments and material cash balances may materially and adversely affect the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

To the extent the Group holds material cash balances it will be subject to the credit risk of the banks or financial institutions with which they are deposited. If any such bank or financial institution were to become insolvent, or default on its obligations, the Group would be exposed to the potential loss of the sum deposited. This may materially and adversely affect the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

Sufficiency of due diligence

Whilst the Investment Manager's due diligence process may include engaging professional third party advisers, including financial and legal advisers, independent valuation experts, financial model auditors and insurance experts to advise in connection with the Group's investments, this may not reveal all facts that may be relevant in connection with an investment and may not highlight issues that could affect the investments' performance, leading to a risk that the return received on investments will be lower than envisaged and that the principal may not be repaid in full, or at all. These factors may materially adversely affect the performance of the Company, the NAV, the Company's earnings and returns to Shareholders. Moreover, there can be no assurance that satisfactory due diligence will result in an investment being successful.

The Group may use borrowings

The Company may use borrowings for investment purposes, to facilitate share buy-backs and to manage working capital requirements. The Company has entered into a £15 million revolving credit facility. As at the date of this document no amounts have been drawn down under the facility. The

Gross Proceeds may be used to repay monies drawn down by the Company under the Revolving Credit Facility to fund new investments in the period from the date of this document to Admission.

While the use of borrowings should enhance the total return on the Shares where the return on the Group's investment portfolio exceeds the cost of borrowing, it will have the opposite effect where the return on the Group's investment portfolio is lower than the cost of borrowing. The use of borrowings by the Group may increase the volatility of the NAV per Share.

To the extent that a fall in the value of the Group's investments causes gearing to rise to a level that is not consistent with the Company's gearing policy, borrowing limits or loan covenants, the Group may have to sell investments in order to reduce borrowings. Such investments may be difficult to realise and therefore the market price which is achievable may give rise to a significant loss of value compared to the book value of the investments, as well as a reduction in income from investments.

Any amounts that are secured by the Group under a bank facility will rank ahead of Shareholders' entitlements and accordingly, should the Group's investments not grow at a rate sufficient to cover the costs of establishing and operating the Group, on a liquidation of the Company, Shareholders may not recover all or any of their initial investment.

The Group will pay interest on any borrowings. As such, the Group is exposed to interest rate risk due to fluctuations in the prevailing market rates to the extent that it has borrowed funds outstanding.

Currency and interest rate risks and hedging risks

As at the Latest Practicable Date, all of the Group's investments are denominated in Sterling. However, the Group may seek to make limited investments denominated in currencies other than Sterling including U.S. Dollars, Euros and Australian Dollars and whilst the Board does not currently intend to engage in currency hedging it may where the Investment Manager considers it necessary in the interests of efficient portfolio management, employ hedging strategies designed to reduce the risk of adverse movements in currency exchange rates.

Prospective investors should be aware that currency derivatives designed to hedge the investment portfolio from adverse movements in foreign exchange rates may not perfectly hedge the cash flows of the underlying investments. This may result in differences between the value of any such investments and the hedge that relates to it.

Where currency derivatives are used and the reference exchange rate moves significantly from the rate prevailing at the time the particular contract was entered, the Group may be required to deliver a payment, known as "margin", to the counterparty to collateralise the negative value of a hedging instrument. Depending on the resources available to the Group, its ability to deliver margin may be constrained, may require the Group to sell investments and may impact on the Company's ability to pay dividends to Shareholders.

Further, the Group may, from time to time make investments in non-Sterling valued assets and/or assets with non-Sterling cashflows by way of investments that are denominated in Sterling. In such circumstances, currency movements could adversely impact the ability of a borrower to service any loan or interest payments to the Group and to comply with the terms of the Group's investment including loan covenants.

Changes in interest rates may adversely affect the value or profitability of the investments of the Group by affecting the spread between the income on its investments and the expense of any interest-bearing liabilities. Moreover, changes in interest rates may affect the valuation of the Group's investments and the market value of the Shares. Interest rates are sensitive to many factors including governmental, monetary, regulatory and tax policies, as well as domestic and international economic and political considerations which are all beyond the control of the Company.

Interest rate hedging may be carried out by the Group to seek to provide protection against increasing interest rates as and when any floating rate liabilities are entered into by the Group or against falling interest rates in relation to investments that do not have a minimum fixed rate of return acceptable to the Company in line with its dividend policy.

There can be no assurance that any hedging can be performed effectively; hedging may also be costly and may reduce the Company's earnings and returns to Shareholders. Furthermore, hedging

arrangements may result in counterparty risk and losses in the event of the default or bankruptcy of a counterparty.

The Group has no employees and is reliant on the performance of third party service providers

The Group has no employees and the Directors have all been appointed on a non-executive basis. Whilst the Company has taken all reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations, the Group is reliant upon the performance of third party service providers for its executive functions. In particular, the Investment Manager, the Administrator, the Depositary and the Registrar are performing services which are integral to the operation of the Group. Failure by any service provider to carry out its obligations in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Group.

Concentration of investments

The Company intends to meet its investment objective through a diversified portfolio of asset backed finance investments across a broad range of sectors with the objective of spreading investment risk. However, the Group may have up to 20 per cent. of its gross assets invested in a single investment or investments with a single counterparty and there are no restrictions on the Group's exposure to one particular sector. Concentration of the Group's portfolio of investments in any one holding or in any particular sector may result in greater volatility in the value of the Group's investments and consequently the NAV and may materially adversely affect the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

Changes in laws, regulations and/or government policy may adversely affect the Group's business

The Group and its operations are subject to laws and regulations enacted by national and local governments and government policy. Compliance with, and monitoring of, applicable laws and regulations may be difficult, time-consuming and costly. Any change in the laws, regulations and/or government policy affecting the Group or any changes to current accountancy regulations and practice in Jersey and the UK may have a material adverse effect on the ability of the Company to successfully pursue its investment policy and meet its investment objective and/or on the value of the Company and the Shares. In such event, the performance of the Company, the NAV, the Company's earnings and returns to Shareholders may be materially adversely affected.

Furthermore, the Company is subject to and will be required to comply with certain regulatory requirements that are applicable to closed-ended investment companies that are admitted to trading on the Premium Listing segment of the Official List and the main market for listed securities of the London Stock Exchange. The Company must comply with the London Stock Exchange Admission and Disclosure Standards, the Listing Rules, the Prospectus Rules, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation and so far as the Company is aware, as at the date of this document, the Company complies with such rules and regulations as are relevant. Any failure in future to comply with any future changes to such rules and regulations may result in the Shares being suspended from trading on the London Stock Exchange which would impair Shareholders' ability to realise their investment for the duration of any such period of suspension.

The financial markets are uncertain and have been the subject of governmental intervention

Uncertain conditions in the global financial markets, and initiatives by governments to address them, have created a great deal of uncertainty for the finance industries, which may adversely affect the Group's investments and overall performance.

The scale and extent of these government initiatives have been unprecedented in recent times and it remains unclear what impact they will have on global financial markets in the long term, and on European, U.S. and other economies.

These initiatives are subject to change, may be implemented in unanticipated ways and their effects are difficult to predict. It is not known whether the Group and the counterparties and obligors to whom the Group will be exposed or its competitors will be able to benefit from these initiatives, directly, indirectly or at all. There can be no assurance the conditions in the global financial markets, or actions by governments, will not worsen and/or further adversely affect the value of the Company's investments and overall performance.

Ongoing issues in the Eurozone may have an adverse effect on any investments in Europe and the break-up of the Eurozone or the exit of any member state, could affect the Company's investments

The ongoing situation relating to the sovereign debt of certain peripheral Eurozone countries, together with the risk of contagion to other, more financially stable countries, continues to raise investment risks. The situation has also raised a number of uncertainties regarding the stability and overall standing of the European Monetary Union. Any further deterioration in the global or Eurozone economy or the political or regulatory environment could have a significant adverse effect on the activities and performance of the Company, any borrowers to whom the Group has lent and such borrowers' financial counterparties.

In addition, if the Group holds any investments that are denominated in Euros, future deterioration in the Eurozone economy could have a material adverse effect on the value of such Euro denominated investments and amplify the currency risks faced by the Company.

If any country were to leave the Eurozone, or if the Eurozone were to break up entirely, the treatment of debt obligations previously denominated in Euros is uncertain. A number of issues would be raised, such as whether obligations which are expressed to be payable in Euros be redenominated into a new currency. The answer is uncertain and would depend on the way in which the break-up occurred and also on the nature of the transaction; the law governing it; the courts having jurisdiction in relation to it; the place of payment; and the place of incorporation of the relevant counterparty. If the Group holds investments in Euros at the time of any Eurozone exits or break-up, this uncertainty and potential re-denomination could have a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

UK exit from the European Union

A referendum was held on 23 June 2016 to decide whether the UK should remain in the EU. A vote was given in favour of the UK leaving the EU ("**Brexit**"). The extent of the impact on the Group and the operational activities of borrowers to which the Group provides finance will depend in part on the nature of the arrangements that are put in place between the UK and the EU following the eventual Brexit and the extent to which the UK continues to apply laws that are based on EU legislation. The Group and the assets against which it invests may also be subject to a significant period of uncertainty in the period leading up to the eventual Brexit including, *inter alia*, uncertainty in relation to any potential regulatory or tax change. In addition, the macroeconomic effect of an eventual Brexit on the value of investments in the asset backed lending market, and, by extension, the value of the investments in the Group's investment portfolio is unknown. The UK's exit from the EU could also create significant UK (and potentially global) stock market uncertainty, which may have a material adverse effect on the total Shareholder returns, the NAV and the price of the Ordinary Shares and/or C Shares. As such, it is not possible to state the impact that Brexit will have on the Group and its investments. It could also potentially make it more difficult for the Group to raise capital in the EU and/or increase the regulatory compliance burden on the Group. This could restrict the Group's future activities and thereby negatively affect returns.

Investments outside the UK are exposed to local legal, economic, political, social and other risks

Whilst the Group's investments are predominantly secured against UK-based cash flows and/or physical assets, it may and currently does make investments outside the UK including loans secured against non-UK assets and cashflows. The laws and regulations of various jurisdictions in which the Group may invest, may impose restrictions that would not exist in the UK. Such jurisdictions may have their own legal, economic, political, social, cultural, business, industrial and labour and environmental risks and asset backed finance investments made in such jurisdictions may require significant government approvals under corporate, securities, exchange control, foreign investment and other similar laws and may require financing and structuring alternatives that differ significantly from those customarily used in the UK.

In addition, governments may from time to time impose restrictions intended to prevent capital flight, which may, for example, involve punitive taxation (including high withholding taxes) on certain securities or transfers or the imposition of exchange controls, making it difficult or impossible to exchange or repatriate foreign currency. These and other restrictions may make it impracticable for the Group to distribute the amounts realised from such investments at all or may force the

Company to distribute such amounts other than in Sterling and therefore a portion of the distribution may be made in foreign securities or currency. It also may be difficult to obtain and enforce a judgment in a local court. No assurance can be given that a given political or economic climate, or particular legal or regulatory risks, will not adversely affect an investment by the Group.

RISKS RELATING TO THE COMPANY'S INVESTMENTS

The Company will seek to meet its investment objective through a diversified portfolio of investments which are secured against contracted, predictable medium to long term cash flows and/or physical assets. The returns from asset backed loans derive from debt service payments which are dependent on such cash flows and/or the sale or refinance of the physical assets. There are a number of risks (detailed below) that could result in either the cash flows of the borrower being lower than anticipated or the sale or refinance of the physical assets not generating as much capital as anticipated. This would potentially adversely affect the ability of the borrower to service its debts.

All the risks detailed below may have a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

Residual value risk

The returns on the Group's investments may be dependent on the sale or refinance of physical assets. If the value of, or the quantum of refinance achievable against, such physical assets is less than anticipated, this may adversely affect the ability of the borrower to service its debts.

Counterparty default

Borrowers to whom the Group provides finance may be exposed to credit risk from a wide range of counterparties including, but not limited to:

- the entity/ies that is/are responsible in whole or in part for providing the borrower with its revenues or with guaranteeing certain liabilities or risks associated with the underlying assets of the borrower; subcontractors providing a range of services including facilities management companies, operation and maintenance companies, special purpose vehicle management and administration, construction companies and others;
- counterparties to lease agreements (in respect of investments in equipment leasing and/or asset finance);
- insurance companies; and
- banks providing bank accounts for the borrower or hedging arrangements for any currency or exchange rate risks.

In the event of a counterparty default, there may be significant difficulties for the borrower in finding an alternative or replacement counterparty on the same or better terms, and in some cases would immediately expose the borrower to financial loss, potentially impacting on the ability of the borrower to service its debts (including any investment made by the Group).

Reliance on sub-contractors and/or servicers

The Group's investment portfolio includes investments which are dependent on the performance of sub-contractors or third party servicers under a contractual relationship. If a sub-contractor or servicer fails to perform its role competently it may result in the borrower suffering financial loss thereby impairing its ability to service its debts, including any investment by the Group.

If a borrower to whom the Group has provided finance is required to replace a key sub-contractor (including a facilities manager or property developer) or servicer due to the insolvency of that sub-contractor or servicer or for any other reason including a default by the contractor or servicer on its obligations (financial or operational), there can be no certainty that an adequate replacement can be found nor at what cost. Any resulting increase in the costs of the borrower may adversely affect its ability to service its debts, including any investment made by the Group.

Further, the sub-contractors' and servicers' liabilities to a borrower, to whom the Group has provided finance, for the risks they have assumed will often be subject to financial limits and *de minimis* thresholds. It is possible that these limits may be exceeded in certain circumstances or the thresholds not reached. Any loss or expense in excess of such a cap or below such a threshold would be borne by the borrower, unless covered by insurance.

Subordinated loan risk

The Group has made subordinated and mezzanine loans which are subordinate to the borrower's senior debt. The covenants provided by borrowers in favour of its senior lenders are generally extensive and a breach of one or more of such covenants may result in payments to the Group, as a subordinated lender, being suspended. Where such a breach or any other event leads to an event of default, the senior lenders will normally have a priority claim on cashflow generated by the borrower (whether arising through its continuing operation or from the disposal of the assets of the business) and/or have the right to take control of the borrower and ultimately to sell it. In such circumstances, the borrower may be unable to satisfy part, or all of its payment obligations in respect of the Group's interest in the relevant subordinated debt investment. There are no restrictions on the Group's ability to make subordinated and mezzanine loans. Concentration of the Group's portfolio of investments in subordinated and mezzanine loans may result in greater volatility in the value of the Group's investments and consequently the NAV and may materially adversely affect the performance of the Company, the NAV the Company's earnings and returns to Shareholders.

Bridge loan risk

The Group finances portfolios of bridge loans. Bridge loans are generally temporary financing instruments and as such it is the expectation that the portfolio of bridge loans will experience regular repayments. The returns on the Group's investments will be based on an assumption as to the time taken to re-invest repaid capital and the interest rate at which it can be lent. If capital cannot be lent in a timely fashion, or at assumed interest rates, there may be a material adverse effect on the performance of the Group's investment.

No control

The Group makes asset backed finance investments predominantly in the form of medium to long term loans. As it is not typically a shareholder in the borrower, the Group does not normally have control over decisions made at asset level. This may result in decisions being made by the borrower that are not in the interests of the Company.

Assumptions and errors in targeted returns on loans and financial models

The Group's investments include those which rely on detailed financial models based on certain assumptions, estimates and projections of each such investment's future cashflows (which primarily consist of interest and principal receipts). These cashflows may be affected by, amongst other things*:*

- interest rates, inflation rates, tax rates and currency exchanges rates, as discussed below;
- borrower defaults, loan restructurings, grace periods, extensions, waivers and debt forgiveness and write-offs;
- provisions for the refurbishment or replacement of certain items of equipment; and
- prepayments of investments.

There can be no assurance that the assumptions, estimates and projections used turn out to be accurate and hence that an investment's actual cash flows will equal or exceed those that are expected or that the targeted return on such investment will be achieved.

Errors in these financial models or in the methodology used in such financial models, or in the analysis of the models or their assumptions, may mean that the return on an investment is less than expected.

Liability of operating risk

The financial models for certain assets may be modelled on the basis that many of the risks of operating the relevant concessions are substantially assumed by sub-contractors. The borrowers may be exposed to cost or liability where this does not happen, for example, as a result of limits of liability, default by or the insolvency of a contractor or defective contractual provisions.

Rates of inflation

The Group's investment portfolio includes investments based on estimates or projections of future rates of inflation and/or interest rates. If actual inflation rates and/or interest rates differ from the

expectations the net cash flow of a borrower may be lower than anticipated which may adversely affect such borrower's ability to service its debts.

Rates of interest

The Group's investment portfolio includes investments based on estimates or projections of future interest rates because the Investment Manager expects that the underlying revenues and/or expenses of a borrower to whom the Group provides finance will be linked to interest rates, or that the Group's returns from an investment are linked to interest rates. If actual interest rates differ from such expectation, the net cash flows of the borrower or payable to the Group may be lower than anticipated.

Insurance costs and availability

The Group's investments are in part based on estimates and projections of the cost in relation to underlying assets of maintaining insurance cover for, amongst other things, buildings, contents, business interruption and third party risks (for example arising from fire, flood or terrorism). Although generally not the most significant cost incurred in relation to any asset, the cost of insurance to cover risks including those referred to above may be a material cost. Where the cost of maintaining the insurance is greater than projected, it is possible that the relevant borrower's ability to service its debts may be negatively impacted. Moreover a borrower cannot insure against all possible contingencies that may affect assets and if an event occurs for which the borrower has no insurance, it could lose some or all of its investment and impact the borrower's ability to service its debts (including any investment made by the Group). Furthermore, borrowers to whom the Group provides finance may fail to obtain insurance in breach of their contracts.

Delays in the receipt of anticipated cashflows

The Group's investments are exposed to the risk that the release of cash due or expected to become due in respect of a relevant asset may not be achieved in the expected timeframe. In such an event, the delay in the receipt of the expected cashflow may adversely affect the income received by the Group.

Demand risk

The Group's investment portfolio includes loans to borrowers which provide services on a "demand" basis, where the borrower's revenues depend on the level of use made of its assets. Therefore, to the extent that the level of use of the borrower's assets is less than expected, the borrower will have lower revenues than expected and its ability to service its debts (including any investment made by the Group) will be impaired. The utilisation of a borrower's assets will be dependent upon many complex and potentially interlinked factors, outside the control of the Company.

Fraud, misrepresentation or omission risks

The value of the investments made by the Group may be affected by fraud, misrepresentation or omission on the part of any borrower to whom the Group provides finance, by parties related to the borrower or by other parties to the loan (or related collateral and security arrangements). Such fraud, misrepresentation or omission may adversely affect the value of the collateral underlying the loan in question or may adversely affect the Group's ability to enforce its contractual rights under the loan or the borrower's ability to repay the loan or interest on it or its other debts.

Force majeure

The performance of the Group's investments may be affected by reason of events such as war, civil war, riot or armed conflict, terrorism, acts of sabotage and natural disasters such as storms, earthquakes, tidal waves, floods, lightning, explosions, fires and destruction of plant, machinery and/or premises, which are outside its control.

If a force majeure event continues or is likely to continue to affect the performance of a borrower for a long period of time, a borrower may suffer losses which may give rises to losses for the Group.

Building defects

A borrower will typically sub-contract design and construction activities in respect of a development or construction asset. The sub-contractors responsible for the construction of a development or

construction asset will normally retain liability in respect of design and construction defects in the asset for a statutory period following the construction of the asset, subject to liability caps. In addition to this financial liability, the construction sub-contractor will also often have agreed an obligation to return to site in order to carry out any remedial works required for a pre-agreed period. Following the expiry of these limitation periods, a borrower will not normally have recourse to any third party for any defects which arise thereafter. Any potential defect may affect the ability of the asset to generate revenue or may require additional capital expenditure to repair such defect, which in each case may adversely affect the ability of the borrower to service its debts (including any investment made by the Group).

Construction and completion risks

The Group's investment portfolio includes investments which are secured against assets which are under development or construction and which are not yet cash generative. Should there be any delay in completion of the construction phase in relation to any such asset or any "overrun" in the costs of construction, there is a risk that a borrower to whom the Group has provided finance may be unable to service its debts as expected.

Development or construction assets, including property, carry a higher degree of risk than is associated with operating assets and may be subject to delays, disruptions, vacancies and regulatory changes outside the borrowers' control and which would adversely affect the level of income obtained and the value of the property or assets.

Any resultant default by such borrowers relating to assets under development or construction may have a material adverse effect on the performance of the Group's investments.

Environmental liabilities

Environmental and social laws and regulations may impose restrictions and liabilities on the Group's investments. To the extent that there are environmental liabilities arising in the future in relation to any sites owned or used by a borrower to whom the Group provides finance (including, for example, clean-up and remediation liabilities), that borrower may be required to contribute financially towards any such liabilities which may in turn impact on the ability of the borrower to service its debts including any investment made by the Group.

Defects in contractual documentation

The provision of asset backed finance by the Company is typically characterised by intricate and detailed contractual documentation which where relevant provides for the whole life-cycle of the relevant asset. The contractual arrangements are structured so as to minimise the risks inherent in such investments, which are retained by borrowers. However, despite technical and legal review, the contractual documentation may be ineffective in distributing or mitigating risks to the degree expected, resulting in unexpected costs or reductions in revenues which could impact adversely on the ability of a borrower to service its debts including any investment made by the Group. Due to commonalities in the drafting of such contractual documentation, such issues could affect a number of borrowers to whom the Group provides finance.

Default of licence or concession agreements

The Group may provide financing where the borrowers are reliant on licences or concession agreements in order to operate their assets. Any default by such borrowers of the terms of such licences or concession agreements may result in their termination, which is likely to have a significant and adverse effect on the borrowers' ability to continue to operate, and therefore to service their debts including any investment made by the Group.

Borrower default, loan non-performance and collateral risks

The success or otherwise of the Group's investments is dependent on borrowers fulfilling their payment obligations when they are due. Borrowers to whom the Group has provided loans may be unable to fulfil such obligations in full, or at all, and/or may cause, or fail to rectify, other events of default under the loans including through the insolvency of such borrowers. Accordingly, the Group may be unable to recover all or any of its investment made in relation to such loans.

Non-performing loans may require a substantial amount of negotiations and/or restructuring which may result in further substantial, irrecoverable costs being incurred by the Group and/or a substantial write down of the principal of such loans and/or a substantial change in the terms, conditions and covenants with respect to such defaulted loans. However, even if a restructuring

were successfully accomplished, there is risk that, upon maturity of such loans, replacement "take-out" financing will not be available. This may have a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

Where the Group makes investments in jurisdictions outside the UK, its ability to recover any amounts outstanding may be impacted by the insolvency regimes in force in the jurisdiction of incorporation of the borrower or in the jurisdiction in which it mainly conducts its business (if different from the jurisdiction of incorporation), and/or in the jurisdiction in which the assets of such borrower are located. Such insolvency regimes may adversely affect the Group's ability to recover such amounts as are outstanding from the borrower which relate to that investment, which may adversely affect the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

The Group may make investments in jurisdictions that impose use and other taxes which are required to be paid by the borrower or the end-user of the asset for which finance has been secured. Failure by the borrower or the end-user to file and/or pay these taxes may result in the Group having to file and/or pay these taxes, in the event of default in order to recover the assets or to satisfy a claim.

Further, whilst the Group's investments are predominantly and will be predominantly in the form of loans whose revenue streams are secured against contracted, predictable cash flows and/or physical assets, the value of any collateral for such loans may be uncertain, have little or no market value and the process for securing such collateral may be lengthy and expensive.

If the market value of any investments secured against physical assets for which the Group has provided finance is found to be materially lower than assumed or projected, this may adversely impact the Group's ability to recover the value of its investments in the event of a borrower default. This may have a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

Where the Group has made investments by way of secured fixed and floating debt instruments the collateral and security arrangements in relation to such loans will be subject to such security or collateral having been correctly created and perfected and any applicable legal or regulatory requirements which may restrict the giving of collateral or security by a borrower under a loan, such as, for example, thin capitalisation, over-indebtedness, financial assistance and corporate benefit requirements. If the Group's investments do not benefit from the expected collateral or security arrangements this may affect the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

RISKS RELATING TO SPECIFIC SECTORS

Risks associated with investments in property

The Group's investment portfolio includes loans relating to property, including development property. Such investments are indirectly exposed to the performance of the underlying real estate market in the relevant jurisdiction. Rental receipts from the subject properties form the primary source of interest payment by the borrower, impact the value of the property and ultimately determine the ability of the borrower to repay the loan at maturity either through "take-out" refinance or disposal.

The location and condition of the property and changes in supply of or demand for competing properties in the area (as a result, for instance, of overbuilding) will also help determine the demand for the property and the rental levels it can command. Further, indirect factors and risks will also influence the demand for a property, and therefore its value, such as government regulations, changes in real property taxes, changes in interest rates and availability of mortgage funds, environmental liabilities and other factors which are beyond the control of the Company.

Adverse changes in any of these factors may have a negative impact on the value of collateral that supports loans and/or the ability of borrowers to service their debts including any investment made by the Group. This may have a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

Risks associated with investments in equipment leasing and/or asset financing

A number of factors may affect an equipment leasing and/or asset financing company's ability to operate profitably including: (i) changes in economic conditions, including fluctuations in demand for assets, interest rates and inflation rates; (ii) the quality of the assets it acquires and leases or

finances; (iii) the continuing strength of equipment manufacturers; (iv) the timing of the equipment leasing and/or asset financing company's investments and the equipment leasing and/or asset financing company's ability to forecast technological advances; (v) technological and economic obsolescence of the assets it acquires; (vi) defaults by lessees or other counterparties; and (vii) increases in the equipment leasing company's ongoing expenses. If the equipment leasing and/or asset financing company is unable to operate profitably it may not be able to service its debts including any investment made by the Group. This may have a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

Further, when an equipment leasing and/or asset financing company enters into a lease, it will not know what the residual value of the asset lease will be when the lease ends (on expiry, in the case of an operating lease, or prematurely in the case of a cashflow lease). Where an equipment leasing and/or asset financing company enters into operating leases, the present value of minimum rental payments during the initial lease term will usually be structured to result in the equipment leasing and/or asset financing company's recovery of an amount less than the fair value or purchase price of the asset. Therefore, the equipment leasing and/or asset financing company's ability to recover the full purchase price of the asset and the equipment leasing and/or asset financing company's expected return in connection with an operating lease depends on the potential value of the asset once the primary lease term expires. This is the "residual value". Similarly, in circumstances where a cashflow lease ends prematurely, the equipment leasing and/or asset financing company may be reliant on the residual value in order to achieve the desired returns. The residual value will depend on numerous factors beyond the equipment leasing and/or asset financing company's control, including whether the original lessee wants to keep the asset, the cost of a comparable new asset, whether the leased asset is obsolete or in poor condition, whether there is a secondary market for the type of used asset and, if so, the market value of such asset.

In certain circumstances, the equipment leasing and/or asset financing company may be reliant entirely on the residual value of some of its investments to recover and/or make a profit on those investments and any failure to achieve this may adversely affect the ability of an equipment leasing and/or asset financing company to service its debts including any investment made by the Group. This may have a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

In addition, if an equipment leasing and/or asset financing company's assumptions are inaccurate or the assets lose value more rapidly than anticipated this may adversely affect the ability of an equipment leasing and/or asset financing company to service its debts including any investment made by the Group. This may have a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

Risks associated with investments in renewable energy transactions

Governments generally provide a range of incentives and subsidies for specific types of renewable energy assets, for example in the UK "feed-in" tariffs and the renewable heat incentive (where energy producers are guaranteed a minimum price for their output, typically above market rates) and the Renewables Obligation Certificate (ROC) system (which requires electricity suppliers to supply minimum levels of renewable-source electricity or make buy-out payments into a central fund). Changes in the application of government policy in relation to the incentives and subsidies that they provide may have a material impact upon the profitability of certain renewable energy assets. Furthermore, the generation of power from renewable energy sources tends to be reliant upon relatively recent technological developments (or the application thereof), and therefore unforeseen technical deficiencies with installations of particular renewable energy technologies may occur; and although such deficiencies may be covered by supplier warranties, the value of such warranties, if any, may be adversely affected by, for example, time limitations on such warranties or credit events in relation to the relevant supplier.

The reliance of any renewable energy asset, or group of assets, on a variable resource such as feedstock (for example, ambient light in the case of solar power assets, wind speed in the case of wind power assets and waste in the case of waste-to-energy assets) may affect the profitability of a site or sites. Finally, in the event of a failure of a utility or other private company contracted to purchase power produced by an installation in which the Group has invested, difficulties may arise in contracting with a replacement power purchaser.

All of these risks relating to investments in renewable energy assets could have an adverse effect upon the ability of a borrower to whom the Group has provided finance to service its debts including any investment made by the Group. This may have a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

RISKS ASSOCIATED WITH THE INVESTMENT MANAGER AND OTHER SERVICE PROVIDERS

The Company is dependent on the expertise of the Investment Manager and its key personnel to evaluate investment opportunities and to implement the Company's investment objective and investment policy

The performance of the Company depends on the ability of the Investment Manager to provide competent, attentive and efficient services to the Company. There can be no assurance that, over time, the Investment Manager will be able to provide such services or that the Company will be able to invest its assets on attractive terms or generate any investment returns for Shareholders or indeed avoid investment losses.

The ability of the Company to achieve its investment objective is significantly dependent upon the expertise of the partners, directors and employees of the Investment Manager and the ability of the Investment Manager to attract and retain suitable staff. The impact of the departure of a key individual (or individuals) on the ability of the Investment Manager to achieve the investment objective of the Company cannot be determined and may depend on, amongst other things, the ability of the Investment Manager to recruit individuals of similar experience. A failure by the Investment Manager to do so may impact negatively on the performance of the Investment Manager and, therefore, of the Company.

If the Investment Management Agreement is terminated, the Directors would have to find a replacement investment manager for the Company and there can be no assurance that such a replacement will be found.

The Investment Manager may allocate some of its resources to activities in which the Group is not engaged, which could have a negative impact on the Company's ability to achieve its investment objective

The Investment Manager is not required to commit all of its resources to the Group's affairs. Insofar as the Investment Manager devotes resources to its responsibilities in relation to other business interests, its ability to devote resource and attention to the Group's affairs will be limited. This could adversely affect the Company's ability to achieve its investment objective, which could have a material adverse effect on the Company's profitability, NAV and Share price.

Potential conflicts of interest

The Investment Manager and its affiliates may serve as investment manager to other clients and the Investment Manager's organisational and ownership structure involves a number of relationships. The Investment Manager and/or any of its affiliates may have conflicts of interest in allocating their time and activity between the Company and its other clients and in effecting transactions between the Company and such other clients. Under the terms of the Investment Management Agreement it has been agreed that whilst such agreement is in force the Investment Manager and any employee of the Investment Manager may not, without the express prior written consent of the Company act as the adviser, manager or sponsor of any fund or entity that may invest in assets within the scope of the Company's investment policy other than GCP Infrastructure or engage in any activity which may compete in the same or substantially similar investment area as the Company. However, the Investment Manager and/or any of its affiliates may be involved in other financial, investment and professional activities that may on occasion give rise to conflicts of interest with the Group. This may include the Investment Manager or the partners, directors, officers or employees of the Investment Manager being directly or indirectly interested in any entity or asset that relates to an investment or any investment proposal. In such circumstances, the potential investment is presented to the Board or a committee of the Board for its approval and as is the case with all potential investments the Group undertakes a fair market valuation of the investment.

The Investment Manager and its officers and employees from time to time act for other clients or manage other funds, which may have similar investment objectives and policies to that of the Company. Circumstances may arise where investment opportunities will be available to the Company which are also suitable for one or more such clients of the Investment Manager or other

such funds. In particular, the Investment Manager has agreed with its client, GCP Infrastructure that where it identifies an investment which, in its opinion acting reasonably and in good faith, falls within the remit of GCP Infrastructure's investment policy, GCP Infrastructure will have a right of first refusal.

Please see paragraph 5 of Part 3 of this document for details on how the Investment Manager will manage these potential conflicts of interest.

Past performance is no indication of future results

The past performance of other investments managed or advised by the Investment Manager or any of the Investment Manager's investment professionals cannot be relied upon as an indicator of the future performance of the Group. The success of the Company will depend, amongst other things, on the Investment Manager's ability to identify, acquire and realise investments in accordance with the Company's investment objective and investment policy. This, in turn, will depend on the ability of the Investment Manager to apply its investment analysis processes in a way which is capable of identifying suitable investments for the Group to invest in. There can be no assurance that the Investment Manager will be able to do so or that the Group will be able to invest its capital on attractive terms or generate any investment returns for Shareholders or indeed avoid investment losses.

RISKS RELATING TO THE SHARES

The issue of C Shares pursuant to the Issue may dilute Ordinary Shareholders' voting rights

The issue of C Shares pursuant to the Issue will dilute the voting rights of the current holders of Ordinary Shares to the extent that existing holders of Ordinary Shares do not take up their Basic Entitlements.

Shares may trade at a discount to the NAV per Share and Shareholders may be unable to realise their investments through the secondary market at NAV per Share

The value of an investment in the Company, and the income derived from it, if any, may go down as well as up and an investor may not get back all or any of the amount invested.

The market price of the Shares may fluctuate independently of their underlying NAV and may trade at a discount or premium at different times, depending on factors such as supply and demand for the Shares, market conditions and general investor sentiment. The market value of a Share may vary considerably.

It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Shares

Although the Ordinary Shares are and the C Shares are to be admitted to trading on the main market for listed securities of the London Stock Exchange, there can be no assurance as to the levels of secondary market trading in the Shares or the prices at which such Shares may trade. Accordingly, Shareholders should not expect that they will necessarily be able to realise, within a period which they would otherwise regard as reasonable, their investment in the Company, nor can they be certain that they will be able to realise their investment on a basis that necessarily reflects the value of the underlying investments held by the Company.

There can be no guarantee that a liquid market in the Shares will develop or that the Shares will trade at prices close to their underlying NAV. Accordingly, Shareholders may be unable to realise their investment at the relevant NAV per Share or at all.

While the Directors retain the right to effect the repurchase of Ordinary Shares in the manner described in this document, they are under no obligation to use such powers or to do so at any time, may be unable to fund any such repurchase, and Ordinary Shareholders should not place any reliance on the willingness or ability of the Directors so to act. Ordinary Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Ordinary Shares on the market and C Shareholders wishing to realise their investment in the Company will always be required to dispose of their C Shares on the market. The Company does not have (and does not intend to seek) any authority to buy back C Shares. Accordingly, the Directors will not be able to operate any discount management policy through the use of C Share buy backs.

In addition, if such market does not develop, relatively small transactions may have a significant negative impact on the price of the Shares whilst transactions or intended transactions related to a significant number of Shares may be difficult to execute at a stable price.

The number of C Shares to be issued pursuant to the Issue is not yet known, and there may be a limited number of holders of C Shares and Ordinary Shares. Limited numbers and/or holders of such Shares may mean that there is limited liquidity in such Shares which may affect: (i) an investor's ability to realise some or all of his investment; (ii) the price at which such investor can effect such realisation; and/or (iii) the price at which such Shares trade in the secondary market.

Shareholders will have no right to have their Shares redeemed or repurchased by the Company at any time

The Company was incorporated with limited liability in Jersey under the Companies Law. Shareholders will have no right to have their Shares redeemed or repurchased by the Company at any time. Shareholders wishing to realise their investment in the Company will normally therefore be required to dispose of their Shares through the secondary market. Accordingly, the ability of Shareholders to realise their investment at the relevant NAV per Share or at all is dependent on the existence of a liquid market for the Shares.

The Company may issue additional Ordinary Shares and/or C Shares in the future that dilute existing Shareholders' voting rights or have a negative impact on the share price

Subject to the Articles, the Companies Law and all other legal and regulatory requirements, the Company may issue additional Ordinary Shares and/or C Shares in the future. Any additional issuances by the Company in the future, or the possibility of such issues, may cause the market price of the existing Ordinary Shares to decline. Furthermore, the voting rights of holders of Ordinary Shares may be diluted further on conversion of any C Shares depending on the applicable conversion ratio.

There are no provisions of Jersey law which require there to be rights of pre-emption in respect of the allotment of shares. There are, however, pre-emption rights contained in the Articles which have been disapplied until the annual general meeting of the Company to be held in 2019 in respect of 300 million Ordinary Shares and 300 million C Shares (as further set out at paragraph 2.6.2 of Part 8 of this document). Accordingly, the Directors will not be obliged to offer any new Ordinary Shares or C Shares up to this amount to Shareholders on a *pro rata* basis.

The Shares may be subject to significant forced transfer provisions

The Shares have not been registered and will not be registered in the United States under the U.S. Securities Act or under any other applicable securities laws. The C Shares are being offered and sold outside the United States to non-U.S. Persons (as defined in Regulation S under the U.S. Securities Act).

If at any time the holding or beneficial ownership of any shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Directors: (i) would cause the assets of the Company to be treated as ''plan assets'' of any benefit plan investor under Section 3(42) of ERISA or the U.S. Code; or (ii) would or might result in the Company and shares issued by the Company being required to register or qualify under the U.S. Investment Company Act and/or the U.S. Securities Act and/or the U.S. Securities Exchange Act of 1934 and/or any laws of any state of the U.S. that regulate the offering and sale of securities; or (iii) may cause the Company not to be considered a ''Foreign Private Issuer'' under the U.S. Securities Exchange Act of 1934; or (iv) may cause the Company to be a controlled foreign corporation for the purpose of the U.S. Code; or (v) creates a significant legal or regulatory issue for the Company under the U.S. Bank Holding Company Act of 1956 (as amended) or regulations or interpretations thereunder, the Directors may require the holder of such shares to dispose of such shares and, if the shareholder does not sell such shares, may dispose of such shares on their behalf. These restrictions may make it more difficult for a U.S. Person to hold and Shareholders generally to sell the Shares and may have an adverse effect on the market value of the Shares (see paragraph 4.5 of Part 8 of this document).

Local laws or regulations may mean that the status of the Company or the Shares is uncertain or subject to change, which could adversely affect a Shareholder's ability to hold Shares

For regulatory and tax purposes, the status and treatment of the Company and the Shares may be different in different jurisdictions. For instance, in certain jurisdictions and for certain purposes, the Shares may be treated as units in a collective investment scheme. Furthermore, in certain jurisdictions, the regulatory and tax status of the Company and/or the Shares may be uncertain or

subject to change, or it may differ depending on the availability of certain information or as a result of disclosures made by the Company.

Changes in the status or treatment of the Company or the Shares for regulatory and/or tax purposes may have unforeseen effects on the ability of investors to hold Shares or the consequences to investors of doing so.

RISKS RELATING TO TAXATION AND REGULATION

Changes in tax laws following Base Erosion and Profit Shifting (''BEPS'') recommendations may result in additional obligations for the Company

The UK government has published draft legislation for the Finance Bill 2017 which will introduce a restriction on the deductibility of UK interest expense with effect from 1 April 2017. In broad terms, these new rules will limit the deductibility of UK interest expense to the lower of 30 per cent. of UK taxable profits and a proportion of UK taxable profits determined by applying a group ratio based on the net group-interest expense to EBITDA ratio of the worldwide group, subject to a minimum net interest expense of £2 million per year.

Based on the draft legislation published, it is not expected that the Group will be subject to interest restrictions under the new rules. This is on the basis that the aggregate ''net tax-interest expense'' for each company in the Group which forms part of the worldwide group (as determined under the new rules) for each period, being the sum of each company's ''tax-interest expense amounts'' less its ''tax-interest income amounts'', should not exceed £2 million per year.

The draft legislation is subject to change and it is possible that the Finance Bill 2017 could be further amended before it is enacted. If there is a significant change in the draft legislation, it is possible that the Group could become subject to interest restrictions in the period beginning 1 April 2017 or in subsequent periods, in which case there could be an increased UK corporation tax liability for the Group.

Changes in the Group's tax status or tax treatment may adversely affect the Group and if the Company becomes subject to the UK offshore fund rules there may be adverse tax consequences for certain UK resident Shareholders

Any change in the Group's tax status, or in taxation legislation or practice (in particular in relation to any obligation to withhold tax in respect of payments to the Group or on portfolio investments) in either Jersey, the United Kingdom, or any jurisdiction in which the Group invests, or in the Group's tax treatment, may affect the value of the investments held by the Group or the Company's ability to pursue successfully and achieve its investment objective and investment policy, or alter the after-tax returns to Shareholders. Statements in this document concerning the taxation of Shareholders are based upon current United Kingdom and Jersey tax law and published practice, any aspect of which law and practice is, in principle, subject to change (potentially with retrospective effect) that may adversely affect the ability of the Company to pursue successfully its investment objective and investment policy and which may adversely affect the after-tax returns to Shareholders.

Statements in this document in particular take into account the United Kingdom offshore fund rules contained in Part 8 of the Taxation (International and Other Provisions) Act 2010. Should the Company or any class of shares issued by the Company be regarded as being subject to the offshore fund rules this may have adverse tax consequences for certain UK resident Shareholders.

In particular, the tax treatment of Shareholders on any return of cash to Shareholders will depend on the taxation legislation and practice in force at the relevant time. Tax law and practice can change frequently and there can be no guarantee that the discount control mechanisms set out in this document can be implemented in a way that is tax efficient for Shareholders.

Potential investors are urged to consult their tax advisers with respect to their particular tax situations and the tax effect of an investment in the Company.

Failure by the Company to maintain its non-UK tax resident status may subject the Company to additional taxes which may materially adversely affect the Company's business, results of operations and the value of the Shares

In order to maintain its non-UK tax resident status, the Company is required to be either an AIF which has its registered office outside of the UK or controlled and managed outside of the United Kingdom. The location(s) in which the Board makes decisions may be important in determining and

maintaining the non-UK tax resident status of the Company. Although the Company is established outside the United Kingdom and the majority of the Directors live outside the United Kingdom, the Company may lose its non-UK tax resident status. As such, management errors may potentially lead to the Company being considered UK tax resident which may materially adversely affect the Company's financial condition, results of operations, the value of the Shares and/or the after-tax return to the Shareholders.

Individual Shareholders may have conflicting investment, tax and other interests with respect to their investments in the Company

Shareholders are expected to include taxable and tax-exempt entities and persons or entities organised and residing in various jurisdictions who may have conflicting investment, tax and other interests with respect to their investments in the Company. The conflicting interests of individual Shareholders may relate to or arise from, among other things, the nature of investments made by the Company, the structuring of the acquisition of investments, the timing of disposal of investments and the manner in which income and capital generated by the Company is distributed to Shareholders. The structuring of investments and distributions may result in different returns being realised by different Shareholders. As a consequence, conflicts of interest may arise in connection with decisions made by the Investment Manager, including the selection of borrowers in whose debt obligations the Group will invest, which may be more beneficial for one investor than for another investor, especially with respect to investors' individual situations. In selecting and structuring investments appropriate for the Group and in determining the manner in which distributions shall be made to Shareholders, the Investment Manager and the Directors, respectively, will consider the investment and tax objectives of the Company and Shareholders as a whole, not the investment, tax or other objectives of any Shareholder individually, which may adversely affect the investment returns of individual Shareholders.

If the Company becomes subject to tax on a net income basis in any tax jurisdiction, including Jersey or the United Kingdom, the Company's financial condition and prospects could be materially and adversely affected

The Company intends to conduct its affairs so that it will not be treated as a UK resident for taxation purposes, nor as having a permanent establishment or otherwise being engaged in a trade or business in the UK. The Company intends that it will not be subject to tax on an income basis in any country. There can be no assurance, however, that the net income of the Company will not become subject to income tax or corporation tax in one or more countries, including Jersey or the United Kingdom, as a result of unanticipated activities performed by the Company, adverse developments or changes in law, contrary conclusions by the relevant tax authorities, changes in the Directors' personal circumstances or management errors, or other causes. The imposition of any such unanticipated net income taxes could materially reduce the post-tax returns available for distributions on the Shares, and consequently may adversely affect the Company's financial condition, results of operations, NAV and/or the market price of the Shares.

The proposed EU Commission Financial Transaction Tax may adversely affect the Company

On 14 February 2013, the European Commission published a proposal for a Directive for a common financial transaction tax (the "**FTT**") in certain EU Member States.

Under the current proposal the FTT could apply in certain circumstances to persons both within and outside of the participating EU Member States. Generally, it would apply to financial transactions where at least one party is a financial institution and: (a) one party is established in a participating EU Member State; or (b) the financial instrument which is subject to the transaction is issued in a participating EU Member State. A financial institution may be, or be deemed to be, "established" in a participating EU Member State in a broad range of circumstances, including by transacting with a person established in a participating EU Member State. The FTT will be payable by each financial institution established or deemed established in a participating EU Member State which is either a party to the financial transaction, or acting in the name of a party to the transaction or where the transaction has been carried out on its account. Where the FTT due has not been paid within the applicable time limits, each party to a financial transaction, including persons other than financial institutions, will become jointly and severally liable for the payment of the FTT due.

While the FTT proposal remains subject to negotiation between the EU Member States, and may therefore be altered, if adopted in its current proposed form any investments made by the

Company may be affected by the FTT and thus may have a direct or indirect effect on the Company's financial condition, results of operations, NAV and/or market price of the Shares.

Prospective holders of Shares are strongly advised to seek their own professional advice in relation to the FTT.

The investment activity to be undertaken by the Group may expose the Group to the risk of banking regulation in Jersey and other jurisdictions

The European Commission and other relevant authorities have stated that they are considering whether lending by non-bank institutions (or "**shadow banking**") should, in itself, be a regulated activity and the Financial Stability Board has recently announced a consultation on the subject. Whilst there are no firm proposals currently on the legislative agenda, the future regulation of shadow banking cannot be ruled out. Any future regulation may have an impact on the Group, which could be significant, in terms of compliance costs and, potentially, the restriction of its activities. Any such costs or restrictions may have an adverse effect on the performance of the Company, the NAV and the value of the Shares.

The AIFM Directive may prevent the marketing of the Shares in the European Union, which would be likely to adversely affect liquidity in the Shares and the ability of Shareholders to realise their investment

The Alternative Investment Fund Managers Directive (No. 2011/61/EU) ("**AIFM Directive**") was scheduled to be transposed into the national legislation of each EEA Member State on 22 July 2013. The AIFM Directive has been transposed into national legislation in the UK via The Alternative Investment Fund Managers Regulations 2013 (the "**UK AIFM Regulations**"). The AIFM acts as the alternative investment fund manager of the Company.

The AIFM Directive only allows the marketing of non-EEA incorporated AIFs such as the Company, by the AIFM or its agent under national private placement regimes where EEA Member States choose to retain private placement regimes.

In the UK, this includes an obligation for the AIFM to notify the FCA that it is the person responsible for complying with the implementing of provisions relating to the marketing of the relevant company's shares and that the AIFM will comply with the relevant requirements of the AIFM Directive. The FCA may suspend, or revoke, the AIFM's entitlement to market the Shares if it appears to the FCA that, amongst other things, one or more conditions confirmed in the FCA notification as being met are no longer satisfied. Suspension or revocation of the AIFM's entitlement to market the Shares could materially disrupt the business of the Company and could have a material adverse effect on the performance of the Company and returns to Shareholders.

Such marketing is subject to, amongst other things, (a) the requirement that appropriate cooperation agreements are in place between the supervisory authorities of the relevant EEA Member States and the European Commission, and (b) compliance by the AIFM with certain aspects of the AIFM Directive. As at the date of this document, the European Commission had signed bilateral cooperation agreements with 31 securities regulators from the EU and the wider EEA. It is intended that, over time, a passport will be phased in to allow the marketing of non-EEA incorporated alternative investment funds, such as the Company, into the EEA and that national private placement regimes will be phased out. In July 2015, the European Securities and Markets Authority ("**ESMA**") issued its opinion and advice on the extension of the marketing (and managing) passport to AIFs incorporated in certain non-EEA jurisdictions, in accordance with the rules set out in articles 35 and 37 to 41 of the AIFM Directive. Following its assessment on Jersey, ESMA confirmed it is of the view that there are no significant obstacles regarding investor protection, competition, market disruption and the monitoring of systemic risk impeding the application of the AIFM Directive passport to Jersey. The European Commission subsequently asked ESMA to provide further details, which it submitted in July 2016. In principle, the European Commission should within three months of the publication of positive advice from ESMA adopt a delegated act specifying the date when the marketing (and managing) passport will be extended to AIFs incorporated in certain non-EEA jurisdictions (including Jersey). As of the date of this document, ESMA's advice is still being considered by the European Commission, Parliament and Council. Both the adoption of such a passport and the phasing out of national private placement regimes are therefore subject to certain criteria and are not certain. Consequently, there may be future restrictions on, and a material increase in the compliance costs involved in, the active

marketing of the Shares in the EEA, which in turn may have a negative effect on the marketing and liquidity generally of the Shares.

The Company has not registered and will not register as an investment company under the U.S. Investment Company Act and the Company's assets could be deemed ''plan assets'' that are subject to the requirements of ERISA and/or Section 4975 of the U.S. Code

The Company will seek to qualify for an exemption from the definition of ''investment company'' under the U.S. Investment Company Act and will not register as an investment company in the United States under the U.S. Investment Company Act. The U.S. Investment Company Act provides certain protections to investors and imposes certain restrictions on registered investment companies, none of which are applicable to the Company or its investors. To avoid being required to register as an investment company under the U.S. Investment Company Act and to avoid violating such act, the Company has implemented restrictions on the ownership of the Shares, which may materially affect Shareholders' ability to transfer their Shares to U.S. Persons.

The purchase of Shares by an employee benefit plan subject to ERISA, or Section 4975 of the U.S. Code or by any entity whose assets are treated as assets of any such plan, could result in the assets of the Company being considered plan assets for the purposes of ERISA, and/or Section 4975 of the U.S. Code and regulations made thereunder. In such circumstances the Company, the Investment Manager and also the fiduciaries of such an employee benefit plan could be liable for any ERISA violations by the Company or the Investment Manager and for other adverse consequences under ERISA. Each purchaser and transferee of Shares will be deemed to have represented by its purchase or receipt of the Shares, and throughout the period that it holds the Shares, that it is not an employee benefit plan subject to ERISA or Section 4975 of the U.S. Code or an entity whose assets are treated as assets of any such employee benefit plan. The Directors are also empowered by the Articles to require Shareholders, which they consider may, because of their shareholding result in the assets of the Company being considered plan assets, to transfer their Shares in order to reduce this risk materialising. See paragraph 4.5 of Part 8 of this document for further details.

Greater regulation of the financial services industry, which imposes additional restrictions on the Group, may materially affect the Group's business and the Company's ability to achieve its investment objective

Legislation proposing greater regulation of the financial services industry and the financial markets is being actively pursued in the European Union and other jurisdictions.

There can be no assurance that future regulatory action will not result in additional market dislocation. It is impossible to predict the nature, timing and scope of future changes in laws and regulations applicable to the Group. Any such changes in laws and regulations may have a material adverse effect on the ability of the Company to successfully pursue its investment policy and to realise its profit potential, and may include a requirement of increased transparency as to the identity of investors in the Company. Any such event may materially adversely affect the investment returns of the Company.

Certain payments to the Group may in the future be subject to a 30 per cent. withholding tax unless the Company agrees to certain reporting and withholding requirements and certain Shareholders will be required to provide the Company with required information so that the Company may comply with its obligations under FATCA

US FATCA

Under Sections 1471 through 1474 of the U.S. Internal Revenue Code (commonly referred to as ''**FATCA**'') ''Financial Institutions'' are required to use enhanced due diligence procedures to identify U.S. persons who have invested in either non-U.S. financial accounts or non-U.S. entities.

Pursuant to FATCA, certain payments of (or attributable to) U.S.-source income, and the proceeds of sales of property that give rise to U.S.-source payments, are subject to a 30 per cent. withholding tax with effect from 1 July 2014 unless the Company agreed to certain reporting and withholding requirements (''**FATCA Withholding**'').

The United States and Jersey have entered into an intergovernmental agreement (''**U.S.-Jersey IGA**'') to implement FATCA. Under the terms of the U.S.-Jersey IGA, the Company is obliged to comply with the provisions of FATCA as enacted by the Jersey legislation implementing the U.S.-Jersey IGA (the ''**Jersey IGA Legislation**''), rather than directly complying with the U.S. Treasury

Regulations implementing FATCA. Under the terms of the U.S.-Jersey IGA, Jersey resident entities that comply with the requirements of the Jersey IGA Legislation will be treated as compliant with FATCA and, as a result, will not be subject to FATCA Withholding on payments they receive and will not be required to withhold under FATCA on payments they make.

The Company is considered a Jersey resident financial institution and is registered for these purposes with the United States Internal Revenue Service under GIIN U31WED.99999.SL.832. The Company is required to comply with the requirements of the Jersey IGA Legislation as amended from time to time. Under the Jersey IGA Legislation, the Company is required to report to the States of Jersey Comptroller of Taxes certain holdings by and payments made to certain U.S. investors in the Company, as well as to non-U.S. financial institutions that are considered to be Non-Participating Financial Institutions for the purposes of the U.S.-Jersey IGA. Under the terms of the U.S.-Jersey IGA, such information will be onward reported by the States of Jersey Comptroller of Taxes to the United States.

Additional intergovernmental agreements similar to the U.S.-Jersey IGA have been entered into or are under discussion by other jurisdictions with the United States. Different rules than those described above may apply depending on whether a payee is resident in a jurisdiction that has entered into an intergovernmental agreement to implement FATCA.

The scope and application of FATCA Withholding and information reporting pursuant to the terms of FATCA and the U.S.-Jersey IGA is subject to review by the United States and Jersey and the rules may change.

UK FATCA

In addition to the U.S.-Jersey IGA, Jersey and the United Kingdom have entered into an inter-governmental agreement ("**UK-Jersey IGA**") for the implementation of information exchange arrangements based on FATCA, whereby relevant financial information in respect of accounts maintained in Jersey for certain persons who are, or being entities that are controlled by one or more, residents in the UK for tax purposes will be reported to the States of Jersey Comptroller of Taxes for onward reporting to HMRC. Under the UK-Jersey IGA, the Company may be required to provide information to the Jersey authorities about investors and their interests in the Company in order to discharge fully its reporting obligations and, in the event of any failure or inability to comply with the proposed arrangements, may suffer a financial penalty or other sanction under Jersey law.

Shareholders may be required to provide information that the Company determines necessary in order to allow the Company to satisfy its obligations under FATCA, the U.S.-Jersey IGA and/or the UK-Jersey IGA. Shareholders should consult with their own tax advisers regarding the application of FATCA, the U.S.-Jersey IGA and/or the UK-Jersey IGA to their particular circumstances.

The introduction of the Common Reporting Standard (see below) will supersede the UK-Jersey IGA but the UK has indicated that it does not wish to forego information for 2016 to be reported in 2017 under the UK-Jersey IGA which under the Common Reporting Standard would not need to be provided until 2018. In agreeing to the changeover the Jersey authorities have agreed that for 2016 the Common Reporting Standard requirements (which include the provision of information on pre-existing individual high value accounts) should be supplemented by the provision of information on pre-existing individual low value accounts and pre-existing entity accounts in respect of UK residents only. This means that the UK can receive information in 2017 without requiring Jersey financial institutions to make separate returns under both the UK-Jersey IGA and the Common Reporting Standard.

Common Reporting Standard

The OECD has developed a new global standard for the automatic exchange of financial information between tax authorities (the "**Common Reporting Standard**" or "**CRS**"). The CRS has been implemented in the EU by way of the Revised Directive on Administrative Co-Operation (Council Directive 2014/107/EU). Jersey is a signatory to the CRS and intends to conduct its first exchange of information with tax authorities of other signatory jurisdictions in September 2017 (in respect of the calendar year 2016). Jersey legislation which implements the CRS in Jersey came into effect on 1 January 2016 (the "**Jersey CRS Legislation**").

In summary, the Jersey CRS Legislation requires "reporting financial institutions" in Jersey to identify, review and report on "financial accounts" maintained by them and which are held by

residents for tax purposes (whether individuals or entities with "Controlling Persons" who themselves are tax residents) of jurisdictions with which Jersey has agreed to exchange information.

Reports will be made to the Jersey Comptroller of Taxes and then passed to the competent authority of the jurisdiction in which the account holder is resident. Although the Company will attempt to satisfy any obligations imposed on it by the CRS, no assurance can be given that it will be able to satisfy such obligations. Implementation of the CRS may require the Company to conduct additional due diligence and report upon accounts held with it by Shareholders who are reportable persons in other participating jurisdictions. As the Jersey CRS Legislation also provides for the "wider approach" of CRS to be followed, equivalent due diligence information will be demanded for a Shareholder who is not a resident of a participating jurisdiction (in order to avoid the need for this information to be gathered retrospectively in future years). The Company may require certain additional financial information from Shareholders to comply with its due diligence and reporting obligations under the CRS.

Failure by the Company to comply with the obligations under the CRS may result in fines being imposed on the Company which may adversely affect the Company's financial condition, results of operations, NAV and/or the market price of the Shares.

The scope and application of the obligations under the CRS may be reviewed by the OECD and the information reporting requirements may change. Shareholders should consult with their own tax advisers regarding the application of CRS to their particular circumstances.

IMPORTANT INFORMATION

GENERAL

In assessing an investment in the C Shares, investors should rely only on the information in this document. No person has been authorised to give any information or make any representations in relation to the Company other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Directors, the Investment Manager, Cenkos or any other person. Neither the delivery of this document nor any subscription or purchase of C Shares made pursuant to this document shall, under any circumstances, create any implication that there has been no change in the affairs of the Group since, or that the information contained herein is correct at any time subsequent to, the date of this document.

Applicants under the Open Offer and the Offer for Subscription are strongly recommended to read and consider this document before completing the Open Offer Application Form or the Application Form respectively. Qualifying CREST Shareholders have not been sent an Open Offer Application Form. Instead, Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Basic Entitlement and Excess CREST Open Offer Entitlement as soon as practicable after 8.00 a.m. on 14 February 2017.

Apart from the responsibilities and liabilities, if any, which may be imposed on Cenkos by FSMA or the regulatory regime established thereunder or under the regulatory regime of any other jurisdiction, Cenkos accepts no responsibility whatsoever for the contents of this document or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Investment Manager, the C Shares or the Issue. Cenkos accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of such document or any such statement.

The distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and persons into whose possession this document comes should inform themselves about and observe any such restrictions.

This document does not constitute, and may not be used for the purposes of, an offer or an invitation to apply for any C Shares by any person: (i) in any jurisdiction in which such offer or invitation is not authorised; or (ii) in any jurisdiction in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation. The distribution of this document and the offering of C Shares in certain jurisdictions may be restricted. Accordingly, persons into whose possession this document comes are required to inform themselves about and observe any restrictions as to the offer or sale of C Shares and the distribution of this document under the laws and regulations of any jurisdiction in connection with any application for C Shares, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such jurisdiction. Save for the UK, no action has been taken or will be taken in any jurisdiction by the Company that would permit a public offering of C Shares in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this document other than in any jurisdiction where action for that purpose is required.

The C Shares are being offered and issued outside the United States in reliance on Regulation S. The C Shares and the Ordinary Shares have not been nor will they be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. In addition, the Company has not registered and will not register under the U.S. Investment Company Act. The C Shares and Ordinary Shares have not been approved or disapproved by the SEC, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering or the issue of the C Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States and the re-offer or resale of any of the C Shares or Ordinary Shares arising on Conversion in the United States may constitute a violation of U.S. law.

JERSEY REGULATORY INFORMATION

The Company is regulated as a certified fund in Jersey pursuant to the CIF Law and the Jersey Listed Fund Guide published by the JFSC. This document is prepared, and a copy of it has been sent to the JFSC, in accordance with the Collective Investment Funds (Certified Funds –

Prospectuses) (Jersey) Order 2012. The JFSC is protected by the CIF Law against liability arising from the discharge of its functions under the CIF Law. The Administrator, Depositary and Registrar are each registered to conduct the relevant classes of fund services business under the Financial Services (Jersey) Law 1998, as amended (the "**FSJ Law**"). The JFSC is also protected by the FSJ Law against liability arising from the discharge of its functions under that law.

Following the introduction of new prospectus content legislation in 2012, it is a requirement under Jersey law that the following prescribed information be included in any prospectus published by a Jersey regulated fund:

- the Company and its Directors have taken all reasonable care to ensure that the facts stated in this document are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement in this document, whether of fact or opinion. The Company and its Directors accept responsibility accordingly;
- the JFSC does not take responsibility for the financial soundness of the Company or for the correctness of any statements made or expressed in this document;
- if you are in any doubt about the contents of this document, you should consult your stockbroker, bank manager, solicitor, accountant or financial adviser;
- it should be remembered that the price of shares and the income from them can go down as well as up and that shareholders may not receive, on sale or the cancellation of their shares, the amount they invested; and
- potential shareholders are strongly recommended to read and consider this document before becoming a shareholder in the Company.

Any changes to this document that would be contrary to the terms of the JFSC's Listed Fund Guide (as may be amended from time to time) or contrary to any of the JFSC's published policies applicable to the Company will require the consent of the JFSC.

Listed funds are established in Jersey under a fast-track authorisations process. This process requires you to be notified that the JFSC views this fund as suitable therefore only for professional or experienced investors, or those who have taken appropriate professional advice.

Regulatory requirements which may be deemed necessary by the JFSC for the protection of retail or inexperienced investors do not apply to listed funds. By investing in this fund you will be deemed to be acknowledging that you are a professional or experienced investor, or have taken appropriate professional advice, and accept the reduced requirements accordingly.

You are wholly responsible for ensuring that all aspects of this fund are acceptable to you. Investment in listed funds may involve special risks that could lead to a loss of all or a substantial portion of such investment. Unless you fully understand and accept the nature of this fund and the potential risks inherent in this fund you should not invest in the fund.

Further information in relation to the regulatory treatment of listed funds domiciled in Jersey may be found on the website of the JFSC at www.jerseyfsc.org. Without limitation, neither the contents of the JFSC's website (or any other website) nor the contents of any website accessible from the hyperlinks on the JFSC's website (or any other website) is incorporated into or forms part of this document.

The Jersey regulatory requirements referred to above are not a reference to any requirements of the FCA or the Listing Rules.

PRESENTATION OF INFORMATION

Market, economic and industry data

Market, economic and industry data used throughout this document is sourced from various industry and other independent sources. The Company and the Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Currency presentation

Unless otherwise indicated, all references in this document to "**£**" or "**pence**" are to the lawful currency of the UK and all references to "**U.S.$**" are to the lawful currency of the United States of America.

Definitions

A list of defined terms used in this document is set out at pages 121 to 126.

Governing law

Unless otherwise stated, statements made in this document are based on the law and practice currently in force in England and Wales and Jersey and are subject to changes therein.

Investment considerations

The contents of this document are not to be construed as advice relating to legal, financial, taxation, investment or any other matters. Prospective investors should inform themselves as to:

- the legal requirements within their own countries for the subscription for, purchase, holding, transfer or other disposal of C Shares and/or Ordinary Shares;
- any foreign exchange restrictions applicable to the subscription for, purchase, holding, transfer or other disposal of C Shares and/or Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the subscription for, purchase, holding, transfer or other disposal of C Shares and/or Ordinary Shares.

Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Group and an investment in C Shares.

An investment in C Shares and the Ordinary Shares arising upon their Conversion should be regarded as a long term investment. There can be no assurance that the Company's investment objective will be achieved.

This document should be read in its entirety before making any investment in the C Shares. All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Memorandum and Articles, which investors should review.

Reference to credit ratings (Regulation (EC) No 1060/2008)

The credit rating agencies providing ratings to securities referred to in this document (if any) are each established in the EU and registered under Regulation (EC) No. 1060/2008 (as amended). As such each such credit rating agency is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulations.

Website

The contents of the Investment Manager's website, insofar as they relate to the Group, the Issue or the Shares, do not form part of this document. Investors should base their decision whether or not to invest in the C Shares on the contents of this document alone.

FOR THE ATTENTION OF PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

In relation to each Relevant Member State, no C Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant Member State prior to the publication of a document in relation to the C Shares which has been approved by the competent authority in that Relevant Member State, or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that offers of C Shares to the public may be made at any time under the following exemptions under the Prospectus Directive, if they are implemented in that Relevant Member State:

- to any legal entity which is a "**qualified investor**" as defined in the Prospectus Directive;

- to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive (as defined below), 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of C Shares shall result in a requirement for the publication of a document pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State and each person outside of the United Kingdom who initially acquires any C Shares or to whom any offer is made under the Issue will be deemed to have represented, acknowledged and agreed that it is a "**qualified investor**" within the meaning of Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer to the public**" in relation to any offer of C Shares in any Relevant Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any C Shares to be offered so as to enable an investor to decide to purchase or subscribe for the C Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC (and the amendments thereto, including Directive 2010/73/EU) (the "**2010 PD Amending Directive**"), to the extent implemented in the Relevant Member State and includes any relevant implementing measure in each Relevant Member State.

In addition, C Shares will only be offered to the extent that the Company: (i) is permitted to be marketed into the relevant EEA jurisdiction pursuant to the AIFM Directive (if and as implemented into local law); or (ii) can otherwise be lawfully offered or sold (including on the basis of an unsolicited request from a professional investor). Each person in a Relevant Member State other than the United Kingdom who initially acquires C Shares or to whom any offer is made will be deemed to have represented, warranted to and agreed with the entity placing such shares and the Company that: (i) it is a "qualified investor" within the meaning of the law in that Relevant Member State implementing Article 2.1(e) of the Prospectus Directive; and (ii) if that Relevant Member State has implemented the AIFM Directive, that it is a person to whom shares in the Company may lawfully be marketed under the AIFM Directive or under the applicable implementing legislation (if any) of that Relevant Member State.

FOR THE ATTENTION OF PROSPECTIVE INVESTORS IN GUERNSEY

The C Shares may only be promoted in or from within the Bailiwick of Guernsey by persons regulated by the Guernsey Financial Services Commission as licensees under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended). Persons appointed by the Company and not licensed may not promote the Company in Guernsey to private investors and may only distribute and circulate any document relating to the C Shares in Guernsey to persons regulated as licensees under the Protections of Investors (Bailiwick of Guernsey) Law, 1987 as amended, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Business (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Business and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000, and provided that the provisions of Section 29(1)(cc) of the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) are satisfied. Promotion of the C Shares may not be made in any other way.

The offer of C Shares described in this document does not constitute an offer to the public in the Bailiwick of Guernsey for the purposes of the Prospectus Rules, 2008. This document is being circulated to a restricted group of persons in the Bailiwick of Guernsey. Only persons to whom this document has been directly communicated by the Company or its appointed agent may accept the offer contained herein. The consent or approval of the Guernsey Financial Services Commission is not required for the restricted circulation of this document within the Bailiwick of Guernsey.

The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements, including, without limitation, statements containing the words "**believes**", "**estimates**", "**anticipates**", "**expects**", "**intends**", "**may**", "**will**"

or "**should**" or, in each case, their negative or other variations or similar expressions. Such forward-looking statements involve unknown risks, uncertainties and other factors which may cause the actual results, financial condition, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. These forward-looking statements speak only as at the date of this document. Subject to its legal and regulatory obligations (including under the Prospectus Rules), the Company expressly disclaims any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based unless required to do so by law or any appropriate regulatory authority, including FSMA, the Listing Rules, the Prospectus Rules, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules.

Nothing in the preceding two paragraphs should be taken as limiting the working capital statement in paragraph 9 of Part 8 of this document.

EXPECTED TIMETABLE

The Open Offer	
Record date for entitlements under the Open Offer	5.00 p.m. on 18 January 2017
Open Offer Application Forms despatched to Qualifying Non-CREST Shareholders	20 January 2017
Ex-entitlement date for the Open Offer	8.00 a.m. on 23 January 2017
Basic Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts in CREST (Qualifying CREST Shareholders only)	8.00 a.m. on 23 January 2017
Recommended latest time for requesting withdrawal of Basic Entitlements and Excess CREST Open Offer Entitlements from CREST (i.e. if your Basic Entitlements and Excess CREST Open Offer Entitlements are in CREST and you wish to convert them to certificated form)	4.30 p.m. on 2 February 2017
Latest time and date for depositing Basic Entitlements and Excess CREST Open Offer Entitlements into CREST	3.00 p.m. on 3 February 2017
Latest time and date for splitting of Open Offer Application Forms (to satisfy *bona fide* market claims only)	3.00 p.m. on 6 February 2017
Latest time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)*	11.00 a.m. on 8 February 2017
The Placing and Offer for Subscription Placing and Offer for Subscription open	20 January 2017
Latest time and date for receipt of completed Application Forms and payment in full under the Offer for Subscription*	1.00 p.m. on 9 February 2017
Latest time and date for receipt of placing commitments under the Placing*	3.00 p.m. on 9 February 2017
Other key dates	
Results of the Issue announced	10 February 2017
Admission and dealings in the C Shares commence	8.00 a.m. on 14 February 2017
Crediting of CREST stock accounts in respect of the C Shares	8.00 a.m. on 14 February 2017
Share certificates despatched in respect of the C Shares	week commencing 20 February 2017 or as soon as possible thereafter

* *The Directors may, with the prior approval of Cenkos alter such date and thereby shorten or lengthen the Placing, Open Offer and/or Offer for Subscription period, to a date or dates no later than 31 March 2017. The Company will notify investors of any such change through the publication of an announcement through a Regulatory Information Service.*

The above times and/or dates may be subject to change and, in the event of such change, the revised times and/or dates will be notified to Shareholders by an announcement through a Regulatory Information Service. All references to times in this document are to London time unless otherwise stated.

ISSUE STATISTICS

Issue Price	100 pence
Target Gross Proceeds	£100 million
Estimated Net Proceeds*	£98.1 million
Maximum number of C Shares to be issued pursuant to the Issue	164,612,083
Estimated NAV per C Share at Admission*	98.1 pence

* *Assuming Gross Proceeds of £100 million. The number of C Shares to be issued pursuant to the Issue, and therefore the Gross Proceeds and the Net Proceeds, is not known as at the date of this document but will be notified by the Company via a Regulatory Information Service prior to Admission.*

For the avoidance of doubt, the estimated NAV per C Share at Admission stated above is an estimate only and may vary subject to the Gross Proceeds raised.

DEALING CODES

The dealing codes for the C Shares, the Basic Entitlements, the Excess CREST Open Offer Entitlements and the Ordinary Shares are as follows:

ISIN – C Shares	JE00BYYS2J04
SEDOL – C Shares	BYYS2J0
Ticker – C Shares	GABC
ISIN – Basic Entitlements	JE00BYV23V41
SEDOL – Basic Entitlements	BYV23V4
ISIN – Excess CREST Open Offer Entitlements	JE00BYV23W57
SEDOL – Excess CREST Open Offer Entitlements	BYV23W5
ISIN – Ordinary Shares	JE00BYXX8B08
SEDOL – Ordinary Shares	BYXX8B0
Ticker – Ordinary Shares	GABI

DIRECTORS, MANAGEMENT AND ADVISERS

Directors	Alex Ohlsson (Chairman) Colin Huelin Joanna Dentskevich all of the registered office below:
Registered Office	12 Castle Street St. Helier Jersey JE2 3RT Channel Islands Tel: +44 (0) 153 4847 060
Investment Manager and the AIFM	Gravis Capital Partners LLP 53-54 Grosvenor Street London W1K 3HU United Kingdom Tel: +44 (0) 207 518 1490
Administrator and Company Secretary	Capita Financial Administrators (Jersey) Limited 12 Castle Street St. Helier Jersey JE2 3RT Channel Islands
Sponsor, Sole Placing Agent and Financial Adviser	Cenkos Securities plc 6.7.8 Tokenhouse Yard London EC2R 7AS United Kingdom
Solicitors to the Company as to English Law	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU United Kingdom
Legal Advisers to the Company as to Jersey Law	Carey Olsen 47 Esplanade St Helier Jersey JE1 0BD Channel Islands
Solicitors to the Sponsor, Sole Placing Agent and Financial Adviser	Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH United Kingdom
Depositary	Capita Trust Company (Jersey) Limited 12 Castle Street St. Helier Jersey JE2 3RT Channel Islands + 44 (0) 1534 847 000
Valuation Agent	Mazars LLP Tower Bridge House Katherine's Way London E1W 1DD United Kingdom
Registrar	Capita Registrars (Jersey) Limited 12 Castle Street St. Helier Jersey JE2 3RT Channel Islands

Receiving Agent	Capita Asset Services Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU United Kingdom
Auditors and Reporting Accountants	PricewaterhouseCoopers CI LLP Royal Bank Place 1 Glategny Esplanade St Peter Port Guernsey GY1 4ND Channel Islands

PART 1

INFORMATION ON THE COMPANY

1. INTRODUCTION

The Company was incorporated with limited liability in Jersey under the Companies Law on 7 September 2015 with registered number 119412 as a closed-ended company. As at the date of this document, the Group had a portfolio of 14 investments. The market capitalisation of the Company as at the Latest Practicable Date was £174.9 million representing a premium to the latest prevailing published NAV as at 31 December 2016 of 6.2 per cent. In the period from IPO Admission to the Latest Practicable Date, the Company generated a share price total return to investors of 10.6 per cent. and the Ordinary Shares have traded at a premium to their NAV during that period. The Company is a constituent of the FTSE Indices.

The Company's investment manager is Gravis Capital Partners LLP which acts as the Company's AIFM for the purposes of AIFMD. As at 31 December 2016, the Investment Manager had total assets under management of c.£1.6 billion, including three closed-ended investment companies admitted to the Premium Listing segment of the Official List and traded on the London Stock Exchange's main market for listed securities: the Company, GCP Infrastructure and GCP Student Living and which, as at the Latest Practicable Date, all traded at a premium to their respective net asset valuations.

The purpose of this document is to provide you with details of the Issue and its benefits. This document also includes a detailed description of the Company and information on how Ordinary Shareholders and other investors can participate in the Issue.

Details of the Group's investment portfolio are set out in Part 2 of this document.

2. REASONS FOR THE ISSUE

The Investment Manager continues to see substantial asset backed finance investment opportunities which are consistent with the Company's investment policy. To take advantage of these opportunities, and in light of ongoing demand for the Ordinary Shares, the Board announced on 5 January 2017 that it was considering an issue of C Shares.

The Board believes that the Issue has, *inter alia*, the following principal benefits for Shareholders:

- the additional capital raised will enable the Company to take advantage of attractive investment opportunities, thereby further diversifying its investment portfolio, by both number of investments and by sector;
- the market capitalisation of the Company will increase immediately following the Issue, which will help meet investor demand for investment in the Company which cannot currently be met in the secondary market, as reflected by the prevailing premium to NAV per Ordinary Share at which the Ordinary Shares currently trade;
- an increase in the size of the Company is expected to improve market liquidity of the Company's shares. This may enhance the marketability of the Company and may result in a broader investor base over the longer term;
- an increase in the size of the Company will mean that the fixed costs of operating the Company are spread over a larger asset base, thereby reducing the Company's ongoing charges per Ordinary Share; and
- the Open Offer provides Qualifying Shareholders (if they decide to take up their entitlements under the Open Offer) and potential investors (in respect of the Offer for Subscription and Placing) with the ability to invest in the Company without, depending on individual Qualifying Shareholder's or individual investor's circumstances, incurring dealing costs or paying the current premium to NAV for acquiring Ordinary Shares in the secondary market which as at the Latest Practicable Date was 6.2 per cent. to the prevailing published unaudited NAV per Ordinary Share (being 100.01 pence as at 31 December 2016).

The issue of further equity in the form of C Shares is designed to overcome the potential disadvantages for both existing and new investors which would arise out of a conventional fixed price issue of further Ordinary Shares for cash. In particular:

- by holding the net proceeds of the issue of C Shares, and any assets acquired therewith, as a distinct pool of assets until Conversion, Ordinary Shareholders will not be exposed to a portfolio containing a substantial amount of uninvested cash before Conversion, thereby mitigating the risk of cash drag for holders of Ordinary Shares;
- subject to the Issue proceeding, the NAV of the Ordinary Shares will not be diluted by the expenses directly associated with the Issue, which will be borne by the subscribers for C Shares; and
- the basis upon which the C Shares will convert into new Ordinary Shares is such that the number of Ordinary Shares to which the C Shareholders will become entitled will reflect the relative NAV of the assets attributable to the C Shares and to the Ordinary Shares. As a result, the NAV per Ordinary Share will not be adversely affected by Conversion.

Following Conversion, the investments which were attributable to the C Shares will be merged with the Company's existing portfolio of investments. The new Ordinary Shares arising on Conversion will rank *pari passu* with the Ordinary Shares then in issue for dividends and distributions made or declared by reference to a record date falling after the Calculation Date.

Conversion of C Shares

The Directors shall establish for accounting purposes a single separate pool of assets and liabilities attributable to the C Shares. C Shares shall be converted into new Ordinary Shares on the relevant Conversion Date. The Directors shall procure that within 10 Business Days of the relevant Calculation Date (which will occur once at least 90 per cent. of all the assets representing the Net Proceeds (or such other percentage as the Directors and Investment Manager shall agree) shall have been invested in accordance with the Company's investment policy (or, if earlier, six months after the date of issue of the C Shares)), the Conversion Ratio as at the relevant Calculation Date and the numbers of Ordinary Shares to which each holder of C Shares shall be entitled on Conversion shall be calculated.

The Conversion Ratio will be calculated (to six decimal places (with 0.000005 being rounded upwards)) and the C Shares in issue will convert into a number of Ordinary Shares calculated by dividing the NAV per C Share by the NAV per Ordinary Share. Entitlements to Ordinary Shares will be rounded down to the nearest whole Ordinary Share. The C Shares will convert into new Ordinary Shares on the Conversion Date, being the close of business on such Business Day as may be selected by the Directors falling not more than 20 Business Days after the Calculation Date.

Full details of the method of conversion are contained in Part 5 below.

Example of Conversion Mechanism

The following example is provided for the purpose of illustrating the basis on which the number of Ordinary Shares arising on Conversion will be calculated. The example is not, and is not intended to be, a profit forecast or forecast of the number of Ordinary Shares which will arise on Conversion.

The example illustrates the number of Ordinary Shares which would arise in respect of the Conversion of 10,000 C Shares held at the Conversion Date, using assumed NAVs attributable to the C Shares and the Ordinary Shares as at the Calculation Date. The assumed NAV per Ordinary Share is the prevailing published unaudited NAV as at 31 December 2016, being 100.01 pence per Ordinary Share. The assumed NAV per C Share is calculated on the basis that there are no returns on the Net Proceeds in the period from Admission to the Calculation Date.

	Example
Number of C Shares subscribed	*10,000*
Amount subscribed	*£10,000*
NAV *per C Share at the Calculation Date*	*98.07 pence*
NAV *per Ordinary Share at the Calculation Date*	*100.01 pence*
Conversion Ratio	*0.9806019*
Number of new Ordinary Shares arising on Conversion	*9,806*

The detailed calculation methodology for the Conversion Ratio is set out in Part 5 of this document. Pursuant to the Articles, the Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider fair and reasonable having regard to the interests of all Shareholders. At the date of this document, no such adjustments are expected to be made. However, any adjustments to the terms of Conversion would be announced via a Regulatory Information Service.

3. OUTLOOK

The Company focusses predominantly on secured medium to long term loan investments across a range of sectors, such as energy, waste, social infrastructure and property. The Investment Manager focuses on the common thread of seeking investments which may provide a core service to society offering predictable risk and income profiles, long-term use, and benefitting from the Investment Manager's extensive expertise in originating, transacting and managing such investments.

The Directors, as advised by the Investment Manager, believe that demand for bespoke credit by borrowers poorly served by mainstream lenders for reasons other than credit quality remains undersupplied and the outlook for investors willing to understand sector and borrower specific credit requirements remains positive. Further, the Directors believe that the Company is well placed to secure and benefit from investment opportunities with attractive risk adjusted returns and characteristics through the experience of the Investment Manager.

The Investment Manager continues to see substantial asset backed finance investment opportunities with a pipeline of suitable investments in the near term of c.£168 million, as set out in paragraph 4 of Part 2 of this document.

4. COMPETITIVE ADVANTAGES

The Directors believe that the Company has a number of competitive advantages including:

- *attractive and sustainable yield target:* since IPO the Company has declared dividends totalling 5.82 pence per Ordinary Share. The Directors believe that the targeted dividend yield is sustainable and attractive on a risk adjusted basis;
- *capital and income protection:* the Company makes loans secured against contracted medium to long term cash flows and/or physical assets through structures which typically provide lenders (such as the Company) with significant control and visibility over cash flows and underlying assets;
- *interest rate and inflation protection:* the Company may invest in loans which offer LIBOR, CPI and RPI linkage. To the extent the Company invests in such loans, investors will benefit from protection against increases in interest rates and/or inflation, as appropriate;
- *UK focus:* the Company focusses primarily on UK based asset backed loans, significantly reducing the risk of adverse movements in currency exchange rates. As at the date of this document all of the Company's investments are denominated in Sterling;
- *extensive expertise:* the Investment Manager and its senior management team have extensive specialist expertise and a demonstrable track record of originating, structuring and managing asset backed finance investments since its formation; and
- *strong pipeline and access to investment opportunities:* the Investment Manager has access to investment opportunities through established industry contacts and has identified a pipeline of potential future investments, further details of which are set out in paragraph 4 of Part 2 of this document. The current portfolio and pipeline of potential investments include certain opportunities in which the partners of the Investment Manager have an indirect interest and which it has in-depth knowledge and expertise of.

5. INVESTMENT OBJECTIVE

The Company's investment objective is to generate attractive risk-adjusted returns primarily through regular, growing distributions and modest capital appreciation over the long term.

6. INVESTMENT POLICY

The Company will seek to meet its investment objective through a diversified portfolio of investments which are secured against contracted, predictable medium to long term cash flows and/or physical assets. The Company's investments will predominantly be in the form of medium to long term fixed or floating rate loans and secured against cash flows and/or physical assets which are predominantly UK based.

The Company's investments will typically be unquoted and will include, but not be limited to, senior loans, subordinated loans, mezzanine loans, bridge loans and other debt instruments. The Company may also make limited investments in equities and equity-related derivative instruments such as warrants.

The Company will at all times invest and manage its assets in a manner which is consistent with the objective of spreading investment risk.

Investment restrictions

The Company will observe the following investment restrictions:

- any single investment, or any investments with a single counterparty, will be limited to 20 per cent. of the gross assets of the Company;
- investments in equity and equity-related instruments will be limited to 10 per cent. of the gross assets of the Company;
- no more than 20 per cent. of the gross assets of the Company will be used to finance investments outside the UK; and
- the Company will not invest in other listed closed-ended funds.

The limits set out above shall all apply as at the time of investment, as appropriate.

Borrowing and gearing policy

The Company may, from time to time, use borrowings for investment purposes, to manage its working capital requirements or in order to fund the market purchase of its own Shares. Gearing, represented by borrowings, will not exceed 25 per cent. of NAV, calculated at the time of borrowing.

Hedging and derivatives

The Company may invest through derivatives for investment purposes and efficient portfolio management. In particular, the Company may engage in interest rate hedging or otherwise seek to mitigate the risk of interest rate changes as part of the Company's efficient portfolio management.

Investments will be denominated primarily in Sterling. However, the Company may make limited investments denominated in currencies other than Sterling including U.S. Dollars, Euros and Australian Dollars. In the event of the Company making such investments, the Board will use its judgement, in light of the Company's investment policy, in deciding whether or not to effect any currency hedging in relation to any such investments. Whilst the Board does not currently intend to engage in currency hedging, the Company may do so where the Investment Manager considers such hedging to be in the interests of efficient portfolio management and may utilise derivative instruments to seek to achieve this. The Company will not engage in currency trading for speculative purposes.

Any use of derivatives for investment purposes will be made on the basis of the same principles of risk spreading and diversification that apply to the remainder of the Company's investment portfolio and will be subject to the investment restrictions described above.

Structure of investments

The Company currently anticipates that it will make investments directly or indirectly through one or more underlying special purpose vehicles which will typically be wholly owned by the Company and over which the Company will exercise control as regards investment decisions. The Company may from time to time invest through vehicles which are not wholly owned by it. In such circumstances the Company will seek to secure controlling rights over such vehicles through shareholder agreements or other legal arrangements.

In the event of a breach of the investment restrictions set out above, the Investment Manager shall inform the Directors upon becoming aware of the same and if the Directors consider the breach to be material, notification will be made to a Regulatory Information Service.

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution.

7. DIVIDEND POLICY AND TARGET RETURNS

The Company is targeting an annual dividend of 6 pence per Ordinary Share. The Directors expect to grow the dividend, in absolute terms, modestly over the long term. The Company intends to pay dividends on a quarterly basis with dividends typically declared in January, April, July and October and paid in February, May, August and November in each financial year.

In respect of the financial period from IPO Admission to 31 December 2016, the Company paid or declared dividends totalling 5.82 pence per Ordinary Share, representing an annualised dividend yield of 5 per cent. (based on the IPO Issue Price).

The Company will target an IRR of between 7 and 8 per cent. (net of expenses and fees) on the Issue IPO Issue Price over the long term.

Investors should note that the targeted dividend yield and targeted IRR are targets only and not profit forecasts and there can be no assurance that either will be met or that any dividend or capital growth will be achieved.

Although there is no current expectation that they will exercise such power, the Directors will have the power to declare dividends in relation to the C Shares in the event that the assets that are attributable to the C Shares generate material income while the C Shares are in issue.

The new Ordinary Shares arising on Conversion of the C Shares will rank *pari passu* with the Ordinary Shares then in issue for dividends and distributions made or declared by reference to a record date falling after the Calculation Date.

8. GROUP BORROWINGS

As set out in the Company's investment policy, gearing is permitted up to a maximum of 25 per cent. of NAV, calculated at the time of borrowing.

On 13 January 2017 the Company executed a 2 year (plus 12 month extension option, with lender approval) £15 million revolving credit facility with The Royal Bank of Scotland Plc (as arranger, agent and security agent) and The Royal Bank of Scotland International Limited (as original lender). As at the date of this document, no amounts have been drawn down under the facility. For further detail in respect of the revolving credit facility agreement please see paragraph 6.8 of Part 8 of this document.

9. INVESTMENT PROCESS

9.1. *Sourcing investments*

The senior management of the Investment Manager have significant experience of working within the credit markets, particularly with regard to identifying, structuring and executing bespoke asset backed loans for borrowers, and have extensive relationships with borrowers, equity investors and senior and subordinated lenders as a consequence. To date the Group's investment portfolio has been structured and originated by the Investment Manager although the Company may from time to time acquire loans from third parties. As set out in paragraph 4 of Part 2 of this document, the Investment Manager has identified a pipeline of potential future investments which are under discussion with the relevant borrowers.

9.2. *Preliminary review*

The Investment Manager focuses on identifying opportunities to make asset backed finance investments with certain target characteristics including the following:

- structured using the Investment Manager's lending discipline with a focus on bespoke lending opportunities originated through and created by the Investment Manager with control and visibility over cash flows and/or assets;

- favourable security packages, typically with first or second liens on contracted cash flows and/or physical assets with appropriate debt service reserve accounts and other cash waterfall protection mechanisms, which seek to provide the Company with tight control of cash flows and assets;
- strong operating track record with reputable, experienced and financially robust equity sponsors, operators and/or developers as appropriate;
- capital structures with sufficient equity to take the first loss position in the event of any cash flow interruption;
- attractive risk adjusted running yields including floating rate or indexed loans providing protection against rising interest rates and/or inflation; and
- lender protection through covenants, representations and warranties.

9.3. ***Due diligence procedures***

The Investment Manager evaluates all risks associated with the Group's portfolio of investments it believes are material to making an investment decision and assesses how those risks are mitigated. Where appropriate, it complements its analysis through the use of professional third party advisers, including technical built asset consultants, financial and legal advisers and valuation and insurance experts. These advisers are engaged to conduct due diligence that is intended to provide an additional and independent review of the key aspects and risks in relation to an investment, providing comfort as to the level of risk mitigation and the ongoing performance of the investment.

The Company may provide finance in respect of investments relating to assets under development or construction. In such circumstances, the Investment Manager will conduct due diligence in respect of the development documents (including construction contracts and associated protections), planning permissions, loan-to-value and interest cover ratios of the development asset, and the reputation, track record and financial strength of the relevant development, building contractor and consultants.

9.4. ***Investment approval***

Save as provided below, each investment proposal is presented to the investment committee of the Investment Manager for their approval. In reviewing each potential investment, the investment committee considers a range of factors including a detailed analysis of the investment opportunity, the capital structure and currency of the borrower, track record, market reputation, historical information/reporting, deal modelling, credit and risk analysis, site visits (as appropriate) and any macro analysis that might be necessary to fully understand the investment.

Prior to an investment being made, the Investment Manager instructs the Valuation Agent to undertake a fair market valuation of each investment proposal prior to presenting it to the investment committee of the Investment Manager for its approval.

In the event that the Investment Manager or any partners, directors, officers or employees of the Investment Manager are directly or indirectly interested in any entity or asset in relation to any investment proposal (for example by way of ownership of a potential borrower or ownership of a service provider to a potential borrower), the potential investment is presented to the Board or a committee of the Board for its approval and as is the case with all potential investments the Company undertakes a fair market valuation of the investment.

9.5. ***Investment monitoring***

The Investment Manager continually monitors the progress of the Group's investments. This includes regular technical reporting in respect of each of the assets against which the Company lends. Where the Company is a subordinated lender, the Investment Manager seeks to ensure that reports are received as frequently as these are delivered to the relevant senior lender. The Investment Manager seeks ad hoc additional reporting and updates where there has been a material event which, in the opinion of the Investment Manager, may impair the value of the relevant investment.

The Investment Manager updates the Board on the progress of the Group's investments on a quarterly basis with additional updates where significant events have occurred.

9.6. ***Holding and exit strategy***

While it is the current intention to hold the Group's investments to maturity, it may dispose of investments prior to such time, should an appropriate opportunity arise where, in the Investment Manager's opinion, such disposal would represent an attractive return on the initial investment and/or otherwise enhance the value of the Company.

10. USE OF PROCEEDS

The Gross Proceeds will be invested in accordance with the Company's investment policy and to meet the costs and expenses of the Issue. The Gross Proceeds may be used to repay monies drawn down by the Company under the Revolving Credit Facility to fund new investments in the period from the date of this document to Admission. If Gross Proceeds are deployed in this way, the relevant investments and interest accrued thereon will be allocated to the pool of assets attributed to the C Shares and will be accounted for in this separate pool of C share assets until the C Shares convert into new Ordinary Shares.

It is currently envisaged that the Net Proceeds will be substantially invested within six months after Admission.

11. VALUATION

The Valuation Agent is responsible for carrying out the fair market valuation of the Company's investments on a quarterly basis in accordance with IFRS.

The current Valuation Agent is Mazars LLP, an audit, accountancy, tax, legal and advisory company with approximately 17,000 professionals in 77 countries.

The valuation principles used by the Valuation Agent are based on a discounted cash flow methodology. A fair value for each asset acquired by the Group is calculated by applying an asset-and-date-specific discount rate (determined by the Valuation Agent) to the individual cash flows expected to arise from each such asset.

Where investments of the Company are inflation-linked or LIBOR-based, the individual cash flows expected to arise will be based on forecast inflation or LIBOR rates as at the date of valuation as indicated on Bloomberg or an alternative source as agreed at the time.

The asset-and-date-specific discount rate used for valuing each investment is based on appropriate long term quoted Sterling interest rate swap rates and a risk premium. The Valuation Agent determines the asset specific risk premium that it believes the market would reasonably apply on a long term investment basis to each investment's projected cash flows taking, *inter alia*, the following into account:

- the performance of the underlying assets, taking into account the nature of the loan and its parameters, and including any actual or potential event in relation to each underlying asset that may be expected to have a material impact on the ability of the borrower to meet its obligations to its lenders, such as operating performance failures, or the credit impairment of the obligor;
- general credit market activity and investor sentiment, which the Valuation Agent assesses by taking into account its knowledge of such markets gained from discussions with market participants and from publicly-available information on relevant transactions and publicly-traded securities; and
- changes to the economic, legal, taxation or regulatory environment relevant to each asset.

The Valuation Agent exercises its due judgement in assessing the likelihood of any interruptions to the debt payments due to the Company in light of the operational performance of each underlying asset.

12. CALCULATION OF NAV

The NAV (and NAV per Ordinary Share) is calculated quarterly by the Administrator following the Valuation Agent carrying out the fair market valuation of the Company's investments. Calculations are made in accordance with IFRS or as otherwise determined by the Board.

The NAV per C Share will also be calculated and published quarterly, on the same basis, until Conversion.

Details of each quarterly valuation, and of any suspension in the making of such valuations, are announced by the Company through a Regulatory Information Service and will be made available on the Investment Manager's website as soon as practicable after the end of the relevant quarter.

The calculation of the NAV will only be suspended in circumstances where the underlying data necessary to value the investments of the Group cannot readily, or without undue expenditure, be obtained or in other circumstances (such as a system's failure of the Administrator) which prevents the Company from making such calculations. Details of any suspension in making such calculations will be announced through a Regulatory Information Service as soon as practicable after any such suspension occurs.

13. REPORTS, ACCOUNTS AND MEETINGS

The audited accounts of the Company will be prepared in Sterling under IFRS. The Company's annual report and accounts are prepared for the period to 31 December each year. Copies of the report and accounts will typically be sent to Shareholders by the end of April each year. The Company also publishes an unaudited half-yearly report covering the period to 30 June each year, which will be sent to Shareholders by the end of September each year. The financial report and accounts and unaudited half-yearly report once published will be available for inspection from the Administrator at the Company's registered office and on the Investment Manager's website (http://www.gcpuk.com/gcp-asset-backed-income-fund-ltd).

All general meetings of the Company will be held in Jersey. The Company will typically hold its annual general meeting before 31 May each year.

The Company has published the following historical financial information prior to the date of this document: (i) audited accounts for the period from incorporation (being 7 September 2015) to 31 December 2015 (PricewaterhouseCoopers CI LLP has reported on this financial information in the prospectus published by the Company dated 27 April 2016, in its role as reporting accountant); and (ii) the interim report and unaudited financial statements for the period from the Company's incorporation (being 7 September 2015) to 30 June 2016. Please refer to Part 6 of this document for further details.

14. PREMIUM AND DISCOUNT MANAGEMENT

The Board has the discretion to seek to manage, on an ongoing basis, the premium or discount at which the Ordinary Shares may trade to their NAV through further issues and buy-backs, as appropriate.

14.1. *Discount Control*

The Directors will consider repurchasing Ordinary Shares in the market if they believe it to be in Shareholders' interests as a whole and as a means of correcting any imbalance between supply of and demand for the Ordinary Shares.

A special resolution has been passed granting the Directors authority to repurchase up to 15,889,400 Ordinary Shares during the period expiring on the conclusion of the Company's annual general meeting to be held in 2017. Renewal of this buy-back authority to acquire 14.99 per cent. of the Company's issued ordinary share capital will be sought at each annual general meeting of the Company.

The Directors will only make such repurchases through the market at prices (after allowing for costs) below the relevant prevailing published NAV per Ordinary Share in accordance with guidelines established from time to time by the Board. Purchases of Ordinary Shares may be made only in accordance with the Articles, Companies Law and the Listing Rules and all other applicable legal and regulatory requirements. Under the current Listing Rules, the maximum price (exclusive of expenses) which may be paid for an Ordinary Share must not be more than the higher of: (i) five per cent. above the average of the mid-market values of the Ordinary Shares for the five Business Days before the purchase is made; or (ii) that stipulated by the regulatory technical standards adopted by the EU pursuant to the Market Abuse Regulation.

Shareholders should note that the purchase of Ordinary Shares by the Company is at the absolute discretion of the Directors and is subject to the working capital requirements of the Company and the amount of cash available to the Company to fund such purchases. Accordingly, no expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions.

The Company does not have (and does not intend to seek) any authority to buy back C Shares. Accordingly, the Directors will not be able to operate any discount management policy through the use of C Share buy-backs.

14.2. ***Premium Management***

The Directors currently have authority to issue up to 241,387,919 Ordinary Shares and 255,913,730 C Shares on a non-pre-emptive basis. Such authority will expire at the conclusion of, and the Company may seek new authority to issue Ordinary Shares and/or C Shares as the case may be, at the Company's annual general meeting to be held in 2019.

Shares may be issued without the publication of a prospectus in accordance with exemptions set out in the current Prospectus Rules, which currently allow for the issue of shares representing, over a rolling period of 12 months, less than ten per cent. of the number of shares of the same class already admitted to trading on the same regulated market, provided that such issue is not made by way of an offer of the Company's securities to the public.

Investors should note that the issuance of new Ordinary Shares and/or C Shares is entirely at the discretion of the Board, and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions or as to the proportion of new Ordinary Shares and/or C Shares that may be issued.

No Ordinary Shares and/or C Shares will be issued at a price less than the prevailing published NAV per Ordinary Share and/or NAV per C Share (as applicable) at the time of their issue.

14.3. ***Treasury Shares***

Any Ordinary Shares repurchased pursuant to the general authority referred to above may be held in treasury. The Companies Law allows companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. These shares may be subsequently cancelled or sold for cash. This would give the Company the ability to reissue Ordinary Shares quickly and cost efficiently, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base.

Unless authorised by Shareholders, no Ordinary Shares will be sold from treasury at a price less than the NAV per Ordinary Share at the time of the sale unless they are first offered pro-rata to existing Shareholders.

As the Company does not have (and does not intend to seek) any authority to buy back C Shares, no C Shares will be held in treasury.

15. CAPITAL STRUCTURE

15.1. **Introduction**

The Company's issued share capital as at the date of this document consists of Ordinary Shares. The Company's issued share capital on Admission will comprise Ordinary Shares and C Shares.

15.2. **Ordinary Shares**

The holders of Ordinary Shares carry the right to receive all dividends declared in relation to the Ordinary Shares which shall be divided *pro rata* among the holders of the Ordinary Shares.

On a winding-up or a return of capital by the Company, provided the Company has satisfied all of its liabilities and subject to the rights conferred by any C Shares in issue at the time to participate in the winding-up or return of capital, the holders of the Ordinary Shares shall be entitled to any surplus assets of the Company which shall be divided *pro rata* among the holders of the Ordinary Shares.

The Ordinary Shares carry the right to receive notice of, attend and vote at general meetings of the Company and, on a poll, to one vote for each Ordinary Share held.

The consent of the holders of Ordinary Shares is required for the variation of any rights attached to the Ordinary Shares.

The Ordinary Shares are in registered form, have been admitted to the Premium Listing segment of the Official List and are traded on the London Stock Exchange's main market for listed securities.

15.3. **C Shares**

The assets representing the net proceeds of any issue of C Shares will be maintained, managed and accounted for as a separate pool of capital of the Company until those C Shares convert into new Ordinary Shares (which will occur once substantially all of the assets representing the net proceeds have been invested in accordance with the Company's investment policy or, if earlier, six months after the date of issue of the C Shares). On such conversion, each holder of C Shares will receive such number of Ordinary Shares as equals the number of C Shares held by him multiplied by the NAV per C Share and divided by the NAV per Ordinary Share, in each case as at a date shortly prior to conversion.

C Shares carry the right to receive all dividends resolved by the Directors to be paid out of the pool of assets attributable to the C Shares which shall be divided *pro rata* among the holders of the C Shares.

On a winding-up or a return of capital by the Company, provided the Company has satisfied all of its liabilities, the holders of C Shares will be entitled to any surplus assets of the Company attributable to the C Shares.

The C Shares carry the right to receive notice of, attend and vote at general meetings of the Company and, on a poll, to one vote for each C Share held.

The consent of the holders of C Shares is required for the variation of any rights attached to the C Shares.

C Shares will be issued in registered form and applications will be made in conjunction with any issue of C Shares for those C Shares to be admitted to the Premium Listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities.

16. THE ISSUE

The Issue is being implemented by way of the Open Offer, Placing and Offer for Subscription.

The Company is targeting raising Gross Proceeds of £100 million. The maximum number of C Shares available under the Issue is 164,612,083. The aggregate Net Proceeds are expected to be c.£98.1 million on the assumption that the Gross Proceeds are £100 million. The actual number of C Shares to be issued pursuant to the Issue, and therefore the Gross Proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service announcement prior to Admission.

All of the C Shares are being initially offered to Qualifying Shareholders by way of the Open Offer pursuant to which they will be entitled to apply for one C Share for each Ordinary Share held on the Record Date (being 5.00 p.m. on 18 January 2017). Any C Shares not taken up by Qualifying Shareholders under the Open Offer, will be made available at the discretion of the Directors, under the Excess Application Facility or Placing and Offer for Subscription.

The Issue has not been underwritten.

Cenkos has agreed to use its reasonable endeavours to procure subscribers pursuant to the Placing for C Shares on the terms and subject to the conditions set out in the Placing Agreement.

The Company has agreed to make an offer of C Shares pursuant to the Offer for Subscription at the Issue Price, subject to the terms and conditions under the Offer for Subscription. These terms and conditions should be read carefully before an application is made. Investors should consult their independent financial adviser if they are in any doubt about the contents of this document or the acquisition of C Shares.

17. TAXATION

Potential investors are referred to Part 7 of this document for details of the taxation of the Company and Shareholders in the UK and Jersey. Investors who are in any doubt as to their tax

position or who are subject to tax in jurisdictions other than the UK and Jersey are strongly advised to consult their own professional advisers immediately.

18. RISK FACTORS

The Company's performance is dependent on many factors and potential investors should read the whole of this document and in particular the section entitled "Risk Factors" on pages 19 to 38.

19. DISCLOSURE OBLIGATIONS

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules (as amended from time to time) ("**DTR 5**") of the Financial Conduct Authority Handbook apply to the Company on the basis that the Company is a "non-UK issuer", as such term is defined in DTR 5. As such, a person is required to notify the Company of the percentage of voting rights it holds as a holder of Ordinary Shares and/or C Shares or holds or is deemed to hold through the direct or indirect holding of financial instruments falling within DTR 5 if, as a result of an acquisition or disposal of Ordinary Shares and/or C Shares (or financial instruments), the percentage of voting rights reaches, exceeds or falls below the relevant percentage thresholds being, in the case of a non-UK issuer, 5, 10, 15, 20, 25, 30, 50 and 75 per cent. However, pursuant to the Articles, DTR 5 is deemed to apply to the Company as though the Company were a UK "issuer" as such term is defined by DTR 5. As such, the relevant percentage thresholds that apply to the Company are 3, 4, 5, 6, 7, 8, 9, 10 per cent. and each 1 per cent. threshold thereafter up to 100 per cent., notwithstanding that in the absence of those provisions of the Articles such thresholds would not apply to the Company.

20. NON-MAINSTREAM POOLED INVESTMENTS

The Board notes the rules of the FCA on the promotion of non-mainstream pooled investments, effective from 1 January 2014. The Board confirms that it conducts the Company's affairs and intends to continue to conduct its affairs, so that the Company's shares will be "excluded securities" under the FCA's new rules. This is on the basis that the Company, which is resident outside the EEA, would qualify for approval as an investment trust by the Commissioners for HMRC under sections 1158 and 1159 of the Corporation Tax Act 2010 if resident and listed in the United Kingdom. Therefore, the Company's shares will not amount to non-mainstream pooled investments. Accordingly, promotion of the Company's shares will not be subject to the FCA's restriction on promotion of non-mainstream pooled investments.

PART 2

CURRENT INVESTMENT PORTFOLIO AND PIPELINE OF FUTURE ASSETS

1. CURRENT INVESTMENT PORTFOLIO

As at the date of this document the Company was exposed to a portfolio of 14 loans, as set out below, with a weight-adjusted average annualised yield of 8.2 per cent. and an average life across the portfolio of approximately 12.2 years:

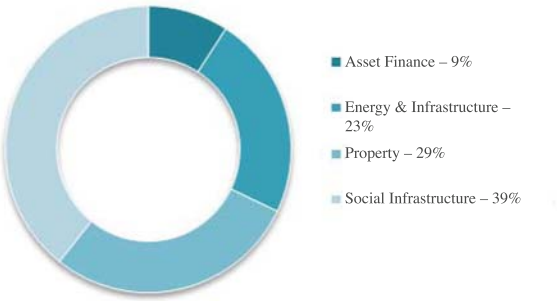
Sector	Asset	Security	Inflation linkage	Indirect inflation/ Rates protection	Investment date	Current yield (%)	Discount rate (%)	Valuation (£m)	% of total assets
Property	Residential property	Senior	No	Yes	05-Nov-15	7.60	7.60	20.25	12.3
Energy & Infrastructure	Material recovery facility	Senior	No	No	01-Apr-16	9.50	9.45	14.52	8.8
Asset Finance	Domestic boilers	Senior	No	No	30-Oct-15	7.80	7.80	14.45	8.8
Social Infrastructure	Student accommodation ("**Student Accom 1**")	Mezzanine	No	No	23-Aug-16	9.50	9.50	13.96	8.5
Property	Residential property	Senior	No	Yes	21-Jun-16	7.80	7.80	13.00	7.9
Social Infrastructure	Care home	Senior	No	Yes	30-Sep-16	7.73	8.07	12.80	7.8
Property	Residential property	Senior	No	Yes	14-Jan-16	7.80	7.80	11.99	7.3
Energy & Infrastructure	Various	Senior	No	Yes	16-Nov-15	7.00	7.00	11.50	7.0
Social Infrastructure	Care home	Senior	No	Yes	01-Apr-16	7.73	8.06	11.34	6.9
Social Infrastructure	Social housing	Senior	Yes	N/A	29-Feb-16	6.30	6.30	10.70	6.5
Energy & Infrastructure	O&M contracts	Senior	No	No	03-Nov-15	7.80	7.80	10.34	6.3
Social Infrastructure	Student accommodation ("**Student Accom 2**")	Mezzanine	No	No	14-Dec-16	9.50	8.82	8.04	4.9
Social Infrastructure	Social housing	Senior	Yes	N/A	22-Dec-16	6.00	6.00	2.77	1.7
Social Infrastructure	Multi-use community facility	Senior	No	No	19-Dec-16	8.75	8.24	2.61	1.6
TOTAL								158.27	**96%**

The information set out above is unaudited.

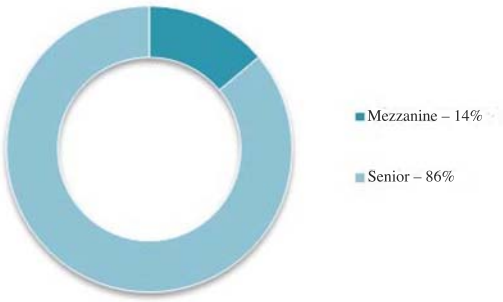
2. PORTFOLIO ANALYSIS

The charts below show the Group's investment portfolio by investment sector, security ranking, yield profile and expected remaining term as at the date of this document. As at that date, 42 per cent. of the value of the investment portfolio was exposed to assets under construction or in development.

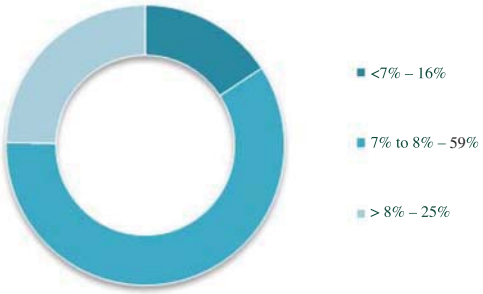
2.1. *Investment sector*



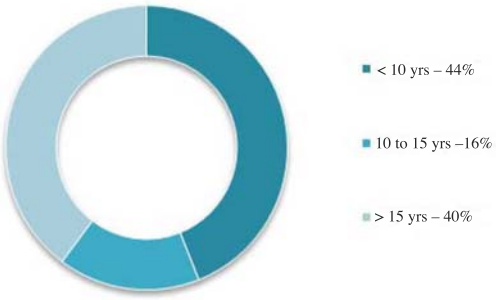
2.2. *Security ranking*



2.3. *Yield profile*



2.4. *Term profile*



2.5. *Geography*

3. INVESTMENT PORTFOLIO GROWTH

The Company has deployed capital across its target sectors in a controled manner within target timescales.

4. PIPELINE

The Investment Manager is currently engaged in various stages of negotiations in respect of further asset backed loans in the UK that meet the Company's investment objective and policy. The current pipeline of potential loans totals approximately £168 million.

Investment by the Group in any of these loans is subject, among other things, to the Investment Manager completing satisfactory due diligence and documentation. Any such loans will also be subject to agreement having been reached between the Company, the Investment Manager and the relevant counterparty as to the terms of such loan. A breakdown of the loans currently under consideration is set out in the table below.

As detailed in paragraph 6.8 of Part 8 of this document, on 13 January 2017 the Company entered into the Revolving Credit Facility. It is anticipated that any new investments that are made between the date of the document and Admission will be financed through monies drawn down under the Revolving Credit Facility. The Gross Proceeds may be used to repay monies drawn down by the Company under the Revolving Credit Facility. If Gross Proceeds are deployed in this way, the relevant investments and interest accrued thereon will be allocated to the pool of assets attributed to the C Shares and will be accounted for in this separate pool of C share assets until the C Shares convert into new Ordinary Shares.

Sector	Asset	Security	Expected ungeared Interest Rate	Rate/ Inflation Linkage	Estimated Value (GBP) million	Expected Term
Property†	Bridge finance	Senior	7.40%	Fixed	25	5
Property†	Care homes	Senior	8.20%	Fixed	20	16
Social infrastructure	Office buildings	Senior	6.00%	Fixed	16	21
Social infrastructure†	Supported living	Senior	6.00%	CPI	15	21
Social infrastructure*	Student accommodation (EUR)	Subordinated	9.50%	Fixed	15	3
Social infrastructure**†	Student accommodation	Subordinated	9.50%	Fixed	15	3
Property	Co-living	Subordinated	9.40%	Fixed	15	3
Asset finance	Energy efficiency	Senior	6.00%	Fixed	9	13
Social infrastructure	Social housing	Subordinated	9.00%	Fixed	7	7
Social infrastructure***†	Student accommodation (AUS)	Subordinated	9.50%	Fixed	7	5
Energy and infrastructure†	Contract finance	Senior	7.80%	Fixed	5	15
Energy and infrastructure†	Domestic boiler finance	Senior	7.80%	Fixed	5	10
Energy and infrastructure	Waste	Senior	7.50%	Fixed	4	7
Property†	Bridge finance	Subordinated	9.90%	Fixed	4	4
Energy and infrastructure	Regulated finance	Senior	8.00%	Fixed	3	20
Asset finance	Invoice financing	Senior	7.00%	Fixed	3	3
Weighted average/total			7.96%		168	9.9

† Further loans that may be made to existing borrowers or associates of existing borrowers in the Group's current investment portfolio.

* As at the date of this document, the current expectation is that at the time any loan is made to the borrower, the partners of the Investment Manager will indirectly own, in aggregate, approximately 50 per cent. of the borrower.

** As at the date of this document, the partners of the Investment Manager indirectly own, in aggregate, approximately 31 per cent. of the borrower. Such ownership interest may vary over the course of time prior to completion of the anticipated financing, but it is expected that in any event such ownership interest will be not less than 25 per cent. and not more than 49.9 per cent.

*** As at the date of this document, the partners of the Investment Manager indirectly own, in aggregate, approximately 42 per cent. of the borrower.

There can be no assurance that any of the loans in the table above will be made by the Group. The Investment Manager, in any event, will continue to evaluate other potential loans in accordance with the Company's investment policy.

PART 3

DIRECTORS, MANAGEMENT AND ADMINISTRATION

1. DIRECTORS

The Directors are responsible for the determination of the Company's investment policy and strategy and have overall responsibility for the Company's activities including the review of investment activity and performance and the control and supervision of the Investment Manager. All of the Directors are non-executive and are independent of the Investment Manager and the other service providers.

The Directors will meet at least four times a year to, *inter alia*, review and assess the Company's investment policy and strategy, the risk profile of the Company, the Company's investment performance, the performance of the Company's service providers, including the Investment Manager and Administrator, and generally to supervise the conduct of its affairs. The audit committee will meet at least twice per annum.

The Directors are as follows:

Alex Ohlsson, (Chairman) (aged 47)

Mr. Ohlsson was appointed as a Director on 29 September 2015. He is domiciled in Jersey and is the managing partner of the law firm Carey Olsen, and is recognised as an expert in corporate and finance law in Jersey with a particular focus on international real estate finance and structures. Mr. Ohlsson is regularly instructed by leading global law firms, financial institutions and corporates. Mr. Ohlsson joined Carey Olsen in 1991, became a Jersey solicitor in 1994 and an Advocate of the Royal Court of Jersey and a partner of Carey Olsen in 1995. Mr. Ohlsson was educated at Victoria College Jersey and at Queens' College, Cambridge, where he obtained an MA (Hons) in law. Mr. Ohlsson is the independent chairman of the States of Jersey's audit committee and an advisory board member of Jersey Finance, Jersey's promotional body. Mr. Ohlsson is also a member of the Financial and Commercial Law Sub-Committee of the Jersey Law Society which reviews as well as initiates proposals for legislative changes. Mr. Ohlsson acts as a non-executive director of a number of companies. Mr Ohlsson is also chairman of the London Stock Exchange main market-listed company Foresight Solar Fund Limited.

Colin Huelin, non-executive director (aged 56)

Mr. Huelin was appointed as a Director on 29 September 2015. He graduated in mechanical engineering with a first class honours BSc degree and Diploma at Southampton University in June 1982. Mr. Huelin completed his graduate management development and monitored professional development scheme with Shell UK and the I. Mech. E in 1986. Mr. Huelin qualified as a Chartered Accountant with Ernst & Young in 1989 and was appointed Finance Director for Computer Patent Annuities (CPA) in February 1990. Mr. Huelin was appointed CEO for CPA in 1995. In November 1998, he joined Abbey National Offshore as Head of Financial Planning, was promoted to Finance Director in 2003 and then Managing Director of Santander Private Banking in Jersey in November 2007, a position he held until 31 May 2015 when the business transferred to a Jersey branch of Santander UK plc under Article 48D of the Banking Business (Jersey) Law.

Joanna Dentskevich, non-executive director (aged 52)

Ms. Dentskevich was appointed as a Director on 29 September 2015. She has over 25 years of risk, finance & investment banking experience gained in leading global banks worldwide, alternative investments and the offshore fiduciary industry. Ms. Dentskevich currently runs her own risk management advisory company providing advice and resourcing to offshore trust, fund & investment businesses. Previously, Ms. Dentskevich was a Director at Morgan Stanley heading up their Global Customer Valuation Group, Director of Risk at Deutsche Bank and Chief Risk Officer of a London based hedge fund. Ms. Dentskevich has a BSc Hons in Maths & Accounting and is a Chartered Member of the Chartered Institute of Securities & Investments and a member of the Institute of Directors. Ms. Dentskevich is also a non-executive director of the London Stock Exchange (Specialist Fund Segment) traded company Blackstone/GSO Loan Financing Ltd.

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chairman of the Board, the fee is £24,000 for each Director per annum plus an additional annual fee of £3,500 for the chairman of the audit

committee. The Chairman's fee is £29,500 per annum. The Directors are also entitled to out-of-pocket expenses incurred in the proper performance of their duties.

2. THE INVESTMENT MANAGER

The Investment Manager was formed in 2008 as a specialist advisory boutique offering fund management services, providing investors access to income generating defensive sectors in the UK.

The Investment Manager has advised on asset backed finance transactions since its formation and its management team has significant experience in originating, structuring and managing such transactions across a broad range of sectors including social infrastructure, property, asset finance, energy and infrastructure.

As at 31 December 2016, the Investment Manager had total assets under management of c.£1.6 billion, including three closed-ended companies admitted to the Premium Listing segment of the Official List and traded on the London Stock Exchange's main market for listed securities: the Company, GCP Infrastructure and GCP Student Living.

The Company has appointed the Investment Manager to act as the Company's manager for the purposes of AIFMD and accordingly the Investment Manager is responsible for providing discretionary portfolio management and risk management services to the Company, subject to the overall control and supervision of the Directors. The Investment Manager was incorporated in England and Wales on 14 October 2007 under the Limited Liability Partnership Act 2000 (registered number OC332060) and is authorised and regulated by the FCA (registration number 487393).

The Board has been notified of the Investment Manager's intention, subject to regulatory approval, to transfer its fund management and advisory business from the existing limited liability partnership to a newly incorporated management company under substantially the same ownership as the current limited liability partnership. Accordingly, it is currently anticipated that the Investment Management Agreement will be novated to the new management company in Q2 2017. Under the novation agreement, the new management company will assume liability for all acts and omissions of the existing limited liability partnership vehicle under the Investment Management Agreement.

2.1 Investment Management Agreement

The Company and the Investment Manager have entered into the Investment Management Agreement, a summary of which is set out at paragraph 6.1 of Part 8 of this document, under which the Company appointed the Investment Manager to act as the Company's manager for the purposes of AIFMD and accordingly the Investment Manager is responsible for providing discretionary portfolio management and risk management services to the Company, subject to the overall control and supervision of the Directors.

The Investment Manager is entitled to receive from the Company: (i) an investment management fee which is calculated and paid quarterly in arrears at an annual rate of 0.9 per cent. per annum of the prevailing NAV (net of cash holdings); and (ii) a £22,500 per annum fee in relation to the Investment Manager's services provided in its role as the Company's AIFM. In addition, the Investment Manager, at its discretion, is entitled to an arrangement fee of up to one per cent. of the cost of each investment made by the Company. The Investment Manager typically expects the costs of any such fee to be covered by the borrowers, and not the Company. To date, such fee has been borne by borrowers. To the extent any arrangement fee negotiated by the Investment Manager with a borrower exceeds one per cent., the benefit of any such excess shall be paid to the Company. There are no performance fees payable.

The Investment Management Agreement is for an initial term of five years from the date of IPO Admission and thereafter subject to termination on not less than twelve months' written notice by either party. The Investment Management Agreement can be terminated at any time in the event of the insolvency of the Company or the Investment Manager or in the event that the Investment Manager ceases to be authorised and regulated by the FCA (if required to be so authorised and regulated to continue to carry out its duties under the Investment Management Agreement).

3. OTHER ARRANGEMENTS

3.1 Administrator and Secretary

Capita Financial Administrators (Jersey) Limited (a company incorporated in Jersey on 24 October 2003 with company number 86301 and an issued share capital comprising 305,002 shares) has been appointed as administrator and secretary to the Company pursuant to the Administration Agreement (further details of which are set out in paragraph 6.4 of Part 8 of this document). In such capacity, the Administrator provides the day-to-day administration of the Company and is also responsible for the Company's general administrative and secretarial functions, such as the calculation and publication of the NAV and maintenance of the Company's accounting and statutory records. The Administrator delegates the provision of client accounting services to Capita Sinclair Henderson Limited of The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

Under the terms of the Administration Agreement, the Administrator is entitled to an administration fee equal to: (i) 0.125 per cent. per annum of the prevailing NAV up to £150 million; (ii) 0.11 per cent. per annum of the prevailing NAV in excess of £150 million but not exceeding £300 million; and (iii) 0.10 per cent. per annum of the prevailing NAV in excess of £300 million, subject to a minimum fee of £125,000 per annum. This fee is calculated and payable quarterly in arrears. The Administrator is also entitled to an annual fee for Jersey regulatory and compliance support of £10,000 per annum. This fee is calculated and payable quarterly in arrears. The Administrator is also entitled to an annual fee of £210 for submission of the Company's Jersey tax return. The Administration Agreement may be terminated on six months' written notice.

3.2 Depositary

Capita Trust Company (Jersey) Limited (a company incorporated in Jersey as a limited liability company on 28 April 1956 with company number 702) is a wholly owned subsidiary of Capita Fiduciary Group Limited (a company incorporated in Jersey on 16 January 2006 with company number 92185 and an issued share capital comprising 52,975 shares). Capita Fiduciary Group Limited is a wholly owned subsidiary of Capita plc, a company incorporated in England whose registered office is 71 Victoria Street, Westminster, London, SW1H 0XA and which is listed on the London Stock Exchange. The Depositary has an issued and fully paid-up share capital of 53,975 shares divided into 50,000 shares of £1 each issued at par and 3,975 shares of £1 each issued at a price of £1,000.

The Depositary has been appointed as the depositary, for the purposes of AIFMD, to the Company pursuant to the Depositary Agreement (further details of which are set out in paragraph 6.3 of Part 8 of this document). The Depositary's principal business activity is that of acting as custodian, trustee or depositary to collective investment schemes and as trustee for individual and corporate clients.

Under the terms of the Depositary Agreement, the Depositary provides depositary services to the Company and is responsible for: setting up and maintaining cash accounts; ensuring the Company's cash flows are properly monitored; the safe keeping of Custody Assets and the Non-Custody Assets of the Company entrusted to it (which it holds on trust for the Company); and the oversight and supervision of certain operational functions of the Investment Manager and the Company.

Under the terms of the Depositary Agreement, the Depositary is entitled to receive a fee equal to 0.03 per cent. per annum of the NAV subject to a minimum annual fee of £30,000. Such fees are payable quarterly in arrears. The Depositary Agreement may be terminated on six months' written notice.

The Depositary is regulated by the Jersey Financial Services Commission and is registered for the conduct of Fund Services Business in accordance with the Financial Services (Jersey) Law 1998.

3.3 Registrar

Capita Registrars (Jersey) Limited (a company incorporated in Jersey on 6 March 1996 with registration number 64502 and an issued share capital comprising 10,000 ordinary shares) has been appointed as registrar to the Company pursuant to the Registrar Agreement (further

details of which are set out in paragraph 6.5 of Part 8 of this document). In such capacity, the Registrar is responsible for the transfer and settlement of Shares held in certificated and uncertificated form. The Register may be inspected at the registered office of the Registrar.

Under the terms of the Registrar Agreement, the Registrar is entitled to an annual maintenance fee of £2.00 per Shareholder account per annum, subject to a minimum fee of £10,000 per annum. The Registrar is also entitled to activity fees under the Registrar Agreement. The Registrar Agreement may be terminated on the third anniversary of appointment and each subsequent anniversary provided that the Company gives the Registrar at least six months' notice.

3.4 **Valuation Agent**

Mazars LLP has been appointed as valuation agent to the Company pursuant to the Valuation Agent engagement letter (further details of which are set out in paragraph 6.7 of Part 8 of this document). In such capacity, the Valuation Agent is responsible for (a) providing a quarterly valuation report to the Company updating the quarterly valuation of the Group's portfolio of investments; and (b) valuing assets acquired as at the date of their investment.

The Valuation Agent is entitled to, on each investment, an initial fee of an amount equal to the greater of 0.08 per cent. of the nominal value of the investment made and £5,000, subject to a maximum amount of £30,000. In addition, the Valuation Agent receives an annual fee of 0.04 per cent. of the aggregate nominal value of the investments held by the Company up to an aggregate nominal value of £250 million and to the extent that the aggregate nominal value of the investments held by the Company is more than £250 million an additional 0.03 per cent. of the aggregate nominal value of the investments above £250 million. The Valuation Agent engagement letter may be terminated on 21 days' notice.

3.5 **Auditor**

PricewaterhouseCoopers CI LLP provides audit services to the Company. The annual report and accounts will be prepared according to accounting standards laid out under IFRS.

4. FEES AND EXPENSES OF THE COMPANY

4.1 **Issue expenses**

On the assumption that Gross Proceeds of £100 million are raised pursuant to the Issue, the costs and expenses incurred by the Company are anticipated to be approximately £1.9 million.

Subject to the Issue proceeding, the costs of the Issue will be borne indirectly by holders of C Shares since they will be paid out of the pool of assets attributable to the C Shares. For further detail in respect of the costs of the Issue please see paragraph 6 of Part 4 of this document. In the event the Issue does not proceed, all costs associated with the Issue will be paid by the Company. It is estimated that such fees will be up to approximately £200,000. In the event that the Issue does not proceed, no fees shall be payable, *inter alia*, to Cenkos, Highland Capital Partners or the Investment Manager pursuant to the Issue.

4.2 **Ongoing annual expenses**

Ongoing annual expenses of the Company will be borne by the Company including fees paid to the Directors and service providers as detailed in paragraphs 1 to 3 of this Part 3 above, travel, accommodation, printing, audit, finance costs, due diligence and legal fees. These fees and all reasonable out-of-pocket expenses of the Investment Manager, the Administrator and Company Secretary, the Depositary, the Registrar, the Auditor and the Directors relating to the Company will also be borne solely by the Company.

Given that many of the above fees, charges and expenses are either irregular or calculated using formulae that contain variable components, the maximum amount of fees, charges and expenses that Shareholders will bear in relation to their investment cannot be disclosed in advance.

The fees and expenses for the Company in respect of the period from: (i) incorporation (being 7 September 2015) to 31 December 2015; and (ii) incorporation (being 7 September 2015) to 30 June 2016 (including in each case the ongoing expenses of the Company) can be found in the selected financial information of the Company which can be found in Part 6 of this document.

5. CONFLICTS OF INTEREST

The Investment Manager or any associate, director, partner, officer, employee, agent of the Investment Manager (each an "**Interested Party**") may be involved in other financial, investment or other professional activities which may, on occasion, give rise to conflicts of interest with the Company. Whenever such conflicts arise, the Investment Manager shall endeavour to ensure that they are resolved, and any relevant investment opportunities allocated fairly.

Additionally, the fact that the Interested Parties engage in other business activities may reduce the time the Investment Manager spends advising on the Company's investments. The Investment Manager's decision to spend time on other activities besides advising on the Company's investments could be influenced by a variety of factors, including the compensation structure of any other investment vehicles and/or business activities as compared to that of the Company.

The Investment Manager and its officers and employees from time to time act for other clients or manage other funds, which may have similar investment objectives and policies to that of the Company. Circumstances may arise where investment opportunities will be available to the Company which are also suitable for one or more such clients of the Investment Manager or other such funds. The Directors have satisfied themselves that the Investment Manager has procedures in place to address potential conflicts of interest and that, save as set out below, where a conflict arises, the Investment Manager will allocate the opportunity on a fair basis and in accordance with the Investment Management Agreement.

The Investment Manager is the investment adviser to GCP Infrastructure. GCP Infrastructure is a closed-ended investment company traded on the main market of the London Stock Exchange. Its investment objective and policy is to provide shareholders with regular, sustained, long-term distributions and preserve the capital value of its investment assets over the long term through investment in debt instruments issued by infrastructure project companies, their owners or their lenders, and assets with a similar economic effect. In accordance with its investment policy, the Company will finance a diversified portfolio of assets. Such investments could be made into any sector, including the infrastructure sector. Accordingly, the Investment Manager has agreed with GCP Infrastructure that where it identifies an investment which, in its opinion acting reasonably and in good faith, falls within the remit of GCP Infrastructure's investment policy, GCP Infrastructure will have a right of first refusal exercisable within ten working days following receipt by GCP Infrastructure of a written preliminary review of such investment undertaken by the Investment Manager. The Board will be notified by the Investment Manager on a quarterly basis of any potential investments which have been offered to GCP Infrastructure on this basis. The Board does not believe that such right of first refusal has had or will have a material impact on the Company's ability to implement its investment policy which provides for a multi sector approach to asset backed lending.

In the event that the Investment Manager or any partners, directors, officers or employees of the Investment Manager are directly or indirectly interested in any entity or asset in relation to any investment proposal (for example by way of ownership of a potential borrower or ownership of a service provider to a potential borrower), the potential investment is presented to the Board or a committee of the Board for its approval and as is the case with all potential investment the Group undertakes a fair market valuation of the investment. As at the date of this document, the partners of the Investment Manager indirectly own, in aggregate: (i) approximately 31 per cent. of the borrower in respect of the loan "Student Accom 1"; and (ii) 42 per cent. of the borrower in respect of the loan "Student Accom 2". Further details of the investments are set out in paragraph 1 of Part 2 of this document and were approved by the Board prior to the Company making both investments. The ownership interest in respect of the borrower in respect of the loan "Student Accom 1" may vary over the course of time prior to completion of the anticipated financing, but it is expected that in any event such ownership interest will be not less than 25 and not more than 49.9 per cent. In respect of the current pipeline of potential loans that relate to student accommodation set out in paragraph 4 of Part 2 of this document: (i) in respect of the first loan as at the date of this document, the current expectation is that the partners of the Investment Manager, at the time any loan is made to the borrower, will indirectly own, in aggregate, approximately 50 per cent. of the borrower; (ii) the second loan is a potential further loan to the borrower in respect of the loan "Student Accom 1" as referred to above; and (iii) the third loan is a potential further loan to the borrower in respect of the loan "Student Accom 2" as referred to above. Scape Student Living Limited ("**SSL**") is a development and asset and facilities manager in respect of student accommodation. SSL and/or other entities in which the parties of the Investment

Manager are directly or indirectly interested may provide, from time to time development management and/or asset and facilities management services to borrowers in relation to the student accommodation assets referred to in this paragraph. The partners of the Investment Manager directly and indirectly own approximately 50 per cent. of SSL.

The Investment Manager has confirmed that it will have regard to its obligations under the Investment Management Agreement and the Investment Manager will otherwise act in a manner that it considers fair, reasonable and equitable having regard to its obligations to other clients, when potential conflicts of interest arise. Furthermore, the activities of the Investment Manager in relation to the Company are subject to the overall direction and review of the Directors.

6. THE TAKEOVER CODE

The Takeover Code applies to the Company.

7. CORPORATE GOVERNANCE

The Board has considered the principles and recommendations of the UK Corporate Governance Code. As at the date of this document, the Company complies with the provisions of the UK Corporate Governance Code which are relevant to the Company as an investment company.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive;
- the appointment of a senior independent director;
- executive directors' remuneration; and
- the need for an internal audit function.

The Board considers these provisions are not relevant to the position of the Company, being an externally advised investment company with an entirely non-executive board, and the Company does not therefore comply with them.

The Company's audit committee which consists of Alex Ohlsson, Colin Huelin and Joanna Dentskevich, is chaired by Colin Huelin and meets at least twice a year. The Board considers that the members of the audit committee have the requisite skills and experience to fulfil the responsibilities of the audit committee. The audit committee examines the effectiveness of the Company's financial control systems. It reviews the half-yearly and annual reports and receives information from the Investment Manager. It also reviews the scope, results, cost effectiveness, independence and objectivity of the external auditor.

The Company has established a management engagement committee which consists of Alex Ohlsson, Colin Huelin and Joanna Dentskevich, and is chaired by Joanna Dentskevich. The management engagement committee meets at least once a year or more often if required. Its principal duties are to consider the terms of appointment of the Investment Manager and other service providers of the Company and it annually reviews such appointments and the terms of the Investment Management Agreement and other service providers' agreements.

PART 4

THE ISSUE

1. INTRODUCTION

The Issue is being implemented by way of the Open Offer, Placing and Offer for Subscription.

The Company is targeting raising Gross Proceeds of £100 million. The maximum number of C Shares available under the Issue is 164,612,083. The aggregate Net Proceeds are expected to be c.£98.1 million on the assumption that the Gross Proceeds are £100 million. The actual number of C Shares to be issued pursuant to the Issue, and therefore the Gross Proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service announcement prior to Admission.

All of the C Shares are being initially offered to Qualifying Shareholders by way of the Open Offer pursuant to which they will be entitled to apply for one C Share for each Ordinary Share held on the Record Date (being 5.00 p.m. on 18 January 2017). Any C Shares not taken up by Qualifying Shareholders under the Open Offer, will be made available at the discretion of the Directors, under the Excess Application Facility or Placing and Offer for Subscription.

The Issue has not been underwritten.

2. THE ISSUE

2.1. Overview

The Open Offer, Placing and Offer for Subscription will each be made at an Issue Price of 100 pence per C Share. The Open Offer, Placing and Offer for Subscription are conditional on, *inter alia*: (i) Admission having become effective at or before 8.00 a.m. on 14 February 2017 or such later time and date as the Company, the Investment Manager and Cenkos may agree (not being later than 8.00 a.m. on 6 April 2017); and (ii) the Placing Agreement becoming wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms at any time prior to Admission.

The Directors also have the discretion not to proceed with the Issue if all of the above conditions have been met. If the Issue does not proceed, any monies received under the Issue will be returned to applicants without interest.

2.2. The Open Offer

Details of the Open Offer

Under the Open Offer 164,612,083 C Shares (comprising all of the C Shares available pursuant to the Issue) will be made available to Qualifying Shareholders at the Issue Price *pro rata* to their holdings of Ordinary Shares, on the terms and subject to the conditions of the Open Offer on the basis of:

One C Share for each Ordinary Share

held and registered in their name at the Record Date (being 18 January 2017).

Existing Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should note that their Open Offer Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Basic Entitlements will be admitted to CREST and enabled for settlement, the Basic Entitlements will not be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim. C Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their entitlements will have no rights, and will not receive any benefit, under the Open Offer.

Existing Shareholders may also subscribe for C Shares in excess of their Basic Entitlement through the Excess Application Facility and/or the Placing and Offer for Subscription, as appropriate.

The latest time and date for acceptance and payment in full in respect of the Open Offer will be 11.00 a.m. on 8 February 2017. Valid applications under the Open Offer will be satisfied in full up to an applicant's Basic Entitlement.

The Terms and Conditions of Application under the Open Offer are set out at Part 10 of this document and in the case of Qualifying Non-CREST Shareholders, the Open Offer Application Form. These terms and conditions should be read carefully before an application is made. Shareholders who are in any doubt about the Open Offer arrangements should consult their stockbroker, bank manager, solicitor, accountant or other appropriate financial adviser.

Applications under the Open Offer are not subject to any minimum subscription requirement.

The Excess Application Facility

Existing Shareholders who take up all of their Basic Entitlements may also apply under the Excess Application Facility for additional C Shares in excess of their Basic Entitlements. The Excess Application Facility will comprise whole numbers of C Shares under the Open Offer which are not taken up by existing Shareholders pursuant to their Basic Entitlements adjusted to remove any C Shares from the Excess Application Facility that the Directors determine, in their absolute discretion, should be allocated to the Placing and Offer for Subscription (as appropriate).

Qualifying Non-CREST Shareholders who wish to subscribe for more than their Basic Entitlement should complete the relevant sections on the Open Offer Application Form.

Qualifying CREST Shareholders will have Excess CREST Open Offer Entitlements credited to their stock account in CREST and should refer to paragraph 4.2.3 of Part 10 of this document for information on how to apply for additional C Shares under the Excess Application Facility.

Applications for additional C Shares under the Excess Application Facility will be allocated in such a manner as the Directors determine, in their absolute discretion, and no assurance can be given that applications by Qualifying Shareholders under the Excess Application Facility will be met in full or in part or at all.

2.3. **Action to be taken under the Open Offer**

Qualifying Non-CREST Shareholders

Qualifying Non-CREST Shareholders have been sent an Open Offer Application Form giving details of their Basic Entitlement.

Persons that have sold or otherwise transferred all of their Ordinary Shares should forward this document, together with any Open Offer Application Form, if and when received, at once to the purchaser or transferee, or the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee, except that, such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations including, but not limited to, the Excluded Territories.

Any Shareholder that has sold or otherwise transferred only some of their Ordinary Shares held in certificated form on or before 18 January 2017 should refer to the instruction regarding split applications in the Terms and Conditions of Application under the Open Offer at paragraph 4.1 of Part 10 of this document and the Open Offer Application Form.

Qualifying CREST Shareholders

Qualifying CREST Shareholders have not been sent an Open Offer Application Form. Instead, Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Basic Entitlement and Excess CREST Open Offer Entitlement as soon as practicable after 8.00 a.m. on 23 January 2017.

In the case of any Qualifying Shareholder that has sold or otherwise transferred only part of their holding of Ordinary Shares held in uncertificated form on or before 18 January 2017, a claim transaction will automatically be generated by Euroclear which, on settlement, will transfer the appropriate Basic Entitlement and Excess CREST Open Offer Entitlement to the purchaser or transferee.

Full details of the Open Offer are contained in the Terms and Conditions of Application under the Open Offer at Part 10 of this document. If you have any doubt as to what action you should take, you should seek your own advice from your stockbroker, solicitor or other independent financial adviser duly authorised under FSMA who specialises in advice on the acquisition of shares and other securities immediately.

The ISIN of the Basic Entitlements is JE00BYV23V41 and the SEDOL is BYV23V4. The ISIN of the Excess CREST Open Offer Entitlement is JE00BYV23W57 and the SEDOL is BYV23W5.

2.4. **The Placing**

Cenkos has agreed to use its reasonable endeavours to procure subscribers pursuant to the Placing for C Shares on the terms and subject to the conditions set out in the Placing Agreement. Details of the Placing Agreement are set out in paragraph 6.2 of Part 8 of this document. The Placing will close at 3.00 p.m. on 9 February 2017 (or such later date as the Company and Cenkos may agree) (being no later than 31 March 2017). If the Placing is extended, the revised timetable will be notified to investors through the publication of an announcement through a Regulatory Information Service.

The terms and conditions which apply to any subscriber for C Shares pursuant to the Placing are set out in Part 12 of this document.

2.5. **The Offer for Subscription**

The Company has agreed to make an offer of C Shares in the United Kingdom pursuant to the Offer for Subscription at the Issue Price, subject to the terms and conditions under the Offer for Subscription. These terms and conditions and the Application Form set out at Appendix 1 to this document should be read carefully before an application is made. If you have any doubt as to what action you should take, you should seek your own advice from your stockbroker, solicitor or other independent financial adviser duly authorised under FSMA who specialises in advice on the acquisition of shares and other securities immediately. Application Forms accompanied by a cheque or banker's draft in Sterling made payable to "**Capita Registrars Limited re: GCP Asset Backed Income Fund Limited – Offer for Subscription a/c**" and crossed "**a/c Payee Only**" for the appropriate sum or electronic payment or appropriate delivery versus payment ("**DVP**") instructions should be returned to the Receiving Agent by no later than 1.00 p.m. on 9 February 2017 or such later date as the Company and Cenkos may agree (being no later than 31 March 2017). If the Offer for Subscription is extended, the revised timetable will be notified to any investors who have returned Application Forms through the publication of an announcement through a Regulatory Information Service. Any application under the Offer for Subscription may be rejected in whole or in part at the sole discretion of the Company.

Applications under the Offer for Subscription must be for C Shares with a minimum subscription amount of £1,000 and thereafter in multiples of £100. Commitments under the Offer for Subscription once made, may not be withdrawn without the consent of the Board.

If you are a new investor, in addition to completing and returning the Application Form to Capita Asset Services, you will also need to complete and return a Tax Residency Self Certification Form. The "individual tax residency self-certification – sole holding" form can be found at Appendix 2 of this document, further copies of this form and the relevant form for joint holdings or corporate entity holdings can be requested from Capita Asset Services on 0371 664 0321 or can be downloaded from the Investment Manager's website (http://www.gcpuk.com/gcp-asset-backed-income-fund-ltd). Calls are charged at the standard geographic rate and will vary by provider. Calls outside of the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

It is a condition of any Application under the Offer for Subscription that (where applicable) a completed version of the relevant form is provided with the Application Form before any application under the Offer for Subscription can be accepted. Offer for Subscription Application Forms that are returned without the completed Tax

Residency Self-Certification Form will be referred to the Company after the Offer for Subscription closes at 1.00 p.m. on 9 February 2017. It will then be the Company's decision if these Application Forms can be accepted under the Offer for Subscription.

3. SCALING BACK AND ALLOCATION

The maximum number of C Shares available under the Issue is 164,612,083. All of the C Shares are being initially offered to Qualifying Shareholders by way of the Open Offer pursuant to which they will be entitled to apply for one C Share for each Ordinary Share held on the Record Date (being 5.00 p.m. on 18 January 2017). Any C Shares not taken up by Qualifying Shareholders under the Open Offer, will be made available at the discretion of the Directors, under the Excess Application Facility or Placing and Offer for Subscription.

Subject always to satisfying applications by Qualifying Shareholders in full up to their Basic Entitlement, in the event that the Issue is oversubscribed it would be necessary to scale back applications under the Issue. Cenkos (in consultation with the Company and the Investment Manager) reserves the right to scale back applications in such amounts as it considers appropriate. The Company reserves the right to decline in whole or in part any application for C Shares pursuant to the Issue.

Payment for the C Shares, in the case of the Open Offer, should be made in accordance with the Terms and Conditions of Application under the Open Offer in Part 10 of this document. Payment for the C Shares, in respect of the Placing, should be made in accordance with the Terms and Conditions of Application under the Placing in Part 12 of this document. Payment for the C Shares, in the case of the Offer for Subscription, should be made in accordance with the Terms and Conditions of Application under the Offer for Subscription in Part 11 of this document and in the Application Form. To the extent that any application for C Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest, within 14 days of Admission, at the risk of the applicant.

4. WITHDRAWAL

In the event that the Company is required to publish a supplementary prospectus prior to Admission, applicants who have applied for C Shares under the Issue shall have at least two clear Business Days following the publication of the relevant supplementary prospectus within which to withdraw their offer to acquire C Shares in the Issue in its entirety. The right to withdraw an application to acquire C Shares in the Issue in these circumstances will be available to all investors in the Issue. If the application is not withdrawn within the stipulated period, any offer to apply for C Shares in the Issue will remain valid and binding.

Investors under the Open Offer, Excess Application Facility and Offer for Subscription wishing to exercise statutory withdrawal rights after the publication of a supplementary prospectus prior to Admission must do so by lodging written notice of withdrawal by hand (during normal business hours only) at Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU or by emailing withdraw@capita.co.uk so as to be received no later than two Business Days after the date on which the supplementary prospectus is published. Notice of withdrawal given by any other means or which is deposited with or received after expiry of such period will not constitute a valid withdrawal.

5. DILUTION

The C Shares issued pursuant to the Issue will convert into new Ordinary Shares.

The number of Ordinary Shares into which each C Share converts will be determined by the relative NAV per C Share and NAV per Ordinary Share at the Calculation Date. As a result of Conversion, the percentage of the issued Ordinary Shares held by each existing holder of Ordinary Shares will be reduced to the extent that Shareholders do not take up their Basic Entitlement in full (however, Conversion will be NAV neutral to holders of Ordinary Shares).

6. THE PLACING AGREEMENT

The Company, Cenkos, Highland Capital Partners and the Investment Manager have entered into the Placing Agreement pursuant to which Cenkos has agreed, as agent for the Company, to use its reasonable endeavours to procure subscribers for the C Shares to be issued by the Company pursuant to the Issue. Highland Capital Partners has agreed to provide investor introduction

services and the Investment Manager has agreed to provide transaction advisory, distribution and documentation services in connection with the Issue.

In consideration for its services the Company will pay Cenkos a placing commission of up to 1.2 per cent. of the Gross Proceeds. In consideration for its services the Company will pay Highland Capital Partners a commission equal to 0.1 per cent. of the Gross Proceeds. Cenkos is entitled to retain agents and may rebate any part of its commissions and fees to third parties.

Highland Capital Partners is an independent sales, marketing and investor relations business working with brokers and fund management companies to facilitate investor introductions.

Any commission that Cenkos and Highland Capital Partners receive in relation to any subscription for C Shares made by the Directors, any partners or employees of the Investment Manager or Robert Austin of the Grosvenor House Group will be rebated to the relevant person.

The Board notes the additional resource committed by the Investment Manager in providing its clients funds, including the Company, a more comprehensive service which it believes will increase the level of transaction advisory and documentation support received by the Company. The Investment Manager will be paid a fee of £200,000 in connection with the provision of such services.

7. ADMISSION

Admission is expected to take place at 8.00 a.m. on 14 February 2017. An investor applying for C Shares in the Issue may receive C Shares in certificated or uncertificated form. The C Shares are in registered form and will be eligible for settlement in CREST. No temporary documents of title will be issued. Dealings in C Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned. It is expected that CREST accounts will be credited on 14 February 2017 in respect of C Shares issued in uncertificated form and definitive share certificates in respect of C Shares held in certificated form will be despatched by post during the week commencing 20 February 2017.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the C Shares or the Ordinary Shares arising upon their Conversion, nor does it guarantee the price at which a market will be made in the C Shares or the Ordinary Shares arising upon their Conversion. Accordingly, the dealing price of the C Shares and the Ordinary Shares may not necessarily reflect changes in the NAV per C Share or NAV per Ordinary Share respectively.

8. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of C Shares and Ordinary Shares within the CREST system. The Company has applied for the C Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the C Shares following Admission may take place within the CREST system if any Shareholder so wishes.

CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so. An investor applying for C Shares in the Issue may elect to receive C Shares in uncertificated form if such investor is a system-member (as defined in the CREST Regulations) in relation to CREST.

9. OVERSEAS PERSONS

The attention of potential investors who are Overseas Persons is drawn to the paragraphs below.

The offer of C Shares under the Issue to Overseas Persons may be affected by the laws of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to obtain C Shares under the Issue. It is the responsibility of all Overseas Persons receiving this document and/or wishing to subscribe for C Shares under the Issue to satisfy themselves as to full observance of the laws of the relevant territory in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities needing to be observed and paying any issue, transfer or other taxes due in such territory.

No person receiving a copy of this document in any territory other than the UK may treat the same as constituting an offer or invitation to him/her, unless in the relevant territory such an offer can lawfully be made to him/her without compliance with any further registration or other legal requirements.

Persons (including, without limitation, nominees and trustees) receiving this document and/or an Open Offer Application Form may not distribute or send it to any U.S. Person or in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations including but not limited to, Canada, Japan, Australia or the Republic of South Africa. In particular, investors should note that the Company has not been, and will not be, registered under the U.S. Investment Company Act and the offer, issue and sale of the C Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States.

The C Shares are being offered and sold outside the United States to non-U.S. Persons in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder. The C Shares may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. Person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

Investors should additionally consider the provisions set out under the heading 'Important Information' on pages 39 to 43 of this document.

The Company reserves the right to treat as invalid any agreement to subscribe for C Shares under the Issue if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

United States transfer restrictions

Each of Cenkos, the Investment Manager and Highland Capital Partners has acknowledged and warranted in the Placing Agreement that they will not offer or sell or procure the offer or sale of the C Shares except in compliance with Regulation S. The C Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, investors may not reoffer, resell, pledge or otherwise transfer or deliver, directly or indirectly, any C Shares within the United States, or to, or for the account or benefit of, any U.S. Person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

10. TYPICAL INVESTOR

An investment in Shares is only suitable for institutional investors and professionally-advised private investors who understand and are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from such an investment. Furthermore, an investment in the Shares should constitute part of a diversified investment portfolio. It should be remembered that the price of Shares and the income from them can go down as well as up.

PART 5

DETAILS OF THE C SHARES

The rights and restrictions attaching to the C Shares are set out in the Articles and are summarised below.

At the Conversion Date such number of C Shares shall convert into new Ordinary Shares in order to ensure that each C Shareholder receives the requisite number of new Ordinary Shares to which they are entitled on Conversion.

1. DEFINITIONS

The following definitions apply (for the purposes of this Part 5 only) in addition to, or (where applicable) in substitution for, the definitions applicable elsewhere in this document:

"**Calculation Date**" means the earliest of:

(a) close of business on the date to be determined by the Directors after the day on which the Investment Manager shall have given notice to the Directors that at least 90 per cent. of the net proceeds attributable to the C Shares (or such other percentage as the Directors and Investment Manager shall agree) shall have been invested; or

(b) close of business on the date falling six calendar months after the allotment of the C Shares, or if such day is not a Business Day, the next following Business Day; or

(c) close of business on the last Business Day prior to the day on which the Directors resolve that Force Majeure Circumstances have arisen or are imminent; or

(d) close of business on such date as the Directors may determine;

"**Conversion**" means, the conversion of C Shares into new Ordinary Shares in accordance with paragraph 7 below;

"**Conversion Date**" means a date which falls after the Calculation Date and is the date on which the admission of the New Ordinary Shares arising on Conversion to trading on the London Stock Exchange becomes effective and which is the earlier of:

(a) the opening of business on such Business Day as may be selected by the Directors provided that such day shall not be more than twenty Business Days after the Calculation Date; and

(b) such earlier date as the Directors may resolve should a Force Majeure Circumstance have arisen or the Directors resolve that such a circumstance has arisen or is imminent;

"**Conversion Ratio**" for the C Shares is A divided by B calculated to six decimal places (with 0.000005 being rounded upwards) where:

$$A = \frac{C - D}{E}$$

and

$$B = \frac{F - G}{H}$$

and where:

"**C**" is the value of the investments of the Company attributable to the C Shares calculated in accordance with IFRS, as in effect from time to time. Investments will initially be recognised at their acquisition cost and thereafter be re-measured at fair value as follows:

(a) any investments which are marketable securities (including shares or units of closed-ended investment funds) quoted, traded or dealt in on an investment exchange will be valued at the latest available price or, if appropriate on the average price on the stock exchange which is normally the principal market of such securities, and each security traded on any other regulated market shall be valued in a manner as similar as possible to that provided for quoted securities;

(b) for non-quoted securities or securities not traded or dealt on an investment exchange or other regulated market, as well as quoted or non-quoted securities on such market for which no valuation price is available, or securities for which the quoted prices are, in the opinion of the Directors, not representative of the fair market value, the value thereof shall be determined prudently and in good faith;

(c) liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis;

(d) futures and options will be valued by reference to the previous day's closing price on the relevant market; the market prices used are the futures exchanges settlement prices;

(e) swaps will be valued at fair value based on the latest available closing price of the underlying security;

(f) cash, cash equivalents and other liquid assets will be valued at their face value with interest accrued, where applicable, as at the close of business on the relevant Calculation Date unless, however, the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Directors may consider appropriate to reflect the true value thereof;

(g) investments in open-ended investment funds will be taken at their latest official net asset values or at their latest unofficial net asset values (i.e. which are not generally used for the purposes of subscription and redemption of shares of the underlying investment funds) as provided by the relevant administrators or investment managers if more recent than their official net asset values and for which the Company or its agent has sufficient assurance that the valuation method used by the relevant administrator for the said unofficial net asset value is coherent as compared to the official one. In the event of a material change in the net asset value of the shares or units in the investment fund since the day on which the latest official net asset value was calculated, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the Directors, such change of value;

(h) all other securities and assets will be valued at fair market value as determined in good faith pursuant to procedures established by the Directors;

(i) any value expressed otherwise than in the base currency of the Company (whether of an investment or cash) and any borrowing in a currency other than the base currency of the Company shall be converted into the base currency of the Company at the relevant quoted mid rate at 4.00 p.m. (Jersey time) on the Calculation Date; and

in the event of it being impossible or incorrect to carry out a valuation of a specific asset in accordance with the valuation rules set out above, or if such valuation is not representative in the opinion of the Directors of the asset's fair market value, the Investment Manager, subject to the approval of the Directors, is entitled to use other generally recognised valuation principles in order to reach a proper valuation of that specific asset, provided that any alternative method of valuation is consistent with the accounting policies to be used to draw up the annual audited financial statements of the Company;

"**D**" is the amount which (to the extent not otherwise deducted in the calculation of "**C**") in the Directors' opinion fairly reflects the amount of the liabilities and expenses attributable to the C Shares on the Calculation Date (including, for the avoidance of doubt, the full amount of all dividends declared on the C Shares but not paid);

"**E**" is the number of C Shares in issue on the Calculation Date;

"**F**" is the value of the investments of the Company attributable to the Ordinary Shares calculated in accordance with IFRS, as in effect from time to time. Investments will initially be recognised at their acquisition cost and thereafter be re-measured at fair value as follows:

(a) any investments which are marketable securities (including shares or units of closed-ended investment funds) quoted, traded or dealt in on an investment exchange will be valued at the latest available price or, if appropriate on the average price on the stock

exchange which is normally the principal market of such securities, and each security traded on any other regulated market shall be valued in a manner as similar as possible to that provided for quoted securities;

(b) for non-quoted securities or securities not traded or dealt on an investment exchange or other regulated market, as well as quoted or non-quoted securities on such market for which no valuation price is available, or securities for which the quoted prices are, in the opinion of the Directors, not representative of the fair market value, the value thereof shall be determined prudently and in good faith;

(c) liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis;

(d) futures and options will be valued by reference to the previous day's closing price on the relevant market; the market prices used are the futures exchanges settlement prices;

(e) swaps will be valued at fair value based on the latest available closing price of the underlying security;

(f) cash, cash equivalents and other liquid assets will be valued at their face value with interest accrued, where applicable, as at the close of business on the relevant Calculation Date unless, however, the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Directors may consider appropriate to reflect the true value thereof;

(g) investments in open-ended investment funds will be taken at their latest official net asset values or at their latest unofficial net asset values (i.e. which are not generally used for the purposes of subscription and redemption of shares of the underlying investment funds) as provided by the relevant administrators or investment managers if more recent than their official net asset values and for which the Company or its agent has sufficient assurance that the valuation method used by the relevant administrator for the said unofficial net asset value is coherent as compared to the official one. In the event of a material change in the net asset value of the shares or units in the investment fund since the day on which the latest official net asset value was calculated, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the Directors, such change of value;

(h) all other securities and assets will be valued at fair market value as determined in good faith pursuant to procedures established by the Directors;

(i) any value expressed otherwise than in the base currency of the Company (whether of an investment or cash) and any borrowing in a currency other than the base currency of the Company shall be converted into the base currency of the Company at the relevant quoted mid rate at 4.00 p.m. (Jersey time) on the Calculation Date; and

in the event of it being impossible or incorrect to carry out a valuation of a specific asset in accordance with the valuation rules set out above, or if such valuation is not representative in the opinion of the Directors of the asset's fair market value, the Investment Manager, subject to the approval of the Directors, is entitled to use other generally recognised valuation principles in order to reach a proper valuation of that specific asset, provided that any alternative method of valuation is consistent with the accounting policies to be used to draw up the annual audited financial statements of the Company;

"**G**" is the amount which (to the extent not otherwise deducted in the calculation of "**F**") in the Directors' opinion fairly reflects the amount of the liabilities and expenses of the Company attributable to the Ordinary Shares on the Calculation Date (including, for the avoidance of doubt, the full amount of all dividends declared on the Ordinary Shares but not paid);

"**H**" is the number of Ordinary Shares in issue on the Calculation Date (excluding any Ordinary Shares held in treasury);

provided that the Directors shall make such adjustments to the value or amount of A and B as (i) the auditors shall report to be appropriate having regard among other things, to the assets of the Company immediately prior to the date on which the Company first receives the net proceeds relating to the C Shares and/or to the reasons for the issue of the C Shares; or (ii) the Directors deem appropriate;

"**Force Majeure Circumstance**" means in relation to the C Shares (i) any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable; (ii) the issue of any proceedings challenging, or seeking to challenge, the power of the Company and/or its Directors to issue the C Shares with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are, proposed to be issued; or (iii) the giving of notice of any general meeting of the Company at which a resolution is to be proposed to wind up the Company, whichever shall happen earliest; and

"**New Ordinary Shares**" means the Ordinary Shares arising on the conversion of the C Shares.

References to the Ordinary Shareholders and C Shareholders should be construed as references to holders for the time being of Ordinary Shares and C Shares respectively.

References to the auditors confirming any matter shall be construed to mean confirmation of their opinion as to such matter whether qualified or not.

2. DIVIDENDS

The holders of the C Shares shall, subject to provisions of the Articles, have the following rights to be paid dividends:

2.1. the C Shares carry the right to receive all income net of expenses of the Company attributable to the C Shares and to participate in any distribution of such income by the Company in proportion to the number of C Shares held by them.

2.2. subject as provided in the following sentence, the New Ordinary Shares shall rank in full for all dividends and other distributions declared, made or paid by reference to a record date falling after the Calculation Date and otherwise *pari passu* with Ordinary Shares in issue at the Calculation Date. For the avoidance of doubt, New Ordinary Shares shall not be entitled to any dividends or distributions relating to the Ordinary Shares which are declared by reference to a record date falling prior to the Calculation Date but made or paid after the Calculation Date.

2.3. no dividend or other distribution shall be made or paid by the Company on any of its shares between the Calculation Date and the Conversion Date (both dates inclusive) and no such dividend shall be declared with a record date falling between the Calculation Date and the Conversion Date (both dates inclusive).

3. RIGHTS AS TO CAPITAL

On a winding up of the Company or other return of capital (other than by way of a repurchase or redemption of C Shares in accordance with the provisions of the Articles and the Companies Law), the surplus capital and assets of the Company attributable to the C Shares remaining after payment of all creditors shall be divided amongst the holders of C Shares in proportion to the number of C Shares held by them.

4. VOTING

The C Shares shall carry the right to receive notice of and to attend, speak and vote at general meetings of the Company.

5. REDEMPTION

At any time prior to Conversion, the Company may, subject to the provisions of the Companies Law, at its discretion, redeem all or any of the C Shares then in issue by agreement with any holder(s) thereof in accordance with such procedures as the Directors may determine (subject, where applicable, to the facilities and procedures of CREST) and in consideration of the payment of such redemption price as may be agreed between the Company and the holders of C Shares.

6. C SHARES PRIOR TO CONVERSION

6.1. For so long as the C Shares are in issue and until Conversion, and without prejudice to its obligations under the Companies Law, the Company shall in relation to each of the Ordinary Shares and C Shares (as appropriate):

(a) procure that the Company's records and bank accounts shall be operated so that the assets attributable to the Ordinary Shares and the C Shares can, at all times, be separately identified and separate cash accounts shall be created and maintained in the books of the Company for the assets attributable to the Ordinary Shares and the C Shares;

(b) allocate to the assets attributable to the Ordinary Shares and the C Shares such proportion of the income, expenses or liabilities of the Company as the Directors fairly consider to be attributable to the Ordinary Shares and the C Shares including, without prejudice to the generality of the foregoing, those liabilities specifically identified in the definition of "Conversion Ratio" above; and

(c) give appropriate instructions to the Investment Manager and the Administrator to manage the Company's assets so that such undertaking can be complied with by the Company.

7. CONVERSION

7.1. The Directors shall procure that:

(a) the Company (or its delegate) calculates, within ten business days after the Calculation Date, the Conversion Ratio as at the Calculation Date and the number of New Ordinary Shares to which each holder of C Shares shall be entitled on Conversion; and

(b) the auditors (or such other appropriately qualified person) shall be requested to certify that such calculations:

(i) have been performed in accordance with the Articles; and

(ii) are arithmetically accurate,

whereupon such calculations shall become final and binding on the Company and all Shareholders, subject to the proviso immediately after the definition of "H" above.

7.2. The Directors shall procure that, as soon as practicable following such certificate, an announcement is made to a Regulatory Information Service advising holders of C Shares of:

(a) the Conversion Date;

(b) the Conversion Ratio; and

(c) the aggregate number of New Ordinary Shares to which holders of the C Shares are entitled on Conversion.

7.3. Conversion shall take place on the Conversion Date. On Conversion each issued C Share shall automatically convert and be redesignated into such number of New Ordinary Shares as shall be necessary to ensure that, upon such Conversion being completed, the number of New Ordinary Shares equals the number of C Shares in issue at the Calculation Date multiplied by the Conversion Ratio (rounded down to the nearest whole New Ordinary Share).

7.4. The Directors may in their absolute discretion from time to time decide the manner in which the C Shares are to be converted, subject to the provisions of these Articles and the Companies Law.

7.5. The New Ordinary Shares arising upon Conversion shall be divided amongst the former holders of C Shares *pro rata* according to their respective former holdings of C Shares (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to New Ordinary Shares, including, without prejudice to the generality of the foregoing, selling any such shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company) and for such purposes any Director is hereby authorised as agent on behalf of the former holders of C Shares, in the case of a share in certificated form, to execute any stock transfer form and to do any other act or thing as may be required to give effect to the same including, in the case of a share in uncertificated form, the giving of directions to or on behalf of the former holders of any C Shares who shall be bound by them. Forthwith upon Conversion, any certificates relating to the C Shares shall be

cancelled and the Company shall issue to each such former holder of C Shares new certificates in respect of the New Ordinary Shares which have arisen upon Conversion unless such former holder of any C Shares elects to hold its New Ordinary Shares in uncertificated form.

7.6. The Company will use its reasonable endeavours to procure that, upon Conversion, the New Ordinary Shares are admitted to the Premium Listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities.

7.7. The Directors are authorised to effect such and any conversions and/or consolidations and/or subdivisions and/or combinations of the foregoing (or otherwise as appropriate) as may have been or may be necessary from time to time to implement the conversion mechanics for C Shares set out in this Part 5 or as they, in their discretion, consider fair and reasonable having regard to the interest of all shareholders.

PART 6

FINANCIAL INFORMATION RELATING TO THE COMPANY

1. Audited financial information for the period from the Company's incorporation (being 7 September) to 31 December 2015

Accounts for the Company prepared in accordance with IFRS and the Prospectus Rules for the period from the Company's incorporation (being 7 September 2015) to 31 December 2015, in respect of which the Reporting Accountants, PricewaterhouseCoopers CI LLP of Royal Bank Place, 1 Glategny Esplanade, St Peter Port, Guernsey GY1 4ND, provided an unqualified SIR2000 opinion, are set out in Part 7 of the prospectus published by the Company dated 27 April 2016.

1.1. ***Historical financial information***

The audited financial information for the period from the Company's incorporation (being 7 September 2015) to 31 December 2015 as set out in Part 7 of a prospectus published by the Company dated 27 April 2016 is incorporated into this document by reference, including the information specified in the tables below. Where this document makes reference to other documents, such other documents are not incorporated into and do not form part of this document.

Nature of information	Audited financial information from the period from the Company's incorporation (being 7 September 2015) to 31 December 2015 Page No(s) of the prospectus of the Company dated 27 April 2016
Statement of Comprehensive Income	85
Statement of Financial Position	86
Statement of Changes in Equity	87
Statement of Cash Flows	88
Notes to the Financial Information	89 – 103
Report of the Reporting Accountants	83 – 84

1.2. ***Selected financial information***

The key audited figures that summarise the Company's financial condition in respect of the financial period from the Company's incorporation (being 7 September 2015) to 31 December 2015 which have been extracted directly on a straightforward basis without material adjustment from the historical information referred to in paragraph 1.1 of this Part 6, are set out in the following table:

Statement of financial position

Assets	**As at 31 December 2015 £'000**
Financial assets at fair value through profit or loss	43,159
Other receivables and prepayments	74
Cash and cash equivalents	61,267
Total assets	**104,500**
Other payables and accrued expenses	(218)
Total liabilities	**(218)**
Net assets	**104, 282**
Share capital	103,766
Retained earnings	516
Total capital and reserves	**104, 282**

Statement of comprehensive income

Income	Period from 7 September 2015 to 31 December 2015 £'000
Total income	721
Total expenses	(205)
Profit for the period	516
Total comprehensive income	516
Basic and diluted earnings per Ordinary Share	0.81 pence

2. Interim report and unaudited financial statements for the period from the Company's incorporation (being 7 September 2015) to 30 June 2016

The Company has published a half-yearly unaudited report in respect of the financial period from the Company's incorporation (being 7 September 2015) to 30 June 2016 prepared in accordance with IFRS.

2.1 ***Historical financial information***

The published interim report and unaudited financial statements for the period from the Company's incorporation (being 7 September 2015) to 30 June 2016 are incorporated into this document by reference, including the information specified in the tables below. Where this document makes reference to other documents, such other documents are not incorporated into and do not form part of this document.

Nature of information	Interim report and unaudited financial statements from the period from the Company's incorporation (being 7 September 2015) to 30 June 2016 Page No(s)
Unaudited Statement of Comprehensive Income	18
Unaudited Statement of Financial Position	19
Unaudited Statement of Changes in Equity	20
Unaudited Statement of Cash Flows	21
Notes to the Financial Statements	22 – 38
Chairman's Interim Statement	4 – 6
Investment Manager's Report	12 – 16
Statement of Directors' Responsibilities	17

2.2 ***Selected financial information***

The key unaudited figures that summarise the Company's financial condition in respect of the financial period from the Company's incorporation (being 7 September 2015) to 30 June 2016 which have been extracted directly on a straightforward basis without material adjustment from the historical information referred to in paragraph 2.1 of this Part 6, are set out in the following table:

Statement of financial position

Assets	**As at 30 June 2016 £'000**
Financial assets at fair value through profit or loss	113,036
Other receivables and prepayments	366
Cash and cash equivalents	35,583
Total assets	**148,985**
Other payables and accrued expenses	(511)
Liability in respect of C Share issue	(43,037)
Total liabilities	**(43,548)**
Net assets	**105,437**
Share capital	103,772
Retained earnings	1,665
Total capital and reserves	**105,437**

Statement of comprehensive income

Income	**Period from 7 September 2015 to 30 June 2016 £'000**
Total income	4,160
Total expenses	(1,061)
Profit for the period	3,064
Total comprehensive income	3,064
Basic and diluted earnings per Ordinary Share	3.418 pence

2.3 ***Operating and financial review***

The published interim report and unaudited financial statements for the period from the Company's incorporation (being 7 September 2015) to 30 June 2016 which have been incorporated by reference in this document include, on the pages specified in the table below, descriptions of the Company's financial condition (in both capital and revenue terms), details of the Company's investment activity and portfolio exposure and changes in its financial condition for that period.

	Interim report and unaudited financial statements for the period from the Company's incorporation (being 7 September 2015) to 30 June 2016
	Page No(s)
Chairman's Interim Statement	4 – 6
Investment Manager's Report	12 – 16
Portfolio at a glance	3

3. Availability of reports and financial information for inspection

Copies of the prospectus of the Company dated 27 April 2016 which include at Part 7 the audited financial information of the Company for the period from the Company's incorporation (being 7 September 2015) to 31 December 2015 and the Company's interim report and unaudited financial statements referred to in paragraphs 1 and 2 respectively of this Part 6 are available online at http://www.gcpuk.com/gcp-asset-backed-income-fund-ltd and are also available for inspection at the address set out in paragraph 16 of Part 8 of this document. Copies of the documents are also available using the hyperlinks below:

- http://www.gcpuk.com/documentdownload.axd?documentresourceid=234
- http://www.gcpuk.com/documentdownload.axd?documentresourceid=283

Where part only of a document is incorporated by reference into this document, those parts not so incorporated by reference are either not relevant for prospective investors or are covered elsewhere in this document.

4. Capitalisation and indebtedness

The following table, sourced from the Company's internal accounting records, shows the Company's unaudited indebtedness (distinguishing between guaranteed and unguaranteed, secure and unsecured indebtedness) as at 31 December 2016 and the Company's unaudited capitalisation as at 30 June 2016 (being the last date in respect of which the Company has published financial information).

Save in relation to: (i) the conversion of 44,086,270 C Shares into 43,647,347 Ordinary Shares on 18 October 2016; and (ii) the issue of 14,964,734 Ordinary Shares on 8 November 2016 at a price of 104.5 pence per Ordinary Share, as further described in Part 8 of this document, there has been no material change to the unaudited capitalisation of the Company since 30 June 2016 to the date of this document.

Unaudited indebtedness as at 31 December 2016	**£'000**
Total current debt	—
Guaranteed	—
Secured	—
Unguaranteed/unsecured	—
Total non-current debt	—
Guaranteed	—
Secured	—
Unguaranteed/unsecured	—

Unaudited capitalisation as at 30 June 2016	
Shareholder equity	—
Share capital	103,772
Legal reserves (excluding revenue reserve)	—
Other reserves (excluding revenue reserve)	1,665
Revenue reserve	—
Total	**105,437**

The following table shows the Company's unaudited net indebtedness as at 31 December 2016

		£'000
A.	Cash	6,819
B.	Cash equivalent	—
C.	Trading securities	—
D.	Liquidity (A + B + C)	6,819
E.	Current financial receivables	158
F.	Current bank debt	—
G.	Current portion of non-current debt	—
H.	Other current financial debt	—
I.	Current financial debt (F + G + H)	—
J.	Net current financial debt (I – E – D)	6,977
K.	Non-current bank loans	—
L.	Bonds issued	—
M.	Other non-current loans	—
N.	Non-current financial indebtedness (K + L + M)	—
O.	Net financial indebtedness (J + N)	6,977

PART 7

TAXATION

Introduction

The information below, which relates only to Jersey and United Kingdom taxation, is for general information purposes only and is a summary of the advice received by the Board from the Company's advisers so far as applicable to the Company and to persons who are resident in Jersey and the United Kingdom for taxation purposes and who hold C Shares and/or Ordinary Shares as an investment. It is not intended to be a comprehensive summary of all technical aspects of the structure, or tax law and practice in Jersey and the United Kingdom (including such tax law and practice as it applies to any land or building situated in Jersey). It is not intended to constitute legal or tax advice to Shareholders.

The information below is based on current Jersey and United Kingdom tax law and published practice which is, in principle, subject to any change (potentially with retrospective effect). Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their shares in connection with their employment may be taxed differently and are not considered. The tax consequences for each Shareholder of investing in the Company may depend on the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject.

If you are in any doubt as to your tax position, you should consult your own professional adviser without delay.

Jersey

The Company

Under Article 123C of the Jersey Income Tax Law and on the basis that the Company is tax resident in Jersey, the Company (being neither a financial services company nor a specified utility company under the Jersey Income Tax Law at the date of this document) will (except as noted below) be regarded as subject to Jersey income tax at a rate of zero per cent.

If the Company derives any income from the ownership or disposal of land in Jersey, such income will be subject to tax at the rate of 20 per cent. It is not expected that the Company will derive any such income.

Holders of Shares

Dividends on Shares may be paid by the Company without withholding or deduction for or on account of Jersey income tax and holders of Shares (other than Jersey residents) will not be subject to any tax in Jersey in respect of the holding, sale or other disposition of such Shares. The attention of any holder of Shares who is resident in Jersey is drawn to the provisions of Article 134A of the Jersey Income Tax Law, as amended, which may in certain circumstances render such a resident liable to Jersey income tax on undistributed income or profits of the Company.

It should also be noted that the Jersey Income Tax Law contains provisions for the taxation of Jersey resident individual shareholders of Jersey tax resident companies. Advice should be obtained from a professional adviser in these circumstances.

Goods and Services Tax

Jersey has a goods and services tax ("**GST**") on goods and services supplied in the Island. The current GST rate is 5 per cent. On the basis that the Company has obtained international services entity status, the Company is not:

- a taxable person pursuant to the Goods and Services Tax (Jersey) Law, 2007;
- required to charge goods and services tax in Jersey in respect of any supply made by it; or
- (subject to limited exceptions that are not expected to apply to the Company) required to pay goods and services tax in Jersey in respect of any supply made to it.

The Directors intend to continue to conduct the business of the Company such that no GST will be incurred by the Company.

Stamp Duty

In Jersey, no stamp duty is levied on the issue or transfer of the Shares except that stamp duty is payable on Jersey grants of probate and letters of administration, which will generally be required to transfer Shares on the death of a holder of such Shares. In the case of a grant of probate or letters of administration, stamp duty is levied according to the size of the deceased's net moveable estate (wherever situated in respect of a holder of Shares domiciled in Jersey, or situated in Jersey in respect of a holder of Shares domiciled outside Jersey) and is payable on a sliding scale at a rate of up to 0.75 per cent. on the moveable value of an estate with a maximum net value of £13,360,000. The rules for joint holders and holdings through a nominee are different and advice relating to this form of holding should be obtained from a professional adviser.

Jersey does not otherwise levy taxes upon capital, inheritances, capital gains or gifts nor are there otherwise estate duties.

Purchasers of C Shares may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase or other relevant jurisdiction in addition to the Issue Price of the C Shares.

European Union Directive on the Taxation of Savings Income

Following the repeal on 1 January 2016 of the EU Savings Tax Directive, and in line with steps taken by other relevant third countries, Jersey has suspended its system of automatic communication to EU Member States of information regarding payments made by certain Jersey collective investment vehicles to EU resident individuals (save in respect of Austria, which currently still requires the communication of such information). The introduction of the Common Reporting Standard (see below) will supersede the information exchange arrangements previously in place.

US FATCA

Under Sections 1471 through 1474 of the U.S. Internal Revenue Code (commonly referred to as "**FATCA**") "Financial Institutions" are required to use enhanced due diligence procedures to identify U.S. persons who have invested in either non-U.S. financial accounts or non-U.S. entities.

Pursuant to FATCA, certain payments of (or attributable to) U.S.-source income, and the proceeds of sales of property that give rise to U.S.-source payments, are subject to a 30 per cent. withholding tax with effect from 1 July 2014 unless the Company agreed to certain reporting and withholding requirements ("**FATCA Withholding**").

The United States and Jersey have entered into an intergovernmental agreement ("**U.S.-Jersey IGA**") to implement FATCA. Under the terms of the U.S.-Jersey IGA, the Company is obliged to comply with the provisions of FATCA as enacted by the Jersey legislation implementing the U.S.-Jersey IGA (the "**Jersey IGA Legislation**"), rather than directly complying with the U.S. Treasury Regulations implementing FATCA. Under the terms of the U.S.-Jersey IGA, Jersey resident entities that comply with the requirements of the Jersey IGA Legislation will be treated as compliant with FATCA and, as a result, will not be subject to FATCA Withholding on payments they receive and will not be required to withhold under FATCA on payments they make.

The Company is considered a Jersey resident financial institution and therefore is required to comply with the requirements of the Jersey IGA Legislation. Under the Jersey IGA Legislation, the Company is required to report to the States of Jersey Comptroller of Taxes certain holdings by and payments made to certain U.S. investors in the Company, as well as to non-U.S. financial institutions that are considered to be Non-Participating Financial Institutions for the purposes of the U.S.-Jersey IGA. Under the terms of the U.S.-Jersey IGA, such information will be onward reported by the States of Jersey Comptroller of Taxes to the United States.

Additional intergovernmental agreements similar to the U.S.-Jersey IGA have been entered into or are under discussion by other jurisdictions with the United States. Different rules than those described above may apply depending on whether a payee is resident in a jurisdiction that has entered into an intergovernmental agreement to implement FATCA.

In order to avoid the Company being subject to withholding taxes, all prospective Shareholders (whether they are US citizens or not) must agree to provide the Company at the time or times prescribed by the Jersey IGA Legislation and at such times reasonably requested by the Company with such information and documentation (whether relating to themselves, their investors and/or beneficial owners) prescribed by the Jersey IGA Legislation and such additional documentation

reasonably requested by the Company as may be necessary for the Company to comply with its obligations under the Jersey IGA Legislation.

The scope and application of FATCA Withholding and information reporting pursuant to the terms of FATCA and the U.S. Jersey IGA is subject to review by the United States and Jersey and the rules may change. Shareholders should consult with their own tax advisers regarding the application of FATCA to their particular circumstances.

Prospective shareholders should consult their tax advisers with regard to US federal, state, local and non-US tax reporting and certification requirements associated with an investment in the Company.

UK FATCA

In addition to the U.S.-Jersey IGA, Jersey and the United Kingdom have entered into an inter-governmental agreement ("**UK-Jersey IGA**") for the implementation of information exchange arrangements based on FATCA, whereby relevant financial information in respect of accounts maintained in Jersey for certain persons who are, or being entities that are controlled by one or more, residents in the UK for tax purposes will be reported to the States of Jersey Comptroller of Taxes for onward reporting to HMRC. Under the UK-Jersey IGA, the Company may be required to provide information to the Jersey authorities about investors and their interests in the Company in order to fully discharge its reporting obligations and, in the event of any failure or inability to comply with the proposed arrangements, may suffer a financial penalty or other sanction under Jersey law.

Prospective Shareholders should be aware that they will be required to comply with UK FATCA and that the Company will comply with UK FATCA. All prospective Shareholders must agree to provide the Company at the time or times prescribed by applicable law and at such times reasonably requested by the Company such information and documentation (whether relating to themselves, their investors and/or beneficial owners) prescribed by applicable law and such additional documentation reasonably requested by the Company as may be necessary for the Company to comply with its obligations under UK FATCA.

Prospective shareholders should, as with US FATCA, consult their tax advisers with regard to the potential UK FATCA tax reporting and certification requirements associated with an investment in the Company. It is further recommended that Shareholders who are entities consider themselves whether they have any obligations to notify their respective investors, shareholders or accountholders about the information that the Company requests, and the potential disclosures that the Company will be obliged to make in connection with those persons in complying with its obligations under CRS.

The introduction of the Common Reporting Standard (see below) will supersede the UK-Jersey IGA but the UK has indicated that it does not wish to forego information for 2016 to be reported in 2017 under the UK-Jersey IGA which under the Common Reporting Standard would not need to be provided until 2018. In agreeing to the changeover the Jersey authorities have agreed that for 2016 the Common Reporting Standard requirements (which include the provision of information on pre-existing individual high value accounts) should be supplemented by the provision of information on pre-existing individual low value accounts and pre-existing entity accounts in respect of UK residents only. This means that the UK can receive information in 2017 without requiring Jersey financial institutions to make separate returns under both the UK-Jersey IGA and the Common Reporting Standard (alternative arrangements may apply in respect of UK resident non-domiciles who have elected to be treated under the 'Alternative Reporting Regime' where the relevant financial institution has also elected to operate the 'Alternative Reporting Regime').

Common Reporting Standard

The OECD has developed a new global standard for the automatic exchange of financial information between tax authorities (the "**Common Reporting Standard**" or "**CRS**"). The CRS has been implemented in the EU by way of the Revised Directive on Administrative Co-Operation (Council Directive 2014/107/EU). Jersey is a signatory to the CRS and intends to conduct its first exchange of information with tax authorities of other signatory jurisdictions in September 2017. Jersey legislation which implements the CRS in Jersey came into effect on 1 January 2016 (the "**Jersey CRS Legislation**").

In summary, the Jersey CRS Legislation requires "reporting financial institutions" in Jersey to identify, review and report on "financial accounts" maintained by them and which are held by residents for tax purposes (whether individuals or entities with "Controlling Persons" who themselves are tax residents) of jurisdictions with which Jersey has agreed to exchange information.

Reports will be made to the Jersey Comptroller of Taxes and then passed to the competent authority of the jurisdiction in which the account holder is resident. Although the Company will attempt to satisfy any obligations imposed on it by the CRS, no assurance can be given that it will be able to satisfy such obligations. Implementation of the CRS may require the Company to conduct additional due diligence and report upon accounts held with it by Shareholders who are reportable persons in other participating jurisdictions. As the Jersey CRS Legislation also provides for the "wider approach" of CRS to be followed, equivalent due diligence information will be demanded for a Shareholder who is not a resident of a participating jurisdiction (in order to avoid the need for this information to be gathered retrospectively in future years.). The Company also may require certain additional financial information from Shareholders to comply with its due diligence and reporting obligations under the CRS.

Failure by the Company to comply with the obligations under the CRS may result in fines being imposed on the Company and in such event, the target returns of the Company may be materially affected. All prospective Shareholders must agree to provide the Company at the time or times prescribed by applicable law and at such times reasonably requested by the Company such information and documentation (whether relating to themselves, their investors and/or beneficial owners) prescribed by applicable law and such additional documentation reasonably requested by the Company as may be necessary for the Company to comply with its obligations under CRS.

Prospective shareholders should, as with US and UK FATCA, consult their tax advisers with regard to the potential CRS tax reporting and certification requirements associated with an investment in the Company. It is further recommended that Shareholders who are entities consider themselves whether they have any obligations to notify their respective investors, shareholders or accountholders about the information that the Company requests, and the potential disclosures that the Company will be obliged to make in connection with those persons in complying with its obligations under CRS.

United Kingdom

The Company

As an AIF which has its registered office outside of the UK, the Company should not be resident in the United Kingdom for tax purposes. Accordingly, on the basis that the Company is not tax resident in the United Kingdom and provided that the Company does not carry on a trade in the United Kingdom (whether or not through a branch, agency or permanent establishment situated therein), the Company will not be subject to United Kingdom corporation tax, nor will it be subject to United Kingdom income tax other than on certain United Kingdom source income.

Shareholders

This section provides general guidance for Shareholders who are United Kingdom resident for tax purposes and hold their Shares as investments.

UK Offshore Fund Rules

The Directors consider that the Company should not constitute an "offshore fund" for the purposes of Part 8 of the Taxation (International and Other Provisions) Act 2010, on the basis that a reasonable investor holding Shares should not expect to be able to realise all or part of their investment in the Shares on a basis calculated entirely or almost entirely by reference to the net asset value of the assets of the Company or an index of any description, otherwise than on a liquidation or winding up and the Company is not designed to be wound up on a stated or determinable date. Accordingly, individual and corporate Shareholders should not be liable to United Kingdom income tax or corporation tax on income respectively in respect of any gain on disposal of the Shares, but they may, depending on their individual circumstances be liable to United Kingdom capital gains tax or corporation tax on chargeable gains realised on the disposal of their Shares.

On the basis that the Company should not constitute an "offshore fund" for UK tax purposes, the "bond fund" rules will not apply such that the Shares will not be treated as creditor loan

relationships for corporate Shareholders as set out in section 490 of the Corporation Tax Act 2009, and distributions on the Shares should not be treated as interest for income tax purposes for individual Shareholders as set out in section 378A of the Income Tax (Trading and Other Income) Act 2005.

Tax on Chargeable Gains

A disposal of Shares by a Shareholder who is resident in the United Kingdom for tax purposes or who is not so resident but carries on business in the United Kingdom through a branch, agency or permanent establishment with which their investment in the Company is connected may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of capital gains, depending on the Shareholder's circumstances and subject to any available exemption or relief.

For individual Shareholders capital gains tax at the rate of 10 per cent. (for basic rate taxpayers) or 20 per cent. (for higher or additional rate taxpayers) may be payable on any gain. Individuals may benefit from certain reliefs and allowances (including an annual exemption, which will exempt the first £11,100 (tax year 2016/17) of gains from tax) depending on their circumstances.

Shareholders that are bodies corporate resident in the United Kingdom for taxation purposes may benefit from indexation allowance which, in general terms, increases the chargeable gains tax base cost of an asset in accordance with the rise in the retail prices index but indexation allowance cannot create or increase an allowable loss. Such Shareholders will be subject to corporation tax on chargeable gains at the applicable rate of corporation tax, which is currently 20 per cent.

The conversion of C Shares into new Ordinary Shares at the Conversion Date should be treated as a reorganisation of share capital and accordingly should not constitute a disposal of the C Shares for the purposes of UK capital gains tax. The Ordinary Shares arising on Conversion should be treated as acquired at the same time as, and with the same base cost as, the C Shares.

Dividends

An individual Shareholder resident in the United Kingdom for tax purposes will receive a £5,000 tax-free dividend allowance. The dividend tax rates for any dividend income above £5,000 are 7.5 per cent. for basic rate taxpayers, 32.5 per cent. for higher rate taxpayers and 38.1 per cent. for additional rate taxpayers.

Shareholders that are bodies corporate resident in the United Kingdom for tax purposes, and that are not "small companies", may be able to rely on Part 9A of the Corporation Tax Act 2009 to exempt dividends from being chargeable to UK corporation tax if they hold less than 10 per cent. of the issued share capital of the Company, and are entitled to less than 10 per cent. of the profits available for distribution to holders of the issued share capital of the Company and would be entitled on a winding up to less than 10 per cent. of the assets of the Company available for distribution to holders of the issued share capital of the Company, or another exemption is applicable.

Shareholders within the charge to UK corporation tax which are "small companies" (as that term is defined in section 931S of the Corporation Tax Act 2009) will be liable to corporation tax on dividends paid to them by the Company because the Company is not resident in a "qualifying territory" for the purposes of the legislation contained in the Corporation Tax Act 2009. Jersey is a non-qualifying territory for this purpose.

UK pension funds will be exempted from a charge to tax but will not be able to reclaim the notional tax credit associated with the dividend paid by the Company.

Withholding Tax

The Company is not required to withhold UK tax at source from any dividends paid by it to Shareholders.

*Stamp Duty and Stamp Duty Reserve Tax ("**SDRT**")*

No UK stamp duty or SDRT will arise on the issue of Shares. No UK stamp duty will be payable on a transfer of Shares, provided that all instruments effecting or evidencing the transfer (or matters or things done in relation to the transfer) are not executed in the United Kingdom and no matters or actions relating to the transfer are performed in the United Kingdom. Provided that the Shares are not registered in any register kept in the United Kingdom by or on behalf of the

Company and that the Shares are not paired with shares issued by a company incorporated in the United Kingdom, any agreement to transfer the Shares will not be subject to UK SDRT.

*Individual Savings Accounts ("**ISAs**") and Small Self-Administered Schemes ("**SSASs**")/Self-Invested Personal Pensions ("**SIPPs**")*

C Shares acquired pursuant to the Placing will not be eligible to be held in an ISA. C Shares acquired in the Open Offer, Offer for Subscription or in the secondary market should be eligible for inclusion in a stocks and shares ISA, subject to applicable subscription limits. Investors resident in the United Kingdom who are considering acquiring C Shares in the Open Offer, Offer for Subscription or in the secondary market are recommended to consult their own tax and/or investment advisers in relation to the eligibility of the C Shares for ISAs. Investors may give their ISA manager sufficient cash to take up the Open Offer outside of their ISA, provided that the ISA manager immediately transfers the C Shares to the investor to be held outside of the ISA.

The annual ISA investment allowance is £15,240 for the tax year 2016/17. The C Shares should be eligible for inclusion in a SSAS or SIPP, subject to the discretion of the trustees of the SSAS or SIPP, as the case may be but investors resident in the United Kingdom who are considering acquiring C Shares in the Offer for Subscription or in the secondary market are recommended to consult their own tax and/or investment advisers in relation to the eligibility of the C Shares for SSAS/SIPPs.

Other United Kingdom tax considerations

Controlled Foreign Companies

United Kingdom resident companies having an interest in the Company, such that 25 per cent. or more of the Company's profits for an accounting period could be apportioned to them, may be liable to United Kingdom corporation tax in respect of their share of the Company's profits in accordance with the provisions of Part 9A of the Taxation (International and Other Provisions) Act 2010 relating to controlled foreign companies. These provisions only apply if the Company is controlled by United Kingdom resident persons (corporate and individuals).

*Section 13 of the Taxation of Chargeable Gains Act 1992 ("**Section 13**")*

The attention of persons resident or ordinarily resident in the United Kingdom for taxation purposes is drawn to the provisions of Section 13. Section 13 applies to a "participator" for UK taxation purposes (which includes a Shareholder) if at any time when a gain accrues to the Company which constitutes a chargeable gain for those purposes, the Company is itself controlled by a sufficiently small number of persons so as to render the Company a body corporate that would, were it to have been resident in the United Kingdom for taxation purposes, be a "close" company for those purposes.

The provisions of Section 13 could, if applied, result in any such person who is a "participator" in the Company being treated for the purposes of United Kingdom taxation of chargeable gains as if a part of any chargeable gain accruing to the Company had accrued to that person directly, that part being equal to the proportion of the gain that corresponds to that person's proportionate interest in the Company as a "participator". No liability under Section 13 could be incurred by such a person however, where the amount apportioned to such person and to persons connected with him does not exceed one quarter of the gain.

Transfer of Assets Abroad

The attention of individuals ordinarily resident in the UK is drawn to sections 714 to 751 of the Income Tax Act 2007, which contains provisions for preventing avoidance of income tax by transactions resulting in the transfer of income to persons (including companies) abroad and may render them liable to taxation in respect of undistributed income and profits of the Company.

Transactions in Securities

The attention of Shareholders is drawn to anti-avoidance legislation in Chapter 1, Part 13 of the Income Tax Act 2007 and Part 15 of the Corporation Tax Act 2010 that could apply if Shareholders are seeking to obtain tax advantages in prescribed conditions.

If any prospective investor is in doubt as to his taxation position, he is strongly recommended to consult an independent professional adviser without delay.

PART 8

GENERAL INFORMATION

1. THE COMPANY

1.1. The Company was incorporated with the name Project Finance Investments Limited and with limited liability in Jersey under the Companies Law on 7 September 2015 with registered number 119412 as a closed-ended company.

1.2. By way of special resolution, the Company changed its name to GCP Asset Backed Income Fund Limited on 12 October 2016.

1.3. The principal place of business and the registered office of the Company is 12 Castle Street, St. Helier, Jersey JE2 3RT with telephone number +44 (0) 1534 847060.

1.4. The principal legislation under which the Company operates is the Companies Law and ordinances and regulations made thereunder. The Company is registered in Jersey as a listed fund and is regulated pursuant to the Collective Investment Funds (Jersey) Law 1988 and the Jersey Listed Fund Guide. The Company is not regulated as a collective investment scheme by the FCA. However it is subject to the Prospectus Rules, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules, the Listing Rules and the rules of the London Stock Exchange.

1.5. The accounting period of the Company will end on 31 December of each year. The annual report and accounts of the Company will be prepared in Sterling according to accounting standards laid out under IFRS.

1.6. The Company is domiciled in Jersey, does not have any employees and does not own any premises.

1.7. The Company is the parent company of the Group. The Company has two directly or indirectly wholly owned subsidiaries: (i) GCP Asset Backed Income (UK) Limited (formerly, Project Finance Investments (UK) Limited); and (ii) GABI GS Limited each of which was incorporated under the laws of England and Wales on 23 October 2015 and 4 January 2017 respectively as a private company limited by shares.

1.8. The Company has been established with an indefinite life, subject to a special resolution being passed by Shareholders for its winding-up in accordance with the Companies Law. In addition to the potential availability of share purchases mentioned in Part 1, Shareholders may seek to realise their holdings through disposals in the market.

2. SHARE CAPITAL

2.1. The following table shows the issued capital as at the date of this document and following completion of the Issue (assuming 100 million C Shares are issued pursuant to the Issue):

	Ordinary Shares Number	C Shares Number
As at the date of this document	164,612,083	—
Following completion of the Issue	164,612,083	100,000,000

2.2. The effect of the Issue will be to increase the net assets of the Company. On the assumption that the Gross Proceeds are £100 million, the fundraising is expected to increase the net assets of the Company by approximately £98.1 million.

2.3. The authorised share capital of the Company on incorporation was represented by an unlimited number of Shares.

2.4. The Company's issued share capital history since incorporation is as follows:

(a) on incorporation, two Ordinary Shares were issued at 100 pence each (fully paid) for the purposes of incorporation to the subscriber of the Company's memorandum of association;

(b) on 14 September 2015, two Ordinary Shares were transferred from the subscribers at incorporation to the Investment Manager. Such Ordinary Shares were transferred to investors as part of the Issue on Admission;

(c) on 23 October 2015, 106,000,000 Ordinary Shares were issued fully paid pursuant to a placing and offer for subscription;

(d) on 31 May 2016, 44,086,270 C Shares were issued fully paid pursuant to an open offer, placing and offer for subscription;

(e) on 18 October 2016, 44,086,270 C Shares converted into 43,647,347 Ordinary Shares. Each holder of C Shares received 0.990044 Ordinary Shares for every C Share held by him/her; and

(f) on 7 November 2016, 14,964,734 Ordinary Shares were issued fully paid pursuant to a placing.

2.5. The Company has not repurchased any Ordinary Shares since its incorporation and no Ordinary Shares are held in treasury.

2.6. By ordinary and special resolutions of the Company passed on 28 September 2015:

2.6.1. the Articles were approved and adopted in substitution for and to the exclusion of the existing articles of association;

2.6.2. the Directors were generally and unconditionally authorised to allot and/or sell from treasury for cash up to 300 million Ordinary Shares and 300 million C Shares as if the pre-emption rights conferred by the Articles did not apply to the allotment and/or sale, such authority to expire at the annual general meeting of the Company to be held in 2019 save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment and/or sale of Ordinary Shares or C Shares in pursuance of such an offer or agreement as if such authority had not expired.

2.7. By special resolutions of the Company passed on 12 October 2016:

2.7.1. the Company was authorised pursuant to Article 57 of the Companies Law to make market purchases of up to 15,889,400 Ordinary Shares (being equivalent of 14.99 per cent. of the Ordinary Shares in issue as at 9 September 2016), provided that:

2.7.1.1. the minimum price, exclusive of any expenses, which may be paid for an Ordinary Share is one pence per Ordinary Share (or equivalent in any other currency);

2.7.1.2. the maximum price, exclusive of any expenses, which may be paid for an Ordinary Share is an amount equal to the higher of:

2.7.1.2.1. 105 per cent. of the average of the middle market quotations of an Ordinary Share (as derived from the Daily Official List of the London Stock Exchange) for the five business days immediately preceding the date on which such Ordinary Share is contracted to be purchased; and

2.7.1.2.2. the higher of:

(a) the price of the last independent trade of any Ordinary Share; and

(b) the highest current independent bid for an Ordinary Share on the London Stock Exchange.

This authority shall expire, unless previously revoked or varied, at the conclusion of the annual general meeting of the Company to be held in 2017 except in relation to the purchase of Ordinary Shares the contract for which was concluded before the expiry of the authority and which will or may be executed wholly or partly after such expiry; and

2.7.2. pursuant to Article 11 of the Articles, the Company may hold any of the Ordinary Shares purchased pursuant to the authority conferred by paragraph 2.7.1 above as treasury shares.

2.8. The Company is permitted to fund the payments for purchases of Ordinary Shares in any manner permitted by the Companies Law and the Directors must reasonably believe that the Company meets the solvency tests prescribed by the Companies Law before making such purchases.

2.8 In accordance with the power granted to the Directors by the Articles, it is expected that the C Shares will be allotted (conditionally upon Admission) pursuant to a resolution of the Board to be passed shortly before Admission in accordance with the Companies Law.

2.9 Save as disclosed in this paragraph 2, no share or loan capital of the Company has since the date of incorporation of the Company been issued or been agreed to be issued, fully or partly paid, either for cash or for a consideration other than cash, and no such issue is now proposed.

2.10 The Company has not granted any options over its share or loan capital which remain outstanding and has not agreed, conditionally or unconditionally to grant any such options and no convertible securities, exchangeable securities or securities with warrants have been issued by the Company.

2.11 All of the C Shares will be in registered form and will be eligible for settlement in CREST. Temporary documents of title will not be issued.

3. INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS

3.1. Insofar as is known to the Company, the interests of each Director (including any connected person) in the Ordinary Share capital of the Company as at the date of this document are:

Director	Number of Ordinary Shares	% of issued Ordinary Share capital
Alex Ohlsson*	50,000	0.030
Colin Huelin**	19,900	0.012
Joanna Dentskevich***	39,800	0.024

* The Ordinary Shares are held by Lexo Investments Limited (registered in Jersey with registered number 49096, controlled by Mr. Ohlsson and his family trust).

** 9,900 Ordinary Shares are held by Mr. and Mrs. Huelin's self-invested personal pension plan, Caleh Limited (registered in Jersey with registered number 89141).

*** The Ordinary Shares are held by Dr. and Ms. Dentskevich's self-invested personal pension plan, Euphorix Investments Limited (registered in Jersey with registered number 102392).

3.2. All C Shares allotted and issued to the Directors are, or will be, beneficially held by such Directors unless otherwise stated.

3.3. Save as disclosed in paragraphs 3.1 and 3.2 above, immediately following Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

3.4. No Director has a service contract with the Company, nor are any such contracts proposed, each Director having been appointed pursuant to a letter of appointment. The Directors' appointments can be terminated in accordance with the Articles and without compensation. The Directors are subject to retirement by rotation in accordance with the Articles. There is no notice period specified in the letters of appointment or Articles for the removal of Directors. The Articles provide that the office of Director shall be terminated by, among other things: (i) written resignation; (ii) unauthorised absences from board meetings for six consecutive months or more; and (iii) written request of all of the other Directors.

3.5. Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chairman of the Board, the fee is £24,000 for each Director per annum plus an additional annual fee of £3,500 for the chairman of the audit committee. The Chairman's fee is £29,500 per annum. The Directors are also entitled to out-of-pocket expenses incurred in the proper performance of their duties. The aggregate remuneration and benefits in kind of the Directors in respect of the accounting period of the Company ending on 31 December 2016 which is payable out of the assets of the Company was £101,176.72.

3.6. No amount has been set aside or accrued by the Company to provide pensions, retirement or other similar benefits.

3.7. The Company has not made any loans to the Directors which are outstanding, nor have they ever provided any guarantees for the benefit of any Director or the Directors collectively.

3.8. Over the five years preceding the date of this document, the Directors hold or have held the following directorships (apart from their directorships of the Company) or memberships of administrative, management or supervisory bodies and/or partnerships:

Name	Current	Previous
Alex Ohlsson	Aspen Portfolio Holdings Limited Augres Enterprises Limited Averon Limited BL Debs Limited BL Leadenhall Holding Co (Jersey) Limited Bluebutton Properties Limited Blueside Limited Carey Olsen GP Limited Carey Olsen Group Holdings Limited Carlton Limited Carlton Investment Trust Limited Carlton Management Services Limited Carmel Portfolio Holdings Limited Clarsu Limited Crestbridge Corporate Holdings Limited Dassie Property Investments Limited Envisage Investments Limited Family Mortgage Company Limited Foresight Solar Fund Limited Grainton Limited Grainton Investment Trust Limited Highstead Developments Limited Keldon Holdings Limited Kerdal Properties Limited La Falaise Properties Limited La Hauteur Investments Limited La Hauteur Properties Limited Lady K Limited Leadenhall Holding Company (Jersey) Limited Les Verdiers Limited Lexo Investments Limited Lexo Pension Plan Limited Lyonheart Limited MRC Advisers LLC Monterey Holdings Limited Neslo Partners No.1 Limited Neslo Partners No.2 Limited Neslo Partners No.3 Limited Neslo Partners No.4 Limited Neslo Partners No.5 Limited Neslo Partners No.6 Limited NHP Securities No. 11 Limited NHP Securities No. 9 Limited Ohad Holdings Limited One Sheldon Square Limited Puma Partners Limited RBL Jersey Overseas Branch (Holdings) Limited SD (MRC) Holdings Limited Sorrento Properties Cayman Limited	Abbey National International Limited Auburn Limited (dissolved – solvent liquidation) BL Chess Adviser Limited (dissolved – solvent liquidation) Carlton International Holdings Limited (dissolved – solvent liquidation) Dominion Fiduciary Holdings Limited Finn Limited (dissolved – solvent liquidation) GCP Sovereign Infrastructure Debt Limited (dissolved – solvent liquidation) Geasim Limited (dissolved – solvent liquidation) Lerwick Limited (dissolved – solvent liquidation) Max Property Group Plc (dissolved – solvent liquidation) NB Consulting Limited Neslo Holdings Limited Neslo Investments Limited (dissolved – solvent liquidation) OBD Investments Limited (dissolved – solvent liquidation) Sandside Limited (dissolved – solvent liquidation) Scalpay Limited (dissolved – solvent liquidation) SFM Holdings Limited SFM Management Services Limited (dissolved – solvent liquidation) Vaila Limited (dissolved – solvent liquidation)

Name	Current	Previous
	Stoneleigh Investment Limited Stornoway Limited Tehama Portfolio Holdings Limited Trinity Private Trust Company Limited Verona Services Limited Virgate Limited Willan Properties No1 Limited Willan Properties No2 Limited Willan Trustee Limited	
Colin Huelin	Caleh Limited The Law Debenture Trust Corporation (Channel Islands) Limited	Abbey National GP (Jersey) Ltd (solvent dissolution) Abbey National International Limited Alliance & Leicester International Holdings Limited (liquidated – members voluntary liquidation) ALIL Services Ltd A&L Services Ltd Whitewick Ltd
Joanna Dentskevich	Blackstone/GSO Loan Financing Ltd Moore Management Ltd Signal Credit GP Ltd Somerston Multi Asset Fund IC Somerston Funds ICC Triskelion Advisors Ltd Euphorix Investments Ltd Henderson Horizon Fund SICAV	AEP 2003 Ltd AEP 2008 Ltd AEP 2012 Ltd Blackstone/GSO Loan Financing 2 Ltd Moore Fund Administration (Jersey) Ltd

3.9. Save as set out in paragraph 3.8 above, the Directors in the five years before the date of this document:

3.9.1. do not have any convictions in relation to fraudulent offences;

3.9.2. have not been associated with any bankruptcies, receiverships or liquidations of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and

3.9.3. do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

3.10. Alex Ohlsson is the managing partner of the law firm Carey Olsen, the advisers to the Company as to Jersey law and may therefore face a conflict of interests in the event that Carey Olsen has a conflict between the duty it owes to the Company and another existing or former client of Carey Olsen. Otherwise, as at the date of this document, none of the Directors have any conflict of interest or potential conflict of interest between any duties to the Company and their private interests and/or other duties.

3.12. The Company maintains directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

3.13. As at 31 December 2016 (and taking account of any notifications of interests in Ordinary Shares received by the Company since 31 December 2016), insofar as is known to the Company, the following persons hold directly or indirectly three per cent. or more of the Ordinary Shares:

Name	Number of Ordinary Shares held	% of issued Ordinary Share capital
City of Bradford Metropolitan DC	11,940,088	7.25
CCLA Investment Management	11,011,478	6.69
Bank of Montreal	11,000,000	6.68
Brewin Dolphin	10,812,979	6.57
Premier Asset Managers	9,893,334	6.01
Close Brother Asset Management	9,053,139	5.5
EFG Harris Allday	8,656,921	5.26
Smith & Williamson Investment Management	6,619,852	4.02

3.14. None of the Company's shareholders has or will have voting rights attached to the Shares held by them which are different from the voting rights attached to any other Shares in the same class in the Company.

3.15. As at the date of this document, the Company and the Directors are not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

3.16. The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

4. THE MEMORANDUM AND ARTICLES

The Memorandum and Articles contain, *inter alia*, the following material provisions. A copy of the Memorandum and Articles may be inspected or requested by a Shareholder (or a prospective Shareholder) from the Administrator at the Company's registered office.

4.1 Objects

The Memorandum and Articles do not limit the objects of the Company.

4.2 Rights attached to shares

Subject to the provisions of the Statutes (as defined in the Articles) and to any special rights conferred on the holders of any other shares, any share or any class may be issued with or have attached to it such rights and restrictions as the Company may by ordinary resolution decide or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may decide.

4.2.1 *Voting rights*

Subject to the rights or restrictions referred to in paragraph 4.2.2 below, and subject to any special rights or restrictions as to voting for the time being attached to any shares (including the relevant provisions relating to the C Shares as described in Part 5 of this document), on a show of hands (a) every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have one vote; and (b) every proxy appointed by a member shall have one vote save that every proxy appointed by one or more members to vote for the resolution and by one or more other members to vote against the resolution, has one vote for and one vote against. A member entitled to more than one vote need not, if he votes, use all his votes or vest all the votes he uses in the same way. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

4.2.2 ***Restrictions on voting***

Unless the Board otherwise decides, a member of the Company shall not be entitled to vote, either in person or by proxy, at any general meeting or at any separate general meeting of the holders of any class of shares in the Company in respect of any share held by him unless all calls and other sums presently payable by him in respect of that share have been paid.

A member of the Company shall not, if the Directors determine, be entitled to be present or to vote at general meetings of the Company or to exercise any other rights of membership if he, or another person appearing to be interested in the relevant shares, has failed to comply with a notice requiring disclosure of interests in shares given under Article 45 of the Articles within 14 days.

Notwithstanding any other provision of the Articles, where required by the Listing Rules, a vote must be decided by a resolution of the holders of the Company's shares that have been admitted to Premium Listing. In addition, where the Listing Rules require that a particular resolution must in addition be approved by the independent shareholders (as such term is defined in the Listing Rules), only independent shareholders who hold the Company's shares that have been admitted to Premium Listing can vote on such separate resolution.

4.2.3 ***Dividends***

The Company may, by ordinary resolution, declare a dividend to be paid to the members, according to their respective rights and interests in the profits of the Company. The Board may pay such interim dividends as appear to the Board to be justified by the financial position of the Company. No dividend or other monies payable by the Company on or in respect of any share shall bear interest as against the Company unless otherwise provided by the rights attaching to the relevant share.

The Board may, if authorised by an ordinary resolution of the Company, offer any holders of any particular class of shares in the Company the right to elect to receive further shares (whether or not of that class), credited as fully paid, instead of cash in respect of all or part of any dividend specified by the ordinary resolution.

The Company or the Board may fix a date as the record date by reference to which a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared.

A dividend unclaimed for a period of 12 years after having been declared or become due for payment shall be forfeited and cease to remain owing by the Company.

Subject to the rights of any Shares which may be issued with special rights or privileges, the Shares of each class carry the right to receive all income of the Company attributable to the Shares, and to participate in any distribution of such income by the Company in proportion to the number of Shares of such class held by them.

4.2.4 ***Return of capital***

If the Company is in liquidation, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Statutes (as defined in the Articles), divide among the members *in specie* the whole or any part of the assets of the Company and, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members or vest the whole or any part of the assets in trustees on such trusts for the benefit of the members as the liquidator, with the same sanction, thinks fit but no member shall be compelled to accept any assets on which there is any liability.

As to capital on a winding-up of the Company or other return of capital (other than by way of a repurchase or redemption of Shares in accordance with the provisions of the Articles and the Statutes (as defined in the Articles)), the surplus assets of the Company attributable to the Shares remaining after payment of all creditors shall, subject to the rights of any Shares that may be issued with special rights or privileges, be divided amongst the holders of Shares of each class in proportion to the number of Shares of such class held by them.

4.3 **C Shares**

A summary of the rights attaching to the C Shares is set out in Part 5 of this document.

4.4 **Variation of rights**

All or any of the rights for the time being attached to any class of shares in the Company in issue may from time to time (whether or not the Company is being wound up) be varied in such manner (if any) as may be provided by those rights or with the consent in writing of the holders of three-quarters in number of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of those shares. The necessary quorum for the separate general meeting (other than an adjourned meeting) shall be two persons holding, or representing by proxy at least one-third of the issued shares of the class (excluding any shares of that class held as treasury shares) or, at an adjourned meeting, the necessary quorum shall be two persons holding shares of the class (other than treasury shares) or his proxy. Every holder of shares shall have one vote in respect of every share of the class held by him (excluding any shares of that class held as treasury shares) and a poll may be demanded by any one holder of shares whether present in person or by proxy.

4.5 **Transfer of shares**

Subject to the restrictions set out in this paragraph, a member may transfer all or any of his shares in the Company in any manner which is permitted by the Statutes (as defined in the Articles) or in any other manner which is from time to time approved by the Board.

The instrument of transfer of any share in the Company shall be in writing in any usual common form or in any other form permitted by the Statutes (as defined in the Articles) or approved by the Board. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of those shares. Subject to the Articles, a member may transfer an uncertificated share by means of the relevant system or in any other manner which is permitted by the Statutes or the Regulations (each as defined in the Articles) and is from time to time approved by the Board.

The Board may, in its absolute discretion, refuse to register any transfer of a certificated share of any class which is not fully paid provided that, where any such shares are admitted to trading on the London Stock Exchange, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis. The Board may also refuse to register any transfer of a certificated share unless the transfer is in respect of one class of shares and is in favour of no more than four transferees and the instrument of transfer is deposited at the office of the Company or such other place as the Board may appoint, accompanied by the certificate for the shares to which it relates if it has been issued, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

The Directors may, pursuant to the provisions of the Articles relating to disclosure of interests, decline to register a transfer in respect of shares which are the subject of a notice as referred to in paragraph 4.7 of this Part 8 and in respect of which the required information has not been received by the Company within 14 days after receipt of the notice.

The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods as the Directors may determine.

In respect of any allotment of any share the Directors shall have the same right to decline to approve the registration of any renouncee of an allottee as if the application to allot and the renunciation were a transfer of a share under the Articles.

If at any time the holding or beneficial ownership of any shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Directors (i) would cause the assets of the Company to be treated as ''plan assets'' of any benefit plan investor under Section 3(42) of ERISA or the U.S. Code; or (ii) would or might result in the Company and/or its shares being required to register or qualify under the U.S. Investment Company Act and/or the U.S. Securities Act and/or the U.S. Securities Exchange Act 1934 and/or any laws of any state of the U.S. that regulate the offering and sale of securities; or

(iii) may cause the Company not to be considered a "Foreign Private Issuer" under the U.S. Securities Exchange Act 1934; or (iv) may cause the Company to be a "controlled foreign corporation" for the purpose of the U.S. Code; or (v) creates a significant legal or regulatory issue for the Company under the U.S. Bank Holding Company Act of 1956 (as amended) or regulations or interpretations thereunder, then any shares which the Directors decide are shares which are so held or beneficially owned ("**Prohibited Shares**") must be dealt with in accordance with this paragraph 4.5. The Directors may at any time give notice in writing to the holder of a share requiring him to make a declaration as to whether or not the share is a Prohibited Share.

The Directors shall give written notice to the holder of any share which appears to them to be a Prohibited Share requiring him within 21 days (or such extended time as the Directors consider reasonable) to transfer (and/or procure the disposal of interests in) such share to another person so that it will cease to be a Prohibited Share. From the date of such notice until registration for such a transfer or a transfer arranged by the Directors as referred to below, the share will not confer any right on the holder to receive notice of or to attend and vote at a general meeting of the Company and of any class of shareholder and those rights will vest in the chairman of any such meeting, who may exercise or refrain from exercising them entirely at his discretion. If the notice is not complied with within 21 days to the satisfaction of the Directors, the Directors shall arrange for the Company to sell the share at the best price reasonably obtainable to any other person so that the share will cease to be a Prohibited Share. The net proceeds of sale (after payment of the Company's costs of sale and together with interest at such rate as the Directors consider appropriate) shall be paid over by the Company to the former holder upon surrender by him of the relevant share certificate (if applicable).

Upon transfer of a share the transferee of such share shall be deemed to have represented and warranted to the Company that such transferee is acquiring shares in an offshore transaction meeting the requirements of Regulation S and is not, nor is acting on behalf of: (i) a benefit plan investor and no portion of the assets used by such transferee to acquire or hold an interest in such share constitutes or will be treated as "plan assets" of any benefit plan investor under Section 3(42) of ERISA; and/or (ii) a U.S. Person.

4.6 **Pre-emption rights**

There are no provisions under Companies Law equivalent to section 561 of the UK Companies Act 2006 which confer pre-emption rights on existing shareholders in connection with the allotment of equity securities for cash or otherwise, but similar pre-emption rights are contained within the Articles.

The Articles provide that, unless otherwise authorised by a special resolution, if the Company is proposing to allot equity securities (as defined in the Articles) it shall not allot them on any terms unless (i) the Company has first made an offer to each person who holds equity shares (as defined in the Articles) to allot to him equity securities in proportion to his existing holding; and (ii) the period, which shall not be less than 21 clear days, during which any offer referred to in (i) above may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer made. A reference to the allotment of equity securities above includes the grant of a right to subscribe for, or to convert any securities into, equity securities but does not include the allotment of equity shares pursuant to such a right.

The pre-emption rights set out above shall not apply to:

(a) a particular allotment of equity securities if these are, or are to be, wholly or partly paid up or allotted otherwise than in cash; or

(b) the allotment of equity securities which would, apart from a renunciation or assignment of the right to their allotment, be held under an employee share scheme; or

(c) the allotment of bonus shares in the Company.

4.7 **Disclosure of interests in shares**

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules (as amended from time to time) ("**DTR 5**") of the Financial Conduct Authority Handbook apply to the Company on the basis that the Company is a "non-UK issuer", as such term is

defined in DTR 5. As such, a person is required to notify the Company of the percentage of voting rights it holds as a holder of Ordinary Shares and/or C Shares or holds or is deemed to hold through the direct or indirect holding of financial instruments falling within DTR 5 if, as a result of an acquisition or disposal of Ordinary Shares and/or C Shares (or financial instruments), the percentage of voting rights reaches, exceeds or falls below the relevant percentage thresholds being, in the case of a non-UK issuer, 5, 10, 15, 20, 25, 30, 50 and 75 per cent. However, pursuant to the Articles, DTR 5 is deemed to apply to the Company as though the Company were a UK "issuer" as such term is defined by DTR 5. As such, the relevant percentage thresholds that apply to the Company are 3, 4, 5, 6, 7, 8, 9, 10 per cent. and each 1 per cent. threshold thereafter up to 100 per cent., notwithstanding that in the absence of those provisions of the Articles such thresholds would not apply to the Company.

There are no provisions under the Companies Law equivalent to those contained in Part 22 of the UK Companies Act 2006 (Disclosure of Interests in Shares). Accordingly, in order to make provision for the disclosure of interests, the Articles contain provisions which require members, in certain circumstances, to disclose interests in the shares of the Company.

If it shall come to the notice of the Directors that any member has not, within the requisite period, made or, as the case may be, procured the making of any notification required by this paragraph, the Directors may serve a notice on such member and the provisions of the Articles shall apply.

The Company has the right, by service of notice in writing, to require a registered member to disclose to the Company the nature of his interest in shares in the Company held at such time or at any time in the previous 3 years including the identity of any person, other than the member, who has any interest in the shares held by the member, and the nature of such interest.

A member will be required to respond within 14 days of receipt of the notice. The sanctions applicable if a member is in default of his obligation to respond to such notice include the member being no longer entitled to exercise voting rights attaching to the shares held by that member, dividends payable on the member's shares being withheld and transfers of shares being refused registration, in each case, until such time as the appropriate disclosures are properly made.

4.8 **Alteration of capital and purchase of own shares**

The Company may alter its share capital in any way that is permitted by the Statutes (as defined in the Articles). Any new shares created on an increase or other alteration of share capital shall be issued upon such terms and conditions, including as to currency, as the Company may by resolution of the Board or by ordinary resolution determine.

Subject to the provisions of the Statutes (as defined by the Articles) the Company may purchase all or any of its shares of any class, including any redeemable shares and may hold such shares as treasury shares or cancel them.

4.9 **General meetings**

The requirement for the Company to hold an annual general meeting may be dispensed with if all of the members agree in writing and any such agreement remains valid in accordance with the Companies Law. Otherwise, the Company shall in each calendar year hold a general meeting as its annual general meeting at such time and place outside the UK as may be determined by the Directors provided that, if the Company holds its first annual general meeting within eighteen months of its incorporation, the Company need not hold an annual general meeting in the year of its incorporation or in the following year.

4.9.1 ***Convening of general meetings***

All meetings, other than annual general meetings, shall be called general meetings. The Board may convene a general meeting whenever it thinks fit. All general meetings shall take place outside of the UK. A general meeting shall also be convened by the Board on the requisition of members pursuant to the provisions of the Companies Law or, in default, may be convened by such requisitions, as provided by the Statutes (as defined in the Articles). The Board shall comply with the provisions of the Statutes regarding the giving

and the circulation, on the requisition of members, of notices of resolutions and of statements with respect to matters relating to any resolution to be proposed or business to be dealt with at any general meeting of the Company.

4.9.2 ***Notice of general meetings***

At least fourteen clear days' notice shall be given of every annual general meeting and of every general meeting of the Company, including without limitation, every general meeting called for the passing of a special resolution.

Notwithstanding that a meeting is called by less than fourteen clear days' notice, any such meeting shall be deemed to have been duly called if it is so agreed (a) in the case of an annual general meeting by all the members entitled to attend and vote thereat and (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting being a majority together holding not less than ninety-five per cent. of the total voting rights of shares giving that right.

Every notice shall specify the place outside the UK, the day and the time of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

Subject to the provisions of the Articles, and to any restrictions imposed on any shares, notice of every general meeting shall be given to all members, to all persons entitled to a share in consequence of the death, bankruptcy or incapacity of a member, to the auditors (if any) and to every Director who has notified the secretary in writing of his desire to receive notice of general meetings.

In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote at that meeting instead of him and that a proxy need not also be a member of the Company.

4.9.3 ***Quorum***

No business shall be transacted at any general meeting, except the adjournment of the meeting, unless a quorum of members is present at the time when the meeting proceeds to business.

A quorum of members shall consist of not less than two members present but so that not less than two individuals will constitute the quorum, provided that, if at any time all of the issued shares in the Company are held by one member such quorum shall consist of that member present.

If within 15 minutes from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to a day 10 clear days after the original meeting (or, if that day is not a business day, to the next business day) and the same time and place, as the original meeting, or to such later business day, and at such other time and place outside the UK, as the Board may decide and in the latter case not less than seven clear days' notice of the adjourned meeting shall be given in any manner in which notice of a meeting may lawfully be given for the time being. If at an adjourned meeting a quorum is not present within 15 minutes from the time fixed for holding the meeting, the meeting shall be dissolved.

4.9.4 ***Chairman***

At each general meeting, the chairman of the Board or, if he is absent or unwilling, the deputy chairman (if any) of the Board or (if more than one deputy chairman is present and willing) the deputy chairman who has been longest in such office or, if no deputy chairman is present and willing, then one of the other Directors who is appointed for the purpose by the Board or (failing appointment by the Board), by the members present, shall preside as chairman of the meeting, but if no Director is present within 15 minutes after the time fixed for holding the meeting or, if none of the Directors present is willing to preside, the members present and entitled to vote shall choose one of their number to preside as chairman of the meeting.

4.9.5 ***Directors entitled to attend and speak***

Whether or not he is a member, a Director shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares of the Company.

4.9.6 ***Adjournment***

With the consent of any meeting at which a quorum is present, the chairman of the meeting may (and if so directed by the meeting shall) adjourn the meeting from time to time or *sine die* and from place to place outside the UK.

In addition, the chairman of the meeting may at any time, without the consent of the meeting, adjourn the meeting (whether or not it has commenced or a quorum is present) to another time and/or place outside the UK if, in his opinion, it would facilitate the conduct of the business of the meeting to do so, notwithstanding that by reason of such adjournment some members may be unable to be present at the adjourned meeting.

4.9.7 ***Method of voting and demand for poll***

At a general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or immediately after the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by:

(a) the chairman of the meeting;

(b) not less than five members having the right to vote on the resolution; or

(c) a member or members representing in aggregate not less than 10 per cent. of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to any shares in the Company held as treasury shares),

and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member himself.

4.9.8 ***Taking a poll***

If a poll is demanded (and the demand is not withdrawn), it shall be taken at such time (either at the meeting at which the poll is demanded or within 30 days after the meeting), at such place outside the UK and in such manner as the chairman of the meeting shall direct and he may appoint scrutineers (who need not be members).

4.9.9 ***Proxies***

A proxy need not be a member of the Company and a member may appoint more than one proxy in relation to a meeting to attend and to speak and to vote on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by a member.

4.10 **Directors**

4.10.1 ***Number and residence***

Unless otherwise determined by ordinary resolution of the Company, the number of Directors (other than alternate directors) shall be not less than two but there shall be no maximum number of Directors.

Subject to the provisions of the Articles any person who is willing to act to be a Director either to fill a vacancy or as an additional director may be appointed by (a) the Company by ordinary resolution; or (b) the Board.

No person (other than a Director retiring by rotation or otherwise) shall be appointed or re-appointed a Director at any general meeting unless: (a) he is recommended by the Board; or (b) not less than 7 nor more than 42 clear days before the date appointed for the meeting there has been given to the Company, by a member (other than the person to be proposed) entitled to vote at the meeting, notice of his intention to propose a resolution for the appointment of that person in the prescribed form.

4.10.2 ***Remuneration***

The Directors (other than any Director who for the time being holds an executive office of employment with the Company or a subsidiary of the Company) shall be paid out of the funds of the Company by way of remuneration for their services as Directors. The

aggregate of such fees shall not exceed £300,000 per annum (or such larger sum as the Company may, by ordinary resolution, determine) as the Directors may decide to be divided among them in such proportion and manner as they may agree or, failing agreement, equally. Any fee payable to the Directors under Article 79 of the Articles shall be distinct from any remuneration or other amounts payable to a Director under other provisions of the Articles and shall accrue from day to day.

The Directors shall be paid out of the funds of the Company all reasonable travelling, hotel and other expenses properly incurred in connection with the exercise of their powers and discharge of their duties, including expenses incurred in travelling to and from meetings of the Board, committee meetings, general meetings and separate meetings of the holders of any class of securities of the Company.

4.10.3 ***Retirement of Directors***

At each annual general meeting, any Director who has been appointed by the Board since the previous annual general meeting and any Director selected to retire by rotation pursuant to the Articles shall retire from office.

4.10.4 ***Retirement of Directors by rotation***

At each annual general meeting of the Company, one-third of the Directors (excluding any Director who has been appointed by the Board since the previous annual general meeting) or, if their number is not an integral multiple of three, the number nearest to one-third, but not exceeding one-third, shall retire from office. In addition, each Director shall retire from office at the third annual general meeting after he was appointed or re-appointed, if he would not otherwise fall within the Directors to retire by rotation.

The Directors to retire by rotation at each annual general meeting shall be those Directors who, at the date of the notice of the meeting, have been longest in office since their last appointment or re-appointment but, as between persons who became or were last re-appointed Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board on the day which is 14 days prior to the date of the notice convening the annual general meeting and no Directors shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after that time but before the close of the meeting.

A retiring Director shall be eligible for re-appointment and (unless he is removed from office or his office is vacated in accordance with the Articles) shall retain office until the close of the meeting at which he retires or (if earlier) when a resolution is passed at that meeting not to fill the vacancy or to appoint another person in his place or the resolution to re-appoint him is put to the meeting and lost.

If at any meeting at which the appointment of a Director ought to take place the office vacated by a retiring Director is not filled, the retiring Director, if willing to act, shall be deemed to be re-appointed, unless at the meeting a resolution is passed not to fill the vacancy or to appoint another person in his place or unless the resolution to re-appoint him is put to the meeting and lost.

4.10.5 ***Removal of Directors***

The Company may by ordinary resolution in accordance with the Articles, remove any Director before his period of office has expired notwithstanding anything in the Articles or in any agreement between him and the Company.

A Director may also be removed from office by the service on him of a notice to that effect signed by all the other Directors (which, for the avoidance of doubt, may be signed in counterpart). Any removal of a Director in accordance with the Articles is without prejudice to any claim which such Director may have for damages for breach of any agreement between him and the Company.

4.10.6 ***Vacation of office of Director***

The office of a director shall be vacated: (a) if he is prohibited by law from being a director; (b) if he becomes bankrupt or he makes any arrangement or composition with his creditors generally; (c) if a registered medical practitioner who is treating that person gives

a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months; (d) if he is, or may be, suffering from mental disorder and in relation to that disorder either he is admitted to hospital for treatment or an order is made by a court (whether in Jersey or elsewhere) for his detention or for the appointment of some person to exercise powers with respect to his property or affairs; (e) if for more than six months he is absent (whether or not an alternate director attends in his place), without special leave of absence from the board, from meetings of the board held during that period and the board resolves that his office be vacated; or (f) if he serves on the Company notice of his wish to resign, in which event he shall vacate office on the service of that notice on the Company or at such later time as is specified in the notice.

4.10.7 ***Executive Directors***

The Board may appoint one or more Directors to hold any executive office or employment under the Company for such period (subject to the provisions of the Statutes (as defined in the Articles)) and on such terms as the Board may decide.

A Director appointed to any executive office or employment shall automatically cease to hold that office if he ceases to be a Director.

4.10.8 ***Directors' interests***

A Director shall not be entitled to vote on a resolution (or attend or count in the quorum at those parts of a meeting regarding such resolution) relating to a transaction or arrangement with the Company in which he is interested, save where the other Directors resolve that the Director concerned should be entitled to do so where they are satisfied that the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest or save in any of the following circumstances:

(a) the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by such Director or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;

(b) the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which such Director has assumed responsibility, in whole or in part, under a guarantee or an indemnity or by the giving of security;

(c) any contract concerning an offer of shares, debentures or other securities of or by the Company or any of its subsidiary undertakings for subscription or purchase in which offer such Director is or may be entitled to participate as a holder of securities or such Director is or is to be interested as a participant in the underwriting or sub-underwriting thereof;

(d) any contract in which such Director is interested by virtue of his interest in shares, debentures or other securities of the Company or otherwise in or through the Company;

(e) any contract concerning any other company in which such Director is interested, directly or indirectly and whether as an officer, shareholder, creditor or otherwise, in 1 per cent. or more either of its equity share capital or of its voting rights or if he can cause 1 per cent. or more of those voting rights to be exercised at his discretion;

(f) any contract concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to both Directors and employees of the Company and/or any of its subsidiary undertakings and does not provide in respect of any Director as such any privilege or advantage not accorded to the employees to which the fund or scheme relates;

(g) any contract concerning the adoption, modification or operation of an employees' share scheme; and

(h) any proposal concerning the purchase or maintenance of insurance for the benefit of persons including Directors.

Subject to the interest of a Director being duly declared, a contract entered into by or on behalf of the Company in which any Director is in any way interested shall not be liable to be avoided nor shall any Director so interested be liable to account to the Company for any benefit resulting from the contract by reason of him holding that office or of the fiduciary relationship established by his holding that office.

A Director shall not vote (or be counted in the quorum at a meeting) in respect of any resolution concerning his own appointment (including fixing or varying its terms), or the termination of his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested.

Where proposals are under consideration concerning the appointment (including fixing or varying its terms) or the termination of the appointment of two or more Directors to offices or places of profit with the Company or any other company which the Company is interested, those proposals may be divided and a separate resolution may be put in relation to each Director and in that case, each Director concerned (if not otherwise debarred from voting) shall be entitled to vote (and be counted in the quorum) in respect of each resolution unless it concerns his own appointment or the termination of his own appointment.

4.10.9 ***Authorisation of conflicts of interest***

Where a situation occurs or is anticipated to occur which gives rise or may give rise to a conflict of interest on the part of any Director ("**Conflicted Director**") (other than a situation which cannot reasonably be regarded as likely to give rise to a conflict of interest), the matter shall be referred to the Directors other than the Conflicted Director (the "**Non-Conflicted Directors**").

The Non-Conflicted Directors shall meet to consider the matter as soon as practicable after the matter is referred to them and they have received all relevant particulars relating to the situation. The quorum for a meeting of the Non-Conflicted Directors shall be the same as for a meeting of the Board. The Non-Conflicted Directors shall have authority to authorise any matter which gives rise to the conflict of interest concerned on such terms as they think fit.

4.10.10 ***Benefits***

The Board may exercise all the powers of the Company to pay, provide or procure the grant of pensions or other retirement or superannuation benefits and death, disability or other benefits, allowances or gratuities to any person who is or who has at any time been a director of the Company or of any Associated Company (as defined in the Articles) or in the employment or service of the Company or any Associated Company or of the predecessors in business of the Company or any Associated Company or the relatives or dependants of any such person.

4.10.11 ***Powers of the Board***

The business of the Company shall be managed by the Board which may exercise all the powers of the Company, subject to the provisions of the Statutes (as defined in the Articles), the Memorandum and the Articles. No special resolution or alteration of the Memorandum or of the Articles shall invalidate any prior act of the Board which would have been valid if the resolution had not been passed or alteration had not been made.

4.10.12 ***Borrowing powers***

Subject to the provisions of the Statutes (as defined in the Articles), the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets (both present and future) and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

4.10.13 ***Indemnity of officers***

Insofar as the Statutes (as defined in the Articles) allow, each present or former officer (other than the auditors) of the Company shall be indemnified out of the assets of the Company against any loss or liability incurred by him by reason of being or having been such an officer.

The Directors may, without sanction of the Company in general meeting, authorise the purchase or maintenance by the Company for any officer or former officer of the Company of any such insurance as is permitted by the Statutes (as defined in the Articles) in respect of any liability which would otherwise attach to such officer (other than the auditors) or former officer (other than the auditors).

4.10.14 ***Board meetings***

The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit.

4.10.15 ***Quorum***

The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two. Subject to the provisions of the Articles, any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

4.10.16 ***Voting***

Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of the meeting shall have a second or casting vote, unless he is not, in accordance with the Articles, to be counted as participating in the decision-making process for quorum, voting or agreement purposes.

4.11 **Untraced shareholders**

The Company shall be entitled to sell (at a price which the Company shall use its reasonable endeavours to ensure is the best obtainable) the shares of a shareholder or the shares to which a person is entitled by virtue of transmission on death or insolvency or otherwise by operation of law if and provided that:

(a) during the period of not less than 12 years prior to the date of the publication of the advertisements referred to below (or, if published on different dates, the first thereof) at least 3 dividends in respect of the shares in question have become payable and no dividend in respect of those shares has been claimed;

(b) the Company shall following the expiry of such period of 12 years have inserted advertisements in a national newspaper and/or in a newspaper circulating in the area in which the last known address of the shareholder or the address at which service of notices may be effected under the Articles is located giving notice of its intention to sell the said shares;

(c) during the period of three months following the publication of such advertisements (or, if published on different dates, the last thereof) the Company shall have received indication neither of the whereabouts nor of the existence of such shareholder or person; and

(d) notice shall have been given to the stock exchanges on which the Company is listed, if any.

The foregoing provisions are subject to any restrictions applicable under any regulations relating to the holding and/or transferring of securities in any paperless system as may be introduced from time to time in respect of the shares of the Company or any class thereof.

5. THE CITY CODE

5.1 **Mandatory bid**

The City Code applies to the Company. Under Rule 9 of the City Code, if:

- a person acquires an interest in Shares which, when taken together with Shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the Company; or
- a person who, together with persons acting in concert with him, is interested in not less than 30 per cent. and not more than 50 per cent. of the voting rights in the Company acquires additional interests in Shares which increase the percentage of Shares carrying voting rights in which that person is interested,

the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel) to make a cash offer for the outstanding Shares at a price not less than the highest price paid for any interests in the Shares by the acquirer or its concert parties during the previous twelve months.

5.2 **Compulsory acquisition**

Under Articles 117 and 118 of the Companies Law, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of the shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares not assented to the offer. It would do so by sending a notice to holders of outstanding shares telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for the holders of outstanding shares. The consideration offered to the holders whose shares are compulsorily acquired under the Companies Law must, in general, be the same as the payment that was available under the takeover offer.

In addition, pursuant to Article 119 of the Companies Law, if an offeror acquires or agrees to acquire not less than 90 per cent. of the shares (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire his shares on the same terms as the takeover offer. The offeror would be required to give any holder of shares notice of his right to be bought out within one month of that right arising. Sell-out rights cannot be exercised after the end of any period specified in the notice served on the holder of shares notifying them of their sell-out rights, and no such period shall end less than three months after the end of the period within which the offer can be accepted. If a holder of shares exercises his/her rights, the offeror is bound to acquire those shares on the terms of the takeover offer or on such other terms as may be agreed.

6. MATERIAL CONTRACTS

The following are all of the contracts, not being contracts entered into in the ordinary course of business that have been entered into by the Company since its incorporation and are, or may be, material or contain any provision under which the Company has any obligation or entitlement which is or may be material to it as at the date of this document:

6.1 **The Investment Management Agreement**

The Investment Management Agreement dated 29 September 2015 between the Company and the Investment Manager pursuant to which the Company has appointed the Investment Manager to act as the Company's manager for the purposes of AIFMD pursuant to the Investment Management Agreement and accordingly the Investment Manager is responsible for providing discretionary portfolio management and risk management services to the Company, subject to the overall control and supervision of the Directors.

Under the Investment Management Agreement, the Investment Manager recommends and regularly reviews the Company's investment policy and performs and/or procures all due diligence in relation to potential investments for the Company.

In addition, the Investment Manager is responsible, *inter alia*, for the following:

- maintaining a website showing, *inter alia*, the NAV from time to time of the Shares;
- presenting to meetings of the Board in relation to: (i) performance of existing investments; and (ii) opportunities in relation to new investments;
- monitoring the financial and credit market generally;
- providing the Company's valuation agent or its delegates with such information as any of them may from time to time require to calculate the NAV and the NAV per Share; and
- conducting investor relationship management activities, including making presentations to existing and potential investors and intermediaries.

The Investment Management Agreement is for an initial term of five years from IPO Admission and thereafter, subject to termination on not less than twelve months' written notice by either party. The Investment Management Agreement can be terminated at any

time in the event of the insolvency of the Company or in the event that the Investment Manager ceases to be authorised and regulated by the FCA (if required to be so authorised and regulated to continue to carry out its duties under the Investment Management Agreement).

If any key person of the Investment Manager providing services to the Company should die or otherwise become incapacitated or shall retire, resign or otherwise cease to provide services to the Company, the Investment Manager shall have 30 business days to nominate an individual with significant relevant experience as a replacement for approval by the Company and the Company shall approve or decline acting reasonably the nomination within ten business days. If the Company declines acting reasonably the nomination to replace two successive key persons, the Company may terminate the Investment Management Agreement on giving 60 business days' written notice to the Investment Manager.

The Investment Manager is entitled to receive from the Company: (i) an investment management fee which is calculated and paid quarterly in arrears at an annual rate of 0.9 per cent. per annum of the prevailing NAV (net of cash holdings); and (ii) a £22,500 per annum fee in relation to the Investment Manager's services provided in its role as the Company's AIFM. There are no performance fees payable.

In addition, the Investment Manager, at its discretion, is entitled to an arrangement fee of up to one per cent. of the cost of each investment made by the Company. The Investment Manager typically expects the costs of any such fee to be covered by the borrowers, and not the Company. To date, such fee has been borne by borrowers. To the extent any arrangement fee negotiated by the Investment Manager with a borrower exceeds one per cent. the benefit of any such excess shall be paid to the Company.

The Investment Manager will not, in the absence of fraud, negligence or wilful default on its part or on the part of its employees and/or delegates, be liable for any loss, damage, cost, claim or expenses sustained or suffered by the Company as a result, or in the course of, the discharge of its duties pursuant to the Investment Management Agreement. In addition, the Company has agreed to indemnify the Investment Manager and its employees from and against any and all liabilities, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than those resulting from fraud, negligence, or wilful default on the part of the Investment Manager or its employees or a breach by the Investment Manager or its employees of the rules of the FCA) incurred in performing their obligations or duties pursuant to the Investment Management Agreement.

The Investment Manager or any associate of the Investment Manager or any directors, officers, employees, agents and affiliates of any of them (each an "**Interested Party**") may be involved in other financial, investment or other professional activities which may, on occasion, give rise to conflicts of interest with the Company, including with regard to the allocation of investment opportunities to different clients. Whenever such conflicts arise, the Investment Manager endeavours to ensure that they are resolved, and any relevant investment opportunities allocated fairly. Each such conflict is fully disclosed to the Company by the Investment Manager provided that such disclosure does not breach the rules of the FCA.

The Investment Manager has agreed with GCP Infrastructure that where it identifies an investment which, in its opinion acting reasonably and in good faith, falls within the remit of GCP Infrastructure's investment policy, GCP Infrastructure will have a right of first refusal exercisable within ten working days following receipt by GCP Infrastructure of a written preliminary review of such investment undertaken by the Investment Manager. The Board is notified by the Investment Manager on a quarterly basis of any potential investments which have been offered to GCP Infrastructure on this basis.

In the event that the Investment Manager or any partners, directors, officers or employees of the Investment Manager are directly or indirectly interested in any entity or asset in relation to any investment proposal, the potential investment is presented to the Board or a committee of the Board for its approval and as is the case with all potential investments the Group undertakes a fair market valuation of the investment.

Neither the Investment Manager nor, *inter alia*, any employee of the Investment Manager, may (while the Investment Management Agreement is in force) without the express prior written consent of the Company act as the adviser, manager or sponsor of any fund or entity, other than GCP Infrastructure, that may invest in assets within the scope of the investment policy of the Company or engage in any activity which may compete in the same or substantially similar investment area as the Company without the consent of the Company.

The Investment Management Agreement is governed by the laws of England and Wales.

6.2 **The Placing Agreement**

The Placing Agreement dated 20 January 2017 between the Company, Cenkos, Highland Capital Partners and the Investment Manager, pursuant to which Cenkos has agreed, as agent for the Company, to use its reasonable endeavours to procure subscribers for the C Shares to be issued by the Company pursuant to the Issue. Highland Capital Partners has agreed to provide investor introduction services and the Investment Manager has agreed to provide transaction advisory, distribution and documentation services in connection with the Issue.

The Placing Agreement may be terminated by Cenkos in certain customary circumstances prior to Admission. The Company has appointed Cenkos as sponsor in connection with the Issue.

The obligation of the Company to issue the C Shares and the obligation of Cenkos to use its reasonable endeavours to procure subscribers for C Shares are conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, among others: (i) Admission occurring and becoming effective by 8.00 a.m. on or prior to 14 February 2017 (or such later time and/or date, not being later than 6 April 2017, as the Company, the Investment Manager and Cenkos may agree); and (ii) the Placing Agreement not having been terminated in accordance with its terms.

Details of the fees payable to each of Cenkos, Highland Capital Partners and the Investment Manager under the Placing Agreement are set out in paragraph 6 of Part 4 of this document. Cenkos is entitled to retain agents and may rebate any part of its commissions and fees to third parties.

The Company and the Investment Manager have given warranties to Cenkos concerning, *inter alia*, the accuracy of the information contained in this document. The Company and the Investment Manager have given indemnities to Cenkos and the Company has given indemnities to the Investment Manager. The warranties and indemnities given by the Company and the Investment Manager are standard for an agreement of this nature.

The Placing Agreement is governed by the laws of England and Wales.

6.3 **The Depositary Agreement**

The Depositary Agreement, dated 29 September 2015, was entered into between the Company, the Investment Manager and Capita Trust Company (Jersey) Limited pursuant to which the Company appointed the Depositary to act as the sole depositary of the Company and be responsible for: (i) setting up and maintaining cash accounts; (ii) ensuring the Company's cash flows are properly monitored; (iii) the safe keeping of Custody Assets and the Non-Custody Assets of the Company entrusted to it (which it shall hold on trust for the Company); and (iv) the oversight and supervision of certain operational functions of the Investment Manager and the Company.

The fees payable by the Company pursuant to the Depositary Agreement accrue daily at an agreed annual rate of 0.03 per cent. per annum of NAV subject to a minimum annual fee of £30,000. Such fees are payable quarterly in arrears.

The Depositary Agreement contains provisions whereby the Company indemnifies the Depositary out of the assets of the Company in certain circumstances save where such circumstances arise as a result of some act of negligence, bad faith, fraud or wilful default on the part of the Depositary.

The Depositary Agreement is terminable, *inter alia*, (a) upon six months' written notice and (b) immediately upon the occurrence of certain events including the insolvency of the Company or the Depositary, the Depositary becoming resident in the UK for tax purposes or the Company committing a material breach of the Depositary Agreement (where such breach has not been remedied within thirty days of written notice being given).

The Depositary Agreement is governed by the laws of Jersey.

6.4 **The Administration Agreement**

The Administration Agreement dated 29 September 2015 between the Company and Capita Financial Administrators (Jersey) Limited pursuant to which the Administrator has agreed to act as administrator and secretary to the Company.

Under the terms of the Administration Agreement, the Administrator is entitled to an administration fee equal to: (i) 0.125 per cent. per annum of the prevailing NAV up to £150 million; (ii) 0.11 per cent. per annum of the prevailing NAV in excess of £150 million but not exceeding £300 million; and (iii) 0.10 per cent. per annum of the prevailing NAV in excess of £300 million, subject to a minimum fee of £125,000 per annum. This fee is calculated and payable quarterly in arrears. The Administrator is also entitled to an annual fee for Jersey regulatory and compliance support of £10,000 per annum. This fee is calculated and payable quarterly in arrears. The Administrator is also entitled to an annual fee of £275 for submission of the Company's Jersey tax return.

The Administration Agreement contains provisions whereby the Company indemnifies the Administrator, and any holding company or subsidiary of the Administrator or a subsidiary of any such holding company and their respective directors, officers, or employees from and against any and all losses, liabilities, damages, costs or expenses (including legal and professional fees and expenses) ("**Claims**") incurred by such parties relating to or arising from the breach of the Administration Agreement by the Company and in addition any third-party Claims relating to or arising from or in connection with the Administration Agreement or the services contemplated therein, except to the extent that any such Claims have resulted from the negligence, wilful default, or fraud of any such person. Further, the liability of the Administrator to the Company under the Administration Agreement is limited (with certain exceptions) to the lesser of £1,000,000 or an amount equal to 10 times the annual fee payable to the Administrator under the Administration Agreement.

The Administration Agreement is terminable, *inter alia*, upon six months' written notice. The Administration Agreement is also terminable immediately upon the occurrence of certain events including the insolvency of the Company or the Administrator or a party committing a material breach of the Administration Agreement (where such breach has not been remedied within thirty days of written notice being given).

The Administration Agreement is governed by the laws of Jersey.

6.5 **The Registrar Agreement**

The Registrar Agreement dated 29 September 2015 between the Company and Capita Registrars (Jersey) Limited pursuant to which the Registrar has agreed to act as registrar to the Company.

Under the terms of the Registrar Agreement, the Registrar is entitled to an annual maintenance fee of £2.00 per Shareholder account per annum, subject to a minimum fee of £10,000 per annum (exclusive of VAT). The Registrar is also entitled to activity fees under the Registrar Agreement.

The Registrar Agreement may be terminated on the third anniversary of appointment and each subsequent anniversary provided that the Company gives the Registrar at least six months' notice and is also terminable on service of written notice in the event of breach of the agreement (which has not been remedied within 45 days' written notice of such breach) or insolvency.

The Company has given certain market standard indemnities in favour of the Registrar in respect of the Registrar's potential losses in carrying on its responsibilities under the Registrar Agreement. The Registrar's liability under the Registrar Agreement is limited (with certain exceptions) to the lesser of £1,000,000 or an amount equal to 10 times the annual fee payable to the Registrar thereunder.

The Registrar Agreement is governed by the laws of Jersey.

6.6 **The Receiving Agent Agreement**

The Receiving Agent Agreement dated 20 January 2017 between the Company and Capita Registrars Limited pursuant to which the Receiving Agent has agreed to act as receiving agent to the Company in connection with the Open Offer and Offer for Subscription.

The Receiving Agent Agreement provides for the payment by the Company of the fees and charges of the Receiving Agent. Under the terms of the Receiving Agent Agreement, the Receiving Agent is entitled to a fee at an hourly rate of £250 per hour (subject to a separate minimum advisory fee of £2,500), plus a processing fee per application. The Receiving Agent will also be entitled to reimbursement of all reasonable out-of-pocket expenses reasonably incurred by it in connection with its duties. These fees will be for the account of the Company.

The Company has given certain market standard indemnities in favour of the Receiving Agent in respect of the Receiving Agent's potential losses in carrying on its responsibilities under the Receiving Agent Agreement. The Receiving Agent's liability under the Receiving Agent Agreement is limited (with certain exceptions) to an amount equal to the lesser of £250,000 and five times the fees paid to the Receiving Agent thereunder.

The Receiving Agent Agreement is governed by the laws of England and Wales.

6.7 **Valuation Agent engagement letter**

The Valuation Agent engagement letter dated 29 September 2015 from Mazars LLP to the Company pursuant to which the Valuation Agent has agreed to act as valuation agent to the Company. The Valuation Agent is responsible for (a) providing a quarterly valuation report to the Company updating the quarterly valuation of the Group's portfolio of investments; and (b) valuing the investments made as at the date of the investment. Under the terms of the Valuation Agent engagement letter, the Valuation Agent is entitled to on each investment an initial fee of an amount equal to the greater of 0.08 per cent. of the nominal value of the investment made and £5,000, subject to a maximum amount of £30,000. In addition, the Valuation Agent receives an annual fee of 0.04 per cent. of the aggregate nominal value of the investments held by the Company up to an aggregate nominal value of £250 million and to the extent that the aggregate nominal value of the investments held by the Company is more than £250 million an additional 0.03 per cent. of the aggregate nominal value of the investments above £250 million. The Valuation Agent's liability under the Valuation Agent engagement letter is limited to £1 million. The Valuation Agent engagement letter will continue indefinitely unless terminated in writing by either party.

The Valuation Agent engagement letter is governed by the laws of England and Wales.

6.8 **Revolving Credit Facility Agreement**

On 13 January 2017 the Company executed a 2 year (plus 12 month extension option, with lender approval) £15 million revolving credit facility with The Royal Bank of Scotland Plc (as arranger, agent and security agent) and The Royal Bank of Scotland Limited (as original lender). Interest on amounts drawn under the facility is charged at a rate of LIBOR plus a margin of 2.75 per cent. per annum. A commitment fee is payable on undrawn commitments. An arrangement fee was levied upon signing. The facility imposes various minimum interest cover and loan to value ratios and a minimum eligible portfolio value on the Company. Voluntary prepayment and cancellation is permitted in minimum amounts of £500,000. The facility is secured, *inter alia*, by way of a charge over accounts of the Company and a debenture from the Company (as well as security from the Company's subsidiary, GCP Asset Backed Income (UK) Limited), and its interests in investments made in accordance with the Company's investment policy.

The agreement is governed by the laws of England and Wales.

6.9 **November 2016 Placing Agreement**

The placing agreement dated 2 November 2016 between the Company, the Investment Manager, Cenkos and Highland Capital Partners ("**November 2016 Placing Agreement**") pursuant to which Cenkos agreed, as agent for the Company, to use its reasonable

endeavours to procure subscribers for Ordinary Shares to be issued by the Company pursuant to a placing ("**November 2016 Placing**"). Highland Capital Partners agreed to provide investor introduction services.

In consideration for its services Cenkos was paid a placing commission equal to 1 per cent. of the gross proceeds raised by the Company pursuant to the November 2016 Placing and Highland Capital Partners was paid a commission equal to 0.1 per cent. of the gross proceeds raised pursuant to the November 2016 Placing.

The Company and the Investment Manager gave certain warranties to Cenkos concerning, *inter alia*, the accuracy of the information contained in documents published in connection with the November 2016 Placing. The Company and the Investment Manager also gave indemnities to Cenkos. The warranties and indemnities given by the Company and the Investment Manager were standard for an agreement of this nature.

The November 2016 Placing Agreement is governed by the laws of England and Wales.

6.10 **April 2016 C Share Placing Agreement**

The placing agreement dated 27 April 2016 between the Company, the Investment Manager, Cenkos and Highland Capital Partners ("**April 2016 Placing Agreement**") pursuant to which Cenkos agreed, as agent for the Company, to use its reasonable endeavours to procure subscribers for the C Shares to be issued by the Company pursuant to an open offer, placing and offer for subscription made available by the Company ("**April C Share Issue**"), the Investment Manager agreed to provide transaction, distribution and documentation services in connection with the April C Share Issue and Highland Capital Partners agreed to provide investor introduction services.

In consideration for the services provided by Cenkos, the Investment Manager and Highland Capital Partners under the April 2016 Placing Agreement the Company paid in aggregate commissions of 1.1 per cent. of the gross proceeds raised by the Company pursuant to the April C Share Issue ("**April Gross Proceeds**"). Cenkos was paid 1 per cent. of the April Gross Proceeds from such aggregate commissions in addition to a corporate finance fee. Pursuant to the April 2016 Placing Agreement, Cenkos was also entitled to retain agents and Cenkos could rebate any part of its commissions and fees to third parties. Highland Capital Partners was paid from the aggregate commissions set out above a commission of 0.1 per cent. of the April Gross Proceeds. The Investment Manager was paid a transaction, distribution and documentation services fee of £185,000 in respect of its services.

The Company and the Investment Manager gave certain warranties to Cenkos concerning, *inter alia*, the accuracy of the information contained in the prospectus published in connection with the April C Share Issue. The Company and the Investment Manager also gave indemnities to Cenkos and the Company gave indemnities to the Investment Manager. The warranties and indemnities given by the Company and the Investment Manager were standard for an agreement of this nature.

The April 2016 Placing Agreement is governed by the laws of England and Wales.

6.11 **IPO Placing Agreement**

The IPO Placing Agreement dated 29 September 2015 between the Company, the Investment Manager and Cenkos pursuant to which, subject to certain conditions, Cenkos agreed to use its reasonable endeavours to procure subscribers for Ordinary Shares at the Company's launch.

In consideration for its services Cenkos was paid a corporate finance fee of £200,000 and a placing commission of up to 1.5 per cent. of the gross proceeds raised by the Company at its launch.

The Company and the Investment Manager gave warranties to Cenkos concerning, *inter alia*, the accuracy of the information contained in the Company's prospectus published in connection with its launch. The Company and the Investment Manager also gave indemnities to Cenkos. The warranties and indemnities given by the Company and the Investment Manager were standard for an agreement of this nature.

The IPO Placing Agreement is governed by the laws of England and Wales.

7. RELATED PARTY TRANSACTIONS

Save for the entry into of the Investment Management Agreement, the Placing Agreements and the transactions specified in note 17 to the unaudited interim financial statements incorporated by reference in this document, the Company has not entered into any related party transaction at any time during the period from incorporation to the Latest Practicable Date.

8. LITIGATION

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 months immediately preceding the date of this document which may have, or have had in the recent past, significant effects on the Company's and/or the Group's financial position or profitability.

9. WORKING CAPITAL

The Company is of the opinion that the working capital available to the Group is sufficient for its present requirements, that is for at least the next twelve months from the date of this document.

10. NO SIGNIFICANT CHANGE

Save to the extent disclosed below, as at the date of this document, there has been no significant change to the financial and trading position of the Company or the Group since 30 June 2016 (the date to which the latest financial statements of the Company have been prepared):

- the Valuation Agent completed valuations of the Group's investment portfolio as at 30 September 2016 and 31 December 2016. Pursuant to such valuations, the Valuation Agent valued the Group's investment portfolio at £129.6 million and £158.3 million respectively compared to the valuation of £113.0 million as at 30 June 2016;
- on 7 November 2016, the Company issued 14,964,734 Ordinary Shares fully paid pursuant to a placing which raised gross proceeds of c.£15.6 million;
- the Group has completed 5 investments totalling £40.2 million in aggregate and the Company's cash balance reduced from £35.6 million at 30 June 2016 to £6.8 million at 31 December 2016 (the NAV per Ordinary Share as at 30 June 2016 and 31 December 2016 was 99.47 pence and 100.01 pence respectively);
- the Company declared: (i) the second interim dividend for 2016 of 1.5 pence per Ordinary Share on 20 July 2016 which was paid on 22 August 2016; (ii) the third interim dividend for 2016 of 1.5 pence per Ordinary Share on 19 October 2016 which was paid on 22 November 2016; and (iii) the fourth interim dividend for 2016 of 1.5 pence per Ordinary Share on 18 January 2017;
- on 18 October 2016, 44,086,270 C Shares converted into 43,647,347 Ordinary Shares;
- on 13 January 2017 the Company executed a 2 year (plus 12 month extension option, with lender approval) £15 million revolving credit facility with The Royal Bank of Scotland Plc (as arranger, agent and security agent) and The Royal Bank of Scotland International Limited (as original lender). As at the date of this document, no amounts have been drawn down under the facility.

11. INVESTMENT RESTRICTIONS

11.1 The Company will at all times invest and manage its assets with the objective of spreading risk and in accordance with its published investment policy as set out in Part 1 of this document. In order to comply with the Listing Rules:

11.1.1 the Group will not conduct any trading activity which is significant in the context of the Group as a whole; and

11.1.2 the Group will not invest in other listed closed-ended investment funds.

12. GENERAL

12.1 No Director has any interest in the promotion of, or in any property acquired or proposed to be acquired by, the Company.

12.2 The C Shares being issued in connection with the Issue are being issued at 100 pence per C Share all of which will be reflected in the stated capital account of the Company.

12.3 No application is being made for the C Shares to be dealt with in or on any stock exchanges or investment exchanges other than the London Stock Exchange.

12.4 Cenkos is acting as sponsor, sole placing agent and financial adviser to the Issue. Cenkos has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which it appears.

12.5 The Investment Manager does not carry out any business other than the management of collective investment funds (including the provision of transaction, distribution and documentation services ancillary to such management).

12.6 The Investment Manager has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.

12.7 The auditors of the Company are PricewaterhouseCoopers CI LLP of Royal Bank Place, 1 Glategny Esplanade, St Peter Port, Guernsey GY1 4ND and have been the only auditors of the Company since incorporation. PricewaterhouseCoopers CI LLP is a member of the Institute of Chartered Accountants in England and Wales.

12.8 Where third party information has been referenced in this document, the source of that third party information has been disclosed. All information in this document that has been sourced from third parties has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

12.9 Shareholders are obliged to comply, from Admission, with the shareholding notification and disclosure requirements set out in Chapter 5 of the Disclosure Guidance and Transparency Rules (''**DTR 5**''). As the Company is a ''non-UK issuer'' a Shareholder is required pursuant to Chapter 5 of the DTRs to notify the Company if, as a result of an acquisition or disposal of shares or financial instruments, the Shareholder's percentage of voting rights of the Company reaches, exceeds or falls below, five per cent. of the Company's voting rights or 10, 15, 20, 25, 30, 50 and 75 per cent. above that. However, pursuant to the Articles, DTR 5 is deemed to apply to the Company as though the Company were a UK ''issuer'' as such term is defined by DTR 5. As such, the relevant percentage thresholds that apply to the Company are 3, 4, 5, 6, 7, 8, 9, 10 per cent. and each 1 per cent. threshold thereafter up to 100 per cent., notwithstanding that in the absence of those provisions of the Articles such thresholds would not apply to the Company.

14. ADDITIONAL DISCLOSURES REQUIRED PURSUANT TO THE AIFM RULES

The information in this paragraph 14 sets out additional information required to be disclosed pursuant to the AIFM Directive and related national implementing measures.

14.1 The Company may be leveraged through the use of borrowings and derivatives.

The definition of 'leverage' as understood pursuant to the AIFMD is wider than 'gearing', as measured in accordance with AIC guidelines.

Pursuant to its regulatory obligations, the Investment Manager is required to express the level which the Company's 'leverage' will not exceed. For the purposes of this disclosure leverage is any method by which a fund's exposure is increased. A fund's exposure may be increased by using derivatives, by reinvesting cash borrowings, through positions within repurchase or reverse repurchase agreements, through securities lending or securities borrowing arrangements, or by any other means (such increase referred to herein as the ''**Incremental Exposure**''). The AIFMD prescribes two methodologies for calculating overall exposure of a fund: the ''gross methodology'' and the ''commitment methodology''. These methodologies are briefly summarised below.

The commitment methodology takes account of the hedging and netting arrangements employed by a fund at any given time (purchased and sold derivative positions will be netted where both relate to the same underlying asset). This calculation of exposure

includes all Incremental Exposure as well as a fund's own physical holdings; and cash. By contrast, the gross methodology does not take account of the netting or hedging arrangements employed by a company. This calculation of exposure includes all Incremental Exposure as well as the Company's own physical holdings. Cash is excluded.

The AIFMD requires that each leverage ratio be expressed as the ratio between a fund's total exposure (including any Incremental Exposure) and its net asset value. Using the methodologies prescribed under the AIFMD and implementing legislation, the Company has set a maximum level of leverage, taking into account atypical and volatile market conditions. Leverage will not exceed the ratio of 1.33 using the commitment methodology and 1.33 using the gross methodology.

14.2 The Company may be required to deliver collateral from time to time to its trading counterparties and/or brokers under the terms of the relevant trading agreements (including, but not limited to, ISDA master agreement, related credit support documentation and/or securities lending, repurchase, master forward, foreign exchange and/or futures clearing agreements), by posting initial margin and/or variation margin and on a daily mark-to-market basis. The Company may deliver such collateral by way of title transfer or by way of security interest (and, in certain circumstances, may grant a right of re-use in respect of any such collateral that is the subject of a security interest arrangement) to a trading counterparty or broker. The treatment of such collateral varies according to the type of transaction and where it is traded.

14.3 The Company is a company limited by shares, incorporated in Jersey. While investors acquire an interest in the Company on subscribing for or purchasing Shares, the Company is the sole legal and/or beneficial owner of its investments. Consequently, Shareholders have no direct legal or beneficial interest in those investments. The liability of Shareholders for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the Shares held by them.

Shareholders' rights in respect of their investment in the Company are governed by the Articles and the Companies Law. Under Jersey law, the following types of claim may in certain circumstances be brought against a company by its shareholders: contractual claims under its articles of association; claims in misrepresentation in respect of statements made in its prospectus and other marketing documents; unfair prejudice claims; and derivative actions. In the event that a shareholder considers that it may have a claim against the Company in connection with such investment in the Company, such Shareholder should consult its own legal advisers.

As noted above, Shareholders' rights are governed principally by the Articles and the Companies Law. By subscribing for Shares, investors agree to be bound by the Articles which are governed by, and construed in accordance with, the laws of Jersey. The Company holds a certificate granted under the Collective Investment Funds (Jersey) Law 1988.

14.4 Pursuant to the Judgments (Reciprocal Enforcement) (Jersey) Law 1960 and the rules under that law, if a 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) were obtained in certain courts in England and Wales, Scotland, Northern Ireland, the Isle of Man or Guernsey in respect of the Company (where the Company had submitted to such jurisdiction), such judgement would, on application to the Royal Court in Jersey, be registered and would therefore be enforceable.

Although there is no similar enactment relating to judgments obtained in other countries, the practice of the Royal Court is such that where a final and conclusive judgment under which a debt or definite 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 or multiple damages) where obtained in the courts of any territory having jurisdiction against the Company, (a) the Royal Court would typically, on application properly made to it, recognise such judgment and give a judgment for liquidated damages in the amount of that judgment without reconsidering its merits; and (b) such judgment of the Royal Court would thereafter be enforceable. This practice would, however, not apply where the foreign country did not

have jurisdiction to give that judgment, where it was obtained by fraud, where its enforcement or recognition would be contrary to public policy or where the proceedings in which the judgment was obtained were opposed to natural justice.

14.5 Where a matter comes before the courts of an EU member state (other than Denmark), the parties' choice of law to govern their contractual obligations is generally subject to the provisions of Regulation (EC) 593/2008 ("**Rome I**"). Under Rome I, the court may not give effect to a choice of law applicable to a contract in certain circumstances, including: where there are mandatory rules of the member state's own law which are applicable regardless of the law chosen by the parties, where the application of the parties' choice of law is incompatible with the public policy of the member state and where it is bound in relation to particular proceedings, types of contract or issues to apply the law of a different jurisdiction. Further, where all elements relevant to the situation at the time of choice are connected with or located in a country other than the country whose law has been chosen, the choice of the parties shall not prejudice the application of provisions of the law of that other country which cannot be derogated from by agreement.

Rome I does not apply to certain matters, including questions governed by the law of companies (such as creation, legal capacity, internal organisation, insolvency and personal liability of officers and members for the obligations of the company) and the power of an agent to bind a principal or of an organ of a company to bind the company to a third party.

With regard to any non-contractual obligations, EU member state courts (other than Denmark) will generally apply the provisions of Regulation 2007/864 ("**Rome II**") to determine the applicable law. The parties are able to choose the law applicable to non-contractual obligations subject to certain restrictions. Absent a choice, the general rule under Rome II is that the law applicable to non-contractual obligations is the law of the country in which the damage occurs or is likely to occur. Rome II does not apply to certain matters, including questions arising out of the law of companies (such as creation, legal capacity, internal organisation, insolvency, personal liability of officers and members for the obligations of the company and personal liability of auditors to a company or to its members in the statutory audits of accounting documents).

Where a matter comes before a non EU court, it will apply its own conflict of laws rules to determine the law applicable to contractual or non-contractual obligations.

14.6 The Company is reliant on the performance of third party service providers, including the Investment Manager, the Administrator, the Depositary, the Auditors, the Receiving Agent and the Registrar.

Without prejudice to any potential right of action in tort that a Shareholder may have to bring a claim against a service provider, each Shareholder's contractual relationship in respect of its investment in Shares is with the Company only. Accordingly, no Shareholder will have any contractual claim against any service provider with respect to such service provider's default.

In the event that a Shareholder considers that it may have a claim against a third party service provider in connection with such Shareholder's investment in the Company, such Shareholder should consult its own legal advisers.

The above is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised service provider under section 138D of the FSMA (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious or contractual cause of action. Shareholders who believe they may have a claim under section 138D of the FSMA, or in tort or contract, against any service provider in connection with their investment in the Company, should consult their legal adviser.

Shareholders who are "Eligible Complainants" for the purposes of the FCA "Dispute Resolutions Complaints" rules (natural persons, micro-enterprises and certain charities or trustees of a trust) are able to refer any complaints against the Investment Manager to the Financial Ombudsman Service ("**FOS**") (further details of which are available at www.financial-ombudsman.org.uk). Additionally, Shareholders may be eligible for compensation under the Financial Services Compensation Scheme ("**FSCS**") if they have claims against an FCA authorised service provider (including the Investment Manager)

which is in default. There are limits on the amount of compensation available. Further information about the FSCS is at www.fscs.org.uk. To determine eligibility in relation to either the FOS or the FSCS, Shareholders should consult the respective websites above and speak to their legal advisers.

14.7 The Investment Manager, will, subject to such insurance being available in the market at commercial rates, maintain, at the cost of the Company, professional indemnity insurance to cover each and every professional liability which may arise under the Investment Management Agreement, with a limit of indemnity of not less than £5 million in aggregate. Any excess will be covered by the Investment Manager maintaining sufficient own funds for this purpose, as well as other regulatory requirements. If professional indemnity insurance is not available the Investment Manager will maintain own funds at a level adequate for its risk profile.

This professional indemnity insurance will be maintained for a period expiring not less than six years after the winding up of the Company or the termination of the Investment Management Agreement, whichever is the earlier.

14.8 The Investment Manager has not delegated any significant function and is responsible for the discretionary portfolio management and exercising the risk management function in respect of the Company, subject to the overall supervision and direction of the Board.

14.9 The Depositary has not delegated any safe keeping functions in respect of the Company.

14.10 The Company is a closed-ended listed investment company and, as such, Shareholders in the Company have no right to redeem their Shares. Any repurchase of Shares to Shareholders shall be at the discretion of the Directors.

Liquidity risk is therefore the risk that a position held by the Company cannot be realised at a reasonable value sufficiently quickly to meet the obligations (primarily debt) of the Company as they fall due.

In managing the Company's assets therefore the Investment Manager seeks to ensure that the Company holds at all times a sufficient portfolio of liquid assets to enable it to discharge its payment obligations.

14.11 As a company listed on the Premium Listing segment of the Official List, the Company is required under the Premium Listing Principles to treat all Shareholders of a given class equally.

In addition, as directors of a company incorporated in Jersey, the Directors have certain fiduciary duties with which they must comply. These include a duty upon each Director to act in the way he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

No investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not given preferential treatment to any investors.

14.12 The NAV (and NAV per Ordinary Share) is calculated quarterly by the Administrator. The NAV per C Share will also be calculated quarterly by the Administrator on the same basis, until Conversion. When published, the NAV announcements can be found on the Investment Manager's website: http://www.gcpuk.com/gcp-asset-backed-income-fund-ltd.

14.13 The Company has not yet published an annual report in line with Article 22 of the AIFM Directive. When published, annual reports can be found on the Investment Manager's website: http://www.gcpuk.com/gcp-asset-backed-income-fund-ltd.

14.14 The interim financial statements of the Company contain historical performance information on the Company. Interim financial statements can be found on the Investment Manager's website: http://www.gcpuk.com/gcp-asset-backed-income-fund-ltd.

14.15 The Investment Manager is required to disclose periodically to investors:

- the percentage of the Company's assets that are subject to special arrangements arising from their illiquid nature;
- any new arrangements for managing the liquidity of the Company; and
- the current risk profile of the Company and the risk management systems employed by the Investment Manager to manage those risks.

The information shall be disclosed as part of the Company's periodic reporting to investors, as required as an issuer of listed securities on the Premium Listing segment of the Official List, and, at a minimum, at the same time as the Company's annual report is made available.

The Investment Manager must disclose on a regular basis any changes to:

- the maximum level of leverage that the Investment Manager may employ on behalf of the Company;
- any right of re-use of collateral or any guarantee granted under the leveraging arrangement; and
- the total amount of leverage employed by the Company.

Information on changes to the maximum level of leverage and any right of re-use of collateral or any guarantee under the leveraging arrangements shall be provided without undue delay.

Information on the total amount of leverage employed by the Company shall be disclosed as part of the Company's periodic reporting to investors, as required as an issuer of listed securities on the Premium Listing segment of the Official List and at least at the same time as the annual report is made available to investors.

Without limitation to the generality of the foregoing, any of the information specified above may be disclosed:

- in the Company's annual report;
- in the Company's unaudited interim report;
- by the issue of an announcement via a Regulatory Information Service (or equivalent); or
- by publication of the relevant information on the Company's website.

15. AVAILABILITY OF THIS DOCUMENT

Copies of this document are available, for inspection only from the date of this document from the National Storage Mechanism (www.morningstar.co.uk/uk/nsm) and may be obtained from the date of this document until Admission from the registered office of the Company.

16. DOCUMENTS AVAILABLE FOR INSPECTION

16.1 Copies of the following documents will be available for inspection at the registered office of the Company and the offices of Gowling WLG (UK) LLP, 4 More London Riverside, London SE1 2AU during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document until Admission:

- the Memorandum;
- the Articles;
- the prospectus published by the Company dated 27 April 2016;
- the interim report and unaudited financial statements of the Company for the period from the Company's incorporation (being 7 September 2015) to 30 June 2016; and
- this document.

16.2 Copies of the following documents may also be inspected or requested by a Shareholder (or a prospective Shareholder) from the Administrator at the Company's registered office:

- the Memorandum;
- the Articles;
- the Investment Management Agreement;
- the Administration Agreement;
- the Depositary Agreement;
- the Registrar Agreement; and
- the Receiving Agent Agreement.

Dated: 20 January 2017

PART 9

DEFINITIONS AND GLOSSARY

The following definitions apply throughout this document unless the context requires otherwise:

Administration Agreement	the administration agreement between the Company and the Administrator, a summary of which is set out in paragraph 6.4 of Part 8 of this document
Administrator	Capita Financial Administrators (Jersey) Limited, in its capacity as the Company's administrator and/or the secretary to the Company (as the context requires)
Admission	admission of the C Shares to be issued pursuant to the Issue to the Premium Listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities
AIC	the Association of Investment Companies
AIFM Directive or **AIFMD**	the EU Directive on Alternative Investment Fund Managers (No. 2011/61/EU)
AIF	an alternative investment fund
AIFM	an alternative investment fund manager
AIFM Rules	the AIFM Directive and all applicable rules and regulations implementing the AIFM Directive in the UK
Application Form	the application form attached to this document for use in connection with the Offer for Subscription
April 2016 Placing Agreement	the placing agreement between the Company, the Investment Manager, Cenkos and Highland Capital dated 27 April 2016, a summary of which is set out in paragraph 6.10 of Part 8 of this document
Articles	the articles of association of the Company, as amended from time-to-time
Australian Dollar	the lawful currency of Australia
Basic Entitlements	the entitlements of Qualifying Shareholders to apply for C Shares pursuant to the Open Offer as set out in Part 10 of this document
Business Day	any day (other than a Saturday or Sunday) on which clearing banks are open for a full range of transactions in the City of London
Capita Asset Services	a trading name of Capita Registrars Limited
capital gains tax	UK taxation of capital gains or corporation tax on chargeable gains, as the context may require
C Shares	c shares of no par value in the capital of the Company of such classes (denominated in such currencies) as the Directors may determine and for the purposes of this document the C Shares which are the subject of the Issue shall be denominated in Sterling
C Shareholder	a holder of C Shares
Calculation Date	has the meaning given to it in Part 5 of this document
certificated or **in certificated form**	not in uncertificated form
Cenkos	Cenkos Securities plc
CIF Law	Collective Investment Funds (Jersey) Law 1988, as amended
City Code	the City Code on Takeovers and Mergers
Code	the U.S. Internal Revenue Code of 1986, as amended from time to time

Companies Law	the Companies (Jersey) Law, 1991 (as amended)
Company	GCP Asset Backed Income Fund Limited, a closed-ended investment company incorporated with limited liability in Jersey with registered number 119412
Conversion	the conversion of C Shares into new Ordinary Shares, in accordance with Part 5 of this document
Conversion Date	has the meaning given to it in Part 5 of this document
Conversion Ratio	has the meaning given to it in Part 5 of this document
CPI	consumer price index
CRA Regulations	means Regulation (EC) No 1060/2009 on credit rating agencies
CREST	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form
CREST Account	has the meaning given to it in Part 11 of this document
CREST member	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations)
CREST Participant	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
CREST Sponsored Member	a CREST member admitted to CREST as a sponsored member
Custody Assets	(i) all financial instruments which are not capable of being physically delivered to the Depositary but that can be registered or held in an account directly or indirectly in the name of the Depositary and are transferable securities including those which embed derivatives, money market instruments or units of collective investment undertakings; and (ii) all financial instruments belonging to the Company or the Investment Manager acting on its behalf, which are capable of being physically delivered to the Depositary
Depositary	Capita Trust Company (Jersey) Limited, in its capacity as the Company's depositary
Depositary Agreement	the depositary agreement between the Company and the Depositary, a summary of which is set out in paragraph 6.3 of Part 8 of this document
Directors or **Board**	the board of directors of the Company
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules made by the Financial Conduct Authority under Section 73A of FSMA
EBITDA	earnings before interest, tax, depreciation and amortisation
EEA Member State	the member states which comprise the European Economic Area
ERISA	U.S. Employee Retirement Income Security Act of 1976, as amended
EU	the European Union
EU Member State	the member states which comprise the European Union
EU Savings Tax Directive	means the European Union Savings Directive (Council Directive 2003/48/EC)
Euro	the lawful currency of the EU
Euroclear	Euroclear UK & Ireland Limited, being the operator of CREST
European Commission	the European Commission, the representative body of the EU
Eurozone	the member states of the EU which have adopted the Euro as their lawful currency
Excess Application Facility	the arrangement pursuant to which existing Shareholders may apply for additional C Shares in excess of their Basic Entitlement

	in accordance with the Terms and Conditions of Application under the Open Offer
Excess CREST Open Offer Entitlement	in respect of each Qualifying CREST Shareholder, the entitlement (in addition to his Basic Entitlement) pursuant to the Open Offer to apply for C Shares pursuant to the Excess Application Facility, which is conditional on him taking up his Basic Entitlement in full
Excluded Shareholders	subject to certain exceptions, Shareholders who have a registered address in, who are incorporated in, registered in or otherwise resident of located in any Excluded Territory
Excluded Territory	Canada, Japan, Australia, the Republic of South Africa and the United States and any jurisdiction where the extension or availability of the Issue (and any other transaction contemplated thereby) would breach any applicable laws or regulations, and **Excluded Territories** shall mean any of them
FCA	the Financial Conduct Authority
Financial Reporting Council	the UK Financial Reporting Council
Financial Stability Board	the Bank of England Financial Stability Board
Force Majeure Circumstance	has the meaning given to it in Part 5 of this document
FSL	the Financial Services (Jersey) Law 1998, as amended
FSMA	the Financial Services and Markets Act 2000 and any statutory modification or re-enactment thereof for the time being in force
FTSE Group	a provider of stock market indices and associated data services, wholly owned by the London Stock Exchange
FTSE Indices	indices produced by the FTSE Group which show the performance of the UK and European markets
GCP Infrastructure	GCP Infrastructure Investments Ltd, incorporated in Jersey with registered number 105775
GCP Student Living	GCP Student Living Plc, incorporated in England and Wales with registered number 8420243
Gross Proceeds	the gross proceeds of the Issue
Group	the Company, GCP Asset Backed Income (UK) Limited (formerly, Project Finance Investments (UK) Limited) and GABI GS Limited
GST	goods and services tax
Highland Capital Partners	Highland Capital Partners Limited
HMRC	Her Majesty's Revenue and Customs
IFRS	international financial reporting standards
Investment Management Agreement	the investment management agreement between the Company and the Investment Manager, a summary of which is set out in paragraph 6.1 of Part 8 of this document
Investment Manager	Gravis Capital Partners LLP
IPO	initial public offering
IPO Admission	the admission of c.106 million Ordinary Shares to the Premium Listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities which took place on 23 October 2015
IPO Issue Price	100 pence per Ordinary Share
IPO Placing Agreement	the placing agreement between the Company, the Investment Manager and Cenkos dated 29 September 2015, a summary of which is set out in paragraph 6.11 of Part 8 of this document
IRR	internal rate of return

ISA	UK individual savings account
ISDA	International Swaps and Derivatives Associations, Inc. the global trade association for over-the-counter derivatives and maintainer of the industry standard ISDA documentation
ISIN	International Securities Identification Number
Issue	the Open Offer, Placing and Offer for Subscription
Issue Price	100 pence per C Share
JFSC	the Jersey Financial Services Commission
Jersey Income Tax Law	the Income Tax (Jersey) Law 1961
Jersey Listed Fund Guide	the classification guide published by the Jersey Financial Services Commission
Latest Practicable Date	18 January 2017 (the latest practicable date prior to the publication of this document)
LIBOR	the London interbank offered rate
Listing Rules	the listing rules made by the UKLA pursuant to Part VI of FSMA
London Stock Exchange or **LSE**	London Stock Exchange plc
Market Abuse Regulation	regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse
member account ID	the identification code or number attached to any member account in CREST
Memorandum	the memorandum of association of the Company
Money Laundering Regulations	the Money Laundering (Jersey) Order 2008
NAV	the value, as at any date, of the assets of the Company after deduction of all liabilities of the Company and in relation to a class of shares in the Company, the value, as at any date of the assets attributable to that class of shares after the deduction of all liabilities attributable to that class of shares determined in accordance with the accounting policies adopted by the Company from time-to-time
NAV per C Share	at any date, the NAV attributable to the C Shares divided by the number of C Shares in issue
NAV per Ordinary Share	at any date, the NAV attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury)
NAV per Share	at any date, as the context requires, the NAV per Ordinary Share and/or NAV per C Share
Net Proceeds	the aggregate net cash proceeds of the issue of C Shares pursuant to the Issue (after deduction of all expenses and commissions relating to the Issue and payable by the Company)
New Ordinary Shares	means the Ordinary Shares arising on the conversion of the C Shares
Non-Custody Assets	assets which, in accordance with applicable national law, are only directly registered in the name of the Company with the issuer itself as agent, such as a registrar or a transfer agent
November 2016 Placing Agreement	the placing agreement between the Company, the Investment Manager, Cenkos and Highland Capital dated 2 November 2016, a summary of which is set out in paragraph 6.9 of Part 8 of this document
OECD	the Organisation for Economic Cooperation and Development
Offer or **Offer for Subscription**	the offer for subscription of C Shares at the Issue Price on the terms set out in this document

Official List	the official list of the UK Listing Authority
Open Offer	the conditional offer to Qualifying Shareholders, constituting an invitation to apply for C Shares, on the terms and subject to the conditions set out in this document and, in the case of Qualifying Non-CREST Shareholders only, the Open Offer Application Form
Open Offer Application Form	the personalised application form on which Qualifying Non-CREST Shareholders may apply for C Shares under the Open Offer
Ordinary Shareholder	a holder of Ordinary Shares
Ordinary Shares	ordinary shares of no par value in the capital of the Company of such classes (denominated in such currencies) as the Directors may determine and, for the purposes of this document, the Ordinary Shares shall be denominated in Sterling
Overseas Persons	a potential investor who is not resident in, or who is not a citizen of, the UK
Overseas Shareholders	a person who is not resident in, or who is outside, or who has a registered address outside the United Kingdom
Panel	the Panel on Takeovers and Mergers
PDMR	a person discharging managerial responsibility, as defined in the FCA Handbook
Placee	a placee under the Placing
Placing	the conditional placing of C Shares by Cenkos at the Issue Price as described in this document
Placing Agreement	the placing agreement between the Company, the Investment Manager, Highland Capital Partners and Cenkos a summary of which is set out in paragraph 6.2 of Part 8 of this document
Placing Agreements	comprising the Placing Agreement, the November 2016 Placing Agreement and the April 2016 Placing Agreement
Premium Listing	a listing on the Official List which complies with the requirements of the Listing Rules for a premium listing
Prospectus Directive or **PD Regulation**	the EU Prospectus Directive 2003/71/EC
Prospectus Rules	the prospectus rules made by the UKLA pursuant to Part VI of FSMA
Qualifying CREST Shareholder	an existing Qualifying Shareholder holding Ordinary Shares in uncertificated form and **Qualifying CREST Shareholders** shall be construed accordingly
Qualifying Non-CREST Shareholder	an existing Qualifying Shareholder holding Ordinary Shares in certificated form and **Qualifying Non-CREST Shareholders** shall be construed accordingly
Qualifying Shareholders	holders of Ordinary Shares on the register of members of the Company at the Record Date with the exclusion of Excluded Shareholders
Receiving Agent	Capita Asset Services, a trading name of Capita Registrars Limited, in its capacity as the Company's receiving agent
Receiving Agent Agreement	the receiving agent agreement between the Company and the Receiving Agent, a summary of which is set out in paragraph 6.6 of Part 8 of this document
Record Date	5.00 p.m. on 18 January 2017
Register	the register of members of the Company
Registrar	Capita Registrars (Jersey) Limited, in its capacity as the Company's registrar

Registrar Agreement	the registrar agreement between the Company and the Registrar, a summary of which is set out in paragraph 6.5 of Part 8 of this document
Regulation S	Regulation S promulgated under the U.S. Securities Act
Regulatory Information Service	a service authorised by the UKLA to release regulatory announcements to the London Stock Exchange
Relevant Member State	a member state of the European Economic Area which has implemented the Prospectus Directive
RPI	the Retail Prices Index (all items, excluding mortgages) as published by the UK Office for National Statistics from time to time
SDRT	stamp duty reserve tax
Shareholder	a holder of Shares
Shares	the Ordinary Shares and/or the C Shares, as the context requires
SIPPs	self-invested personal pensions
SIR2000	standards for investment reporting
SSAS	a small self-administered scheme as defined in Regulation 2 of the UK Retirement Benefits Schemes (Restriction on Discretion to Approve) (Small Self-Administered Schemes) Regulations 1991
Takeover Code	the UK City Code on Takeovers and Mergers
Tax Residency Self-Certification Form	the tax residency self-certification form required to be completed by all new investors in the Company for FATCA reporting purposes
UK Corporate Governance Code	the UK Corporate Governance Code as published by the Financial Reporting Council from time-to-time
UKLA or **UK Listing Authority**	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
United Kingdom or **UK**	the United Kingdom of Great Britain and Northern Ireland
United States of America, United States or **U.S.**	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. Code	U.S. Internal Revenue Code, as amended
U.S. Controlling Person	a natural person who exercises direct or indirect control over another entity or person
U.S. Investment Company Act	U.S. Investment Company Act of 1940, as amended
U.S. Person	any person who is a U.S. person within the meaning of Regulation S adopted under the U.S. Securities Act
U.S. Securities Act	U.S. Securities Act of 1933, as amended
U.S.$ or **U.S. Dollar**	the lawful currency of the United States of America
Valuation Agent	Mazars LLP
VAT	value added tax
£ or **Sterling**	the lawful currency of the United Kingdom

PART 10

TERMS AND CONDITIONS OF APPLICATION UNDER THE OPEN OFFER

1. Introduction

The Company may issue up to 164,612,083 C Shares at the Issue Price under the Open Offer.

The Open Offer is an opportunity for Qualifying Shareholders to apply for C Shares *pro rata* to their holdings as at the Record Date at the Issue Price on the basis of one C Share for each Ordinary Share held at the Record Date in accordance with the terms of the Open Offer.

The Record Date for entitlements, under the Open Offer for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders is 5.00 p.m. on 18 January 2017. Open Offer Application Forms for Qualifying Non-CREST Shareholders accompany this document.

The latest time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer and settlement of relevant instructions (as appropriate) is expected to be 11.00 a.m. on 8 February 2017 with Admission and commencement of dealings in C Shares expected to take place at 8.00 a.m. on 14 February 2017.

This document and, for Qualifying Non-CREST Shareholders only, the Open Offer Application Forms contain the formal Terms and Conditions of Application under the Open Offer. Your attention is drawn to paragraphs 4.1 and 4.2 of this Part 10 which gives details of the procedure for application and payment for the C Shares under the Open Offer.

The Excess Application Facility is an opportunity for existing Shareholders who have applied for all of their Basic Entitlements to apply for additional C Shares. The Excess Application Facility will be comprised of C Shares that are not taken up by existing Shareholders under the Open Offer pursuant to their Basic Entitlements under the Open Offer adjusted to remove any C Shares from the Excess Application Facility that the Directors determine, in their absolute discretion, should be allocated to the Placing and Offer for Subscription (as appropriate).

There is no limit on the amount of C Shares that can be applied for by existing Shareholders under the Excess Application Facility, save that the maximum amount of C Shares to be allotted under the Excess Application Facility shall be the maximum size of the Issue less the number of C Shares issued under the Open Offer pursuant to existing Shareholders' Basic Entitlements and any C Shares that the Directors determined to issue under the Placing and Offer for Subscription. Allotments under the Excess Application Facility shall be allocated in such manner as the Directors may determine in their absolute discretion, and no assurance can be given that applications by existing Shareholders will be met in part or at all. In the event of oversubscription under the Excess Application Facility the Directors currently intend to limit application by existing Shareholders *pro rata* to their aggregate holdings of Ordinary Shares.

Applications will be made to the UK Listing Authority for all of the C Shares to be issued pursuant to the Issue to be admitted to the Premium Listing segment of the Official List and for all such C Shares to be admitted to trading on the London Stock Exchange's main market for listed securities.

If you sell or have sold or otherwise transferred your Ordinary Shares in certificated form before 23 January 2017 (being the ex-entitlement date for the Open Offer) please send this document, together with any Open Offer Application Form, if received, at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee except that this document and the Open Offer Application Form should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so may constitute a violation of local securities laws or regulations, including, but not limited to, the Excluded Territories. If you sell or have sold or otherwise transferred all or some of your Ordinary Shares held in uncertificated form before 23 January 2017 (being the ex-entitlement date for the Open Offer), a claim transaction will automatically be generated by Euroclear which, on settlement, will transfer the appropriate number of Basic Entitlements and Excess CREST Open Offer Entitlements to the purchaser or transferee. If you sell or have sold or have otherwise transferred only part of your holding of Ordinary Shares held in certificated form before 23 January 2017 (being the ex-entitlement date for the Open Offer), you should refer to the instruction regarding split applications in this Part 10 of this document.

2. The Open Offer

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, in the Open Offer Application Form), under the Open Offer, an aggregate of 164,612,083 C Shares will be made available to Qualifying Shareholders at the Issue Price *pro rata* to their holdings of Ordinary Shares, on the terms and subject to the conditions of the Open Offer on the basis of:

One C Share for each Ordinary Share

held and registered in their name at the Record Date (being 18 January 2017).

Holdings of Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer, as will holdings under different designations and in different accounts.

If you are a Qualifying Non-CREST Shareholder, the Open Offer Application Form shows the number of C Shares available to you under your Basic Entitlement (in Box 6). Qualifying Non-CREST Shareholders who wish to apply to subscribe for more than their Basic Entitlement should complete Boxes 2, 2A, 3 and 4 on the Open Offer Application Form. Excess applications may be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that applications by existing Shareholders will be met in full or in part or at all.

Qualifying CREST Shareholders will have Basic Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST and should refer to paragraph 4.2 of this Part 10 of this document for information on the relevant CREST procedures. Qualifying CREST Shareholders can also refer to the CREST Manual for further information on the relevant CREST procedures. The Basic Entitlements and Excess CREST Open Offer Entitlements are expected to be credited to CREST accounts as soon as possible after 8.00 a.m. on 23 January 2017.

Existing Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should note that their Open Offer Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Basic Entitlements and the Excess CREST Open Offer Entitlements will be admitted to CREST, and enabled for settlement, neither the Basic Entitlements nor the Excess CREST Open Offer Entitlements will be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim. C Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their entitlements will have no rights, and will not receive any benefit, under the Open Offer. Any C Shares which are not applied for in respect of the Open Offer may be allotted to Qualifying Shareholders to meet valid applications under the Excess Application Facility or may be issued to the subscribers under the Placing and/or the Offer for Subscription, with the proceeds retained for the benefit of the Company.

The balance of any C Shares not taken up by Qualifying Shareholders under the Open Offer, will be made available, at the discretion of the Directors (in consultation with Cenkos and the Investment Manager) under the Excess Application Facility or Placing and Offer for Subscription.

3. Conditions and further terms of the Open Offer

The Open Offer is conditional upon, amongst other things, Admission becoming effective by not later than 8.00 a.m. on 14 February 2017 or such later time and/or date as the Company and/or Cenkos may agree (being not later than 8.00 a.m. on 6 April 2017) and the Placing and Offer Agreement becoming unconditional in all respects (other than as to Admission). A summary of the Placing and Offer Agreement is set out in paragraph 6.2 of Part 8 of this document.

Accordingly, if these conditions are not satisfied or waived (where capable of waiver), the Open Offer will not proceed and any applications made by Qualifying Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without interest, as soon as practicable thereafter but within 14 days.

No temporary documents of title will be issued. Definitive certificates in respect of C Shares are expected to be posted to those Qualifying Shareholders who have validly elected to hold their Ordinary Shares in certificated form in the week commencing 20 February 2017. In respect of

those Qualifying Shareholders who have validly elected to hold their C Shares in uncertificated form, the C Shares are expected to be credited to their stock accounts maintained in CREST on 14 February 2017.

Applications will be made for the C Shares to be admitted to the Premium Listing segment of the Official List and for the C Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. Admission is expected to occur on 14 February 2017, when dealings in the C Shares are expected to begin.

All monies received by the Receiving Agent in respect of C Shares will be credited to a non-interest bearing account by the Receiving Agent.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will notify the UKLA and make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

4. Procedure for application and payment in respect of the Open Offer

The action to be taken by you in respect of the Open Offer depends on whether you hold your Ordinary Shares in certificated or uncertificated form.

Qualifying Non-CREST Shareholders will receive the Open Offer Application Form enclosed with this document. The Open Offer Application Form shows Qualifying Non-CREST Shareholders the number of C Shares available under their Basic Entitlement that can be allotted in certificated form. Qualifying CREST Shareholders will be allotted C Shares in CREST. Qualifying Shareholders who hold part of their Ordinary Shares in uncertificated form will be allotted C Shares in uncertificated form to the extent that their entitlement to C Shares arises as a result of holding Ordinary Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Basic Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 4.2.5 of this Part 10 of this document.

CREST Sponsored Members should refer to their CREST sponsor as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Basic Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST members who wish to apply for C Shares in respect of their Basic Entitlements and Excess CREST Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

Qualifying Shareholders who do not wish to apply for the C Shares under the Open Offer should take no action and should not complete or return the Open Offer Application Form, or send a USE message through CREST.

4.1 *Qualifying Non-CREST Shareholders*

4.1.1 *General*

Subject as provided in paragraph 6 of this Part 10 of this document in relation to certain Overseas Shareholders, Qualifying Non-CREST Shareholders will receive an Open Offer Application Form. The Open Offer Application Form shows the number of C Shares available to them under their Basic Entitlement in Box 6. Entitlements to C Shares are rounded down to the nearest whole number. Box 6A shows how much they would need to pay if they wish to take up their Basic Entitlement in full. Qualifying Non-CREST Shareholders may apply for less than their entitlement should they wish to do so. Qualifying Non-CREST Shareholders may also hold such an Open Offer Application Form by virtue of a *bona fide* market claim. Qualifying Non-CREST Shareholders may also apply for additional C Shares under the Excess Application Facility by completing Boxes 2, 2A, 3 and 4 on the Open Offer Application Form.

The instructions and other terms set out in the Open Offer Application Form form part of the terms of the Open Offer in relation to Qualifying Non-CREST Shareholders.

4.1.2 *Bona fide market claims*

Applications to acquire C Shares under the Open Offer may only be made on an Open Offer Application Form by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Ordinary Shares through the market prior to the date upon which the Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer (being 8.00 a.m. on

23 January 2017). Open Offer Application Forms may not be assigned, transferred or split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 6 February 2017. The Open Offer Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Ordinary Shares prior to the date upon which the Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire C Shares under the Open Offer may be a benefit which may be claimed by the transferee. Qualifying Non-CREST Shareholders who have sold all of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 7 on the Open Offer Application Form and immediately forward this Open Offer Application Form together with any accompanying documents at once to the purchaser or transferee or stockbroker or bank or other agent through whom the sale was effected, for delivery to the purchaser or transferee (save that this Open Offer Application Form should not be submitted or forwarded in or into the United States or any of the Excluded Territories or any jurisdiction where it would or may be unlawful to do so, unless pursuant to an applicable exemption). If you have sold or transferred only some of the Ordinary Shares, you should complete Box 7 and return the Open Offer Application Form by post or by hand (during normal business hours only), at once to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, accompanied by a letter stating the number of split Open Offer Application Forms required and the total number of C Shares to be included in each split Open Offer Application Form. The latest time and date for splitting is 3.00 p.m. on 6 February 2017. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 4.2.2 below.

4.1.3 *Excess Application Facility*

Existing Shareholders who have taken up their Basic Entitlement may apply to acquire additional C Shares using the Excess Application Facility, should they wish. Qualifying Non-CREST Shareholders wishing to apply for additional C Shares, may do so by completing Boxes 2, 2A, 3 and 4 of the Open Offer Application Form. The maximum number of C Shares to be issued under the Excess Application Facility (the "**Maximum Excess Application Number**") shall be limited to: (a) the maximum size of the Issue; less (b) C Shares issued under the Open Offer pursuant to Existing Shareholders' Basic Entitlements and any C Shares that the Directors determine to issue under the Placing and Offer for Subscription. Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications by existing Shareholders will be met in full or in part or at all. Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant's risk) without interest as soon as practicable thereafter, but in any event within 14 days of Admission, by way of cheque or CREST payment, as appropriate.

4.1.4 Qualifying Non-CREST Shareholders wishing to apply to acquire C Shares to which they are entitled under the Open Offer should complete the Open Offer Application Form in accordance with the instructions printed on it.

Completed Open Offer Application Forms should be posted in the accompanying pre-paid envelope or returned by post or by hand (during normal business hours only) to the Receiving Agent, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU (who will act as Receiving Agent in relation to the Open Offer) so as to be received by the Receiving Agent by no later than 11.00 a.m. on 8 February 2017, after which time Open Offer Application Forms will not be valid. Qualifying Non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. If an Open Offer Application Form is being sent by first-class post in the UK, Qualifying Non-CREST Shareholders are recommended to allow at least four working days for delivery.

All payments must be in pounds Sterling and made by cheque or banker's draft made payable to "**Capita Registrars Limited re: GCP Asset Backed Income Fund Limited – Open Offer a/c**" and crossed "**a/c payee only**". Cheques or banker's drafts must be

drawn on a bank or building society or branch of a bank or building society in the United Kingdom or the Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque or banker's draft to confirm that the relevant Qualifying Shareholder has title to the underlying funds. However, third party cheques may be subject to enhanced customer due diligence measures pursuant to the Money Laundering (Jersey) Order 2008 ("**Money Laundering Regulations**") which would delay Shareholders receiving their C Shares. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted.

Cheques or bankers drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

If cheques or banker's drafts are presented for payment before the conditions of the Issue are fulfilled, the application monies will be credited to a non-interest bearing account by the Receiving Agent. If the Issue does not become unconditional, no C Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable and in any event within 14 days, following the lapse of the Issue.

The Company may in its sole discretion, but shall not be obliged to, treat an Open Offer Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the Terms and Conditions of Application under the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

(a) Open Offer Application Forms received after 11.00 a.m. on 8 February 2017; or

(b) applications in respect of which remittances are received before 11.00 a.m. on 8 February 2017 from authorised persons (as defined in FSMA) specifying the C Shares applied for and undertaking to lodge the Open Offer Application Form in due course but, in any event, within two Business Days.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

If C Shares have already been allotted to a Qualifying Non-CREST Shareholder and such Qualifying Non-CREST Shareholder's cheque or banker's draft is not honoured upon first presentation or such Qualifying Non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, Cenkos shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Qualifying Non-CREST Shareholder's C Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. Neither Cenkos nor the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Non-CREST Shareholders.

4.1.5 *Effect of application*

By completing and delivering an Open Offer Application Form the applicant:

(a) represents and warrants to the Company, the Receiving Agent and Cenkos that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and/or the Excess Application Facility and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for C Shares or acting on behalf of any such person on a non-discretionary basis;

(b) agrees with the Company, the Receiving Agent and Cenkos that all applications under the Open Offer and/or the Excess Application Facility and contracts resulting therefrom shall be governed by and construed in accordance with the laws of Jersey;

(c) confirms to the Company, the Receiving Agent and Cenkos that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all information in relation to the Company and the C Shares contained in this document;

(d) represents and warrants to the Company, the Receiving Agent and Cenkos that he is the Qualifying Shareholder originally entitled to his Basic Entitlement or that he received such Basic Entitlement by virtue of a *bona fide* market claim;

(e) represents and warrants to the Company, the Receiving Agent and Cenkos that if he has received some or all of his Basic Entitlement from a person other than the Company he is entitled to apply under the Open Offer in relation to such Basic Entitlement by virtue of a *bona fide* market claim;

(f) requests that the C Shares, to which he will become entitled, be issued to him on the terms set out in this document and the Open Offer Application Form subject to the Articles;

(g) represents and warrants to the Company, the Receiving Agent and Cenkos that he is not, nor is he applying on behalf of, any person who is in, or is a citizen or resident, or is a corporation, partnership or other entity created or organised in or under any laws, of the United States or any other Excluded Territory and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the C Shares which are the subject of his application in or to, or for the benefit of, a person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States or any other Excluded Territory (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which the Company (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor person(s) otherwise prevented by legal or regulatory restrictions from applying for C Shares under the Open Offer or the Excess Application Facility;

(h) represents and warrants to the Company, the Receiving Agent and Cenkos that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;

(i) confirms that in making the application he is not relying and has not relied on Cenkos or any person affiliated with Cenkos in connection with any investigation of the accuracy of any information contained in this document or his investment decision; and

(j) confirms that no person has been authorised to give any information or to make any representation concerning the Company or the C Shares (other than as contained in this document) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company or Cenkos.

4.1.6 *Incorrect or incomplete applications*

If an Open Offer Application Form includes a payment for an incorrect sum, the Company reserves the right:

(a) to reject the application in full and refund the payment to the applicant (without interest);

(b) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of C Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the applicant (without interest); and

(c) in the case that an excess sum is paid, to treat the application as a valid application for all the C Shares referred to in the Open Offer Application Form, refunding any unutilised sum to the applicant (without interest).

All enquiries in connection with the procedure for application and completion of the Open Offer Application Form should be addressed to the Receiving Agent, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU or you can contact the Receiving Agent on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Qualifying Non-CREST Shareholders who do not wish to take up or apply for the C Shares under the Open Offer should take no action and should not complete or return the Open Offer Application Form.

A Qualifying Non-CREST Shareholder who is also a CREST member may elect to receive the C Shares to which he is entitled in uncertificated form in CREST (please see paragraph 4.2.1 below for more information).

4.2 *Qualifying CREST Shareholders*

4.2.1 *General*

Subject as provided in paragraph 6 of this Part 10 in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Basic Entitlement equal to the maximum number of C Shares for which he is entitled to apply to acquire under the Open Offer. Entitlements to C Shares will be rounded down to the nearest whole number and any Basic Entitlements have therefore also been rounded down.

The CREST stock account to be credited will be an account under the participant ID and member account ID specified in the section headed ''Expected Timetable'' and below.

If for any reason the Basic Entitlement and/or Excess CREST Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by 8.00 a.m. on 23 January 2017, or such later time and/or date as the Company may decide, an Open Offer Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Basic Entitlements and Excess CREST Open Offer Entitlement which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying Non-CREST Shareholders with Open Offer Application Forms will apply to Qualifying CREST Shareholders who receive such Open Offer Application Forms.

CREST members who wish to apply to acquire some or all of their entitlements to C Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact the Receiving Agent on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

4.2.2 *Market claims*

The Basic Entitlements and the Excess CREST Open Offer Entitlements will constitute separate securities for the purposes of CREST. Although Basic Entitlements and the Excess CREST Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Basic Entitlements and/or the Excess CREST Open Offer Entitlements may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as "cum" the Basic Entitlements and the Excess CREST Open Offer Entitlements will generate an appropriate market claim transaction and the relevant Basic Entitlement(s) and Excess CREST Open Offer Entitlements(s) will thereafter be transferred accordingly.

A Qualifying CREST Shareholder that, as a result of a *bona fide* market claim has received a shortfall of Excess CREST Open Offer Entitlements to their CREST account and would like to apply for a larger number of C Shares under the Excess Application Facility or to arrange for a further credit of Excess CREST Open Offer Entitlements to be made should contact the Receiving Agent on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

4.2.3 *Excess Application Facility*

Existing Shareholders may apply to acquire additional C Shares using the Excess Application Facility, should they wish. The Excess Application Facility enables Qualifying CREST Shareholders to apply for additional C Shares in excess of their Basic Entitlement. An Excess CREST Open Offer Entitlement may not be sold or otherwise transferred.

Subject as provided in paragraph 6 below in relation to Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with an Excess CREST Open Offer Entitlement in order for any applications for additional C Shares to be settled through CREST.

Qualifying CREST Shareholders should note that, although the Basic Entitlements and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities (for the purposes of market claims only). Neither the Basic Entitlements nor the Excess CREST Open Offer Entitlements will be tradable or listed and applications in respect of the Open Offer may only be made by the existing Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

To apply for additional C Shares pursuant to the Excess Application Facility, Qualifying CREST Shareholders should follow the instructions in paragraph 4.2.6 below and must not return a paper form and cheque.

Should a transaction be identified by the Euroclear UK & Ireland's Claims Processing Unit as "cum" the Basic Entitlement and the relevant Basic Entitlement be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Basic Entitlement claim, but will be transferred as a separate claim. Should a Qualifying CREST

Shareholder cease to hold all of his Ordinary Shares as a result of one or more *bona fide* market claims, the Excess CREST Open Offer Entitlement credited to CREST and allocated to the relevant Existing Shareholder will be transferred to the purchaser. Please note that a separate USE Instruction must be sent in respect of any application under the Excess CREST Open Offer Entitlement.

Applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications by Existing Shareholders will be met in full or in part or at all. Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant's risk) without interest as soon as practicable thereafter by way of cheque or CREST payment, as appropriate.

4.2.4 *Unmatched Stock Event ("**USE**") instructions*

Qualifying CREST Shareholders who are CREST members and who want to apply for C Shares in respect of all or some of their Basic Entitlements and/or Excess CREST Open Offer Entitlements must send (or, if they are CREST Sponsored Members, procure that their CREST sponsor sends) an USE instruction to Euroclear which, on its settlement, will have the following effect:

(a) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Basic Entitlements and Excess CREST Open Offer Entitlements corresponding to the number of C Shares applied for; and

(b) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of C Shares referred to in (a) above.

4.2.5 *Content of USE instruction in respect of Basic Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

(a) the number of C Shares for which application is being made (and hence the number of the Basic Entitlement(s) being delivered to the Receiving Agent);

(b) the CREST participant ID of the accepting CREST member;

(c) the CREST member account ID of the accepting CREST member from which the Basic Entitlements are to be debited;

(d) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 7RA33;

(e) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 29025GCP;

(f) the ISIN of the Basic Entitlements. This is JE00BYV23V41;

(g) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of C Shares referred to in (a) above;

(h) the intended settlement date. This must be on or before 11.00 a.m. on 8 February 2017; and

(i) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 8 February 2017.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

(i) a contact name and telephone number (in the free format shared note field); and

(ii) a priority of at least 80.

CREST members and, in the case of CREST Sponsored Members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 8 February 2017 in order to be valid is 11.00 a.m. on that day.

In the event that the Issue does not become unconditional by 8.00 a.m. on 14 February 2017 or such later time and date as the Company and Cenkos determine (being no later than 8.00 a.m. on 6 April 2017), the Issue will lapse, the Basic Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

4.2.6 *Content of USE instruction in respect of Excess CREST Open Offer Entitlements*

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

(a) the number of C Shares for which application is being made (and hence the number of the Excess CREST Open Offer Entitlement(s) being delivered to the Receiving Agent);

(b) the CREST participant ID of the accepting CREST member;

(c) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;

(d) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 7RA33;

(e) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 29025GCP;

(f) the ISIN of the Excess CREST Open Offer Entitlements. This is JE00BYV23W57;

(g) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of C Shares referred to in (a) above;

(h) the intended settlement date. This must be on or before 11.00 a.m. on 8 February 2017; and

(i) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Excess CREST Open Offer Entitlement under the Excess Application Facility to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 8 February 2017.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

(i) a contact name and telephone number (in the free format shared note field); and

(ii) a priority of at least 80.

CREST members and, in the case of CREST Sponsored Members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 8 February 2017 in order to be valid is 11.00 a.m. on that day. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess CREST Open Offer Entitlement security.

In the event that the Issue does not become unconditional by 8.00 a.m. on 14 February 2017 or such later time and date as the Company and Cenkos determine (being no later than 8.00 a.m. on 6 April 2017), the Issue will lapse, the Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

4.2.7 *Deposit of Basic Entitlements into, and withdrawal from, CREST*

A Qualifying Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Basic Entitlements set out in his Open Offer Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Open Offer Application Form or into the name of a person entitled by virtue of a *bona fide* market claim), provided that such Qualifying Non-CREST Shareholder is also a CREST member. Similarly, Basic Entitlements and Excess CREST Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Open Offer Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Open Offer Application Form.

A holder of an Open Offer Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Basic Entitlements and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 8 February 2017. After depositing their Basic Entitlements into their CREST account, CREST holders will, shortly after that, receive a credit for their Excess CREST Open Offer Entitlement, which will be managed by the Receiving Agent.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, (i) the recommended latest time for depositing an Open Offer Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Open Offer Application Form as Basic Entitlements and Excess CREST Open Offer Entitlements in CREST, is 3.00 p.m. on 3 February 2017 and (ii) the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Basic Entitlements and Excess CREST Open Offer Entitlements from CREST is 4.30 p.m. on 2 February 2017 – in either case so as to enable, the person acquiring or (as appropriate) holding the Basic Entitlements and Excess CREST Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Open Offer Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Basic Entitlements, as the case may be, prior to 11.00 a.m. on 8 February 2017. CREST holders inputting the withdrawal of their Basic Entitlements from their CREST account must ensure that they withdraw both their Basic Entitlements and the Excess CREST Open Offer Entitlement.

Delivery of an Open Offer Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying Shareholder named in the Open Offer Application Form or into the name of another person, shall constitute a representation and warranty to the Company, Cenkos and the Receiving Agent by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Do you want to deposit your Basic Entitlements into CREST?" on page 3 of the Open Offer Application Form, and a declaration to the Company, Cenkos and the Receiving Agent from the relevant CREST member(s) that it/they is/are not in, or citizen(s) or resident(s) of, the United States or any other Excluded Territory and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer or the Excess Application Facility by virtue of a *bona fide* market claim.

4.2.8 *Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 8 February 2017 will constitute a valid application under the Open Offer.

4.2.9 *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer and the Excess Application Facility. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Sponsored Member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above and settled by 11.00 a.m. on 8 February 2017. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

4.2.10 *Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company, through the Receiving Agent, reserves the right:

(a) to reject the application in full and refund the payment to the CREST member in question (without interest);

(b) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of C Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and

(c) in the case that an excess sum is paid, to treat the application as a valid application for all the C Shares referred to in the USE instruction, refunding any unutilised sum to the CREST member in question (without interest).

4.2.11 *Effect of valid application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures thereby:

(a) represents and warrants to the Company, the Receiving Agent and Cenkos that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer or the Excess Application Facility, as the case may be, and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for C Shares or acting on behalf of any such person on a non-discretionary basis;

(b) agrees with the Company and Cenkos to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);

(c) agrees with the Company and Cenkos that all applications and contracts resulting therefrom under the Open Offer and the Excess Application Facility shall be governed by, and construed in accordance with, the laws of Jersey;

(d) confirms to the Company and Cenkos that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information in relation to the Company and the C Shares contained in this document;

(e) represents and warrants to the Company and Cenkos that he is the Qualifying Shareholder originally entitled to the Basic Entitlement and Excess CREST Open Offer Entitlement or that he has received such Basic Entitlement and Excess CREST Open Offer Entitlement by virtue of a *bona fide* market claim;

(f) represents and warrants to the Company, the Receiving Agent and Cenkos that if he has received some or all his Basic Entitlement and Excess CREST Open Offer Entitlement from a person other than the Company, he is entitled to apply under the Open Offer and the Excess Application Facility in relation to such Basic Entitlement and Excess CREST Open Offer Entitlement by virtue of a *bona fide* market claim;

(g) requests that the C Shares to which he will become entitled be issued to him on the terms set out in this document, subject to the Articles;

(h) represents and warrants to the Company, the Receiving Agent and Cenkos that he is not, nor is he applying on behalf of anyone who is in, or is a citizen or resident, or is a corporation, partnership or other entity created or organised in or under any laws of, the United States or any other Excluded Territory and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the C Shares which are the subject of his application in or to, or for the benefit of, any person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States or any other Excluded Territory (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which the Company (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor person(s) otherwise prevented by legal or regulatory restrictions from applying for C Shares under the Open Offer or the Excess Application Facility;

(i) represents and warrants to the Company, the Receiving Agent and Cenkos that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;

(j) confirms that in making the application he is not relying and has not relied on Cenkos or any person affiliated with Cenkos in connection with any investigation of the accuracy of any information contained in this document or his investment decision; and

(k) confirms that in making the application he is not relying and has not relied on Cenkos or any person affiliated with Cenkos in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

4.2.12 *Company's discretion as to the rejection and validity of applications*

The Company may in its sole discretion:

(a) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part 10;

(b) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;

(c) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "**first instruction**") as not constituting a valid application if, at the time at which the Registrar receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in

Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and

(d) accept an alternative instruction or notification from a CREST member or CREST Sponsored Member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST Sponsored Member or (where applicable) CREST sponsor, the CREST member or CREST Sponsored Member is unable validly to apply for C Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure of breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

4.2.13 *Lapse of the Open Offer*

In the event that the Issue does not become unconditional by 8.00 a.m. on 14 February 2017 or such later time and date as the Company and Cenkos may agree (being no later than 8.00 a.m. on 6 April 2017), the Issue will lapse, the Basic Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter but within 14 days.

5. Money Laundering Regulations

5.1 *Holders of Application Forms*

To ensure compliance with the Money Laundering Regulations, the Proceeds of Crime Act 2002 and any other applicable regulations, the Receiving Agent may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Open Offer Application Form is lodged with payment (which requirements are referred to below as the "**verification of identity requirements**"). If the Open Offer Application Form is submitted by a regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Receiving Agent. In such case, the lodging agent's stamp should be inserted on the Open Offer Application Form.

The person lodging the Open Offer Application Form with payment and in accordance with the other terms as described above (the "**acceptor**"), including any person who appears to the Receiving Agent to be acting on behalf of some other person, accepts the Open Offer in respect of such number of C Shares as is referred-to therein (for the purposes of this paragraph 5 the "**relevant C Shares**") and shall thereby be deemed to agree to provide the Receiving Agent with such information and other evidence as the Receiving Agent may require to satisfy the verification of identity requirements.

If the Receiving Agent determines that the verification of identity requirements apply to any acceptor or application, the relevant C Shares (notwithstanding any other term of the Open Offer) will not be issued to the relevant acceptor unless and until the verification of identity requirements have been satisfied in respect of that acceptor or application. The Receiving Agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any acceptor or application and whether such requirements have been satisfied, and neither the Receiving Agent nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable time following a request for verification of identity, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the monies payable on acceptance of the Open Offer or under the Excess Application Facility will be returned (at the acceptor's risk) without interest to the account of the bank or building society on which the relevant cheque or banker's draft was drawn.

Submission of an Open Offer Application Form with the appropriate remittance will constitute a warranty to each of the Company, the Receiving Agent and Cenkos from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

The verification of identity requirements will not usually apply:

(a) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system for the purpose of money laundering (no. 91/308/EEC));

(b) if the acceptor is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the UK Money Laundering Regulations 2007, as amended;

(c) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant's name;

(d) if payment is made by cheque or banker's draft in Sterling drawn on a branch in the United Kingdom or the Channel Islands of a bank or building society that is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or that has arranged for its cheques or bankers' drafts to be cleared through the facilities provided for members of either of those companies. Such cheques or bankers' drafts must bear the appropriate sort code number in the top right hand corner. Cheques which must be drawn on the personal account of an individual Application where they have sole or joint title to the funds, should be made payable to "**Capita Registrars Limited re: GCP Asset Backed Income Fund Limited – Open Offer**" and crossed "**a/c payee only**". Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque or banker's draft to that effect. However, third party cheques may be subject to the Money Laundering Regulations which would delay Shareholders receiving their C Shares. The account name should be the same as that shown on the Open Offer Application Form; or

(e) if the Open Offer Application Form is lodged with payment by an agent which is an organisation of the kind referred to in (a) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which are Argentina, Australia, Brazil, Canada, China, Hong Kong, Iceland, India, Japan, Mexico, New Zealand, Norway, Russian Federation, Singapore, the Republic of Korea, the Republic of South Africa, Switzerland, Turkey, UK Crown Dependencies and the USA and, by virtue of their membership of the Gulf Cooperation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should provide with the Open Offer Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Receiving Agent. If the agent is not such an organisation, it should contact the Receiving Agent at the address set out on page 47 of this document.

To confirm the acceptability of any written assurance referred to in (e) above, or in any other case, the acceptor should contact the Receiving Agent. The telephone number of Capita Asset Services is 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

If the Open Offer Application Form in respect of C Shares is/are lodged by hand by the acceptor and the accompanying payment is not the acceptor's own cheque, he or she should ensure that he or she has with him or her evidence of identity bearing his or her photograph (for example, his or her passport) and separate evidence of his or her address.

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 8 February 2017, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Receiving Agent under instructions from the Company may, at its discretion, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the drawee bank from which such monies were originally debited within 14 days (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

5.2 *Basic Entitlements and Excess CREST Open Offer Entitlements in CREST*

If you hold your Basic Entitlement and Excess CREST Open Offer Entitlements in CREST and apply for C Shares in respect of some or all of your Basic Entitlement and Excess CREST Open Offer Entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, the Receiving Agent is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Receiving Agent before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to the Company, the Receiving Agent and Cenkos to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the C Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the C Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

6. Overseas Shareholders

This document has been approved by the FCA, being the competent authority in the United Kingdom. The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

6.1 *General*

The distribution of this document and the making of the Open Offer to persons who have registered addresses in, or who are resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirements or other formalities to enable them to apply for C Shares under the Open Offer.

No action has been or will be taken by the Company or Cenkos or any other person, to permit a public offering or distribution of this document (or any other offering or publicity materials or application form(s) relating to the C Shares under the Open Offer or C Shares to be issued under the Offer for Subscription) in any jurisdiction where action for that purpose may be required.

No public offer of C Shares is being made by virtue of this document or the Open Offer Application Form into the United States or any other Excluded Territory.

Receipt of this document and/or an Open Offer Application Form and/or a credit of Basic Entitlements to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make

such an invitation or offer and, in those circumstances, this document and/or the Open Offer Application Form must be treated as sent for information only and should not be copied or redistributed.

Open Offer Application Forms will not be sent to, and Basic Entitlements and Excess CREST Open Offer Entitlements will not be credited to stock accounts in CREST of, persons with registered addresses in the United States or any other Excluded Territory or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this document and/or an Open Offer Application Form and/or a credit of Basic Entitlements and Excess CREST Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such Open Offer Application Form and/or credit of Basic Entitlements and Excess CREST Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Open Offer Application Form and/or credit of Basic Entitlements and Excess CREST Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Open Offer Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agent, nominees and trustees) outside the United Kingdom wishing to apply for C Shares under the Open Offer to satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory.

None of the Company nor Cenkos, nor any of their respective representatives is making any representation to any offeree or purchaser of the C Shares regarding the legality of an investment in the C Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Open Offer Application Form and/or a credit of Basic Entitlements and Excess CREST Open Offer Entitlements to a stock account in CREST, in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Basic Entitlements and Excess CREST Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or an Open Offer Application Form and/or a credit of Basic Entitlements and Excess CREST Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for C Shares in respect of the Open Offer unless the Company or Cenkos determine that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this document and/or an Open Offer Application Form and/or transfers Basic Entitlements and/or Excess CREST Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part 10 and specifically the contents of this paragraph 6.

The Company reserves the right to treat as invalid any application or purported application for C Shares that appears to the Company or its agents to have been executed, effected, or dispatched from the United States or another Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates relating to C Shares (or in the case of a credit of Basic Entitlements and Excess CREST Open Offer Entitlements to a stock account in CREST, to a CREST member whose registered address would be), in the United States or another Excluded Territory.

Notwithstanding any other provision of this document or the Open Offer Application Form, the Company reserves the right to permit any person to apply for C Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for C Shares should note that payment must be made in Sterling denominated cheques or banker's drafts or where such Overseas Shareholder is a Qualifying CREST Shareholder, through CREST.

6.2 *United States*

The C Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, may not be offered or sold, re-sold, taken up, transferred, delivered or distributed, directly or indirectly, within the United States except in reliance on an exemption from the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Accordingly, the Company is not extending the Open Offer into the United States and neither this document nor the Open Offer Application Form constitutes or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire any C Shares in the United States. Neither this document nor an Open Offer Application Form, will be sent to, and no C Shares will be credited to, a stock account in CREST of, any Shareholder with a registered address in the United States. Open Offer Application Forms sent from or postmarked in the United States will be deemed to be invalid and all persons acquiring C Shares and wishing to hold such C Shares in registered form must provide an address for registration of the C Shares issued upon exercise thereof outside the United States.

Any person who acquires C Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Open Offer Application Form and delivery of the C Shares, that they are not, and that at the time of acquiring the C Shares they will not be, in the United States or acting on behalf of, or for the account or benefit of a person on a non-discretionary basis in the United States or any state of the United States.

The Company reserves the right to treat as invalid any Open Offer Application Form that appears to the Company or its agents to have been executed in, or despatched from, the United States, or that provides an address in the United States for the receipt of C Shares, or which does not make the warranty set out in the Open Offer Application Form to the effect that the person completing the Open Offer Application Form does not have a registered address and is not otherwise located in the United States and is not acquiring the C Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such C Shares in the United States or where the Company believes acceptance of such Open Offer Application Form may infringe applicable legal or regulatory requirements.

The Company will not be bound to allot or issue any C Shares to any person with an address in, or who is otherwise located in, the United States in whose favour an Open Offer Application Form or any C Shares may be transferred. In addition, the Company and Cenkos reserve the right to reject any USE instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of the C Shares.

6.3 *Excluded Territories*

The C Shares have not been and will not be registered under the relevant laws of any Excluded Territories or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Excluded Territories or to, or for the account or benefit of, any person with a registered address in, or who is resident in, or a citizen of, any Excluded Territories except pursuant to an applicable exemption. No offer of C Shares is being made by virtue of this document or the Open Offer Application Form into any Excluded Territories.

6.4 *Other overseas territories*

Open Offer Application Forms will be sent to Qualifying Non-CREST Shareholders and Basic Entitlements will be credited to the stock account in CREST of Qualifying CREST Shareholders. Qualifying Shareholders in jurisdictions other than the United Kingdom may,

subject to the laws of their relevant jurisdiction, take up C Shares under the Open Offer in accordance with the instructions set out in this document and the Open Offer Application Form.

Shareholders who have registered addresses in, or who are resident in, or citizens of countries other than the United Kingdom should consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to apply for any C Shares in respect of the Open Offer.

6.5 *Representations and warranties relating to Overseas Shareholders*

6.5.1 *Qualifying Non-CREST Shareholders*

Any person completing and returning an Open Offer Application Form or requesting registration of the C Shares comprised therein represents and warrants to the Company, Cenkos and the Registrar that, except where proof has been provided to the Company's satisfaction that such person's use of the Open Offer Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant C Shares from within the United States or any other Excluded Territory; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire C Shares in respect of the Open Offer or to use the Open Offer Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Excluded Territory (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring C Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such C Shares into any of the above territories.

The Company and/or the Receiving Agent may treat as invalid any acceptance or purported acceptance of the allotment of C Shares comprised in an Open Offer Application Form if it: (i) appears to the Company or its agents to have been executed, effected or dispatched from the United States or another Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in the United States or another Excluded Territory for delivery of the share certificates of C Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this sub-paragraph 6.5.1.

6.5.2 *Qualifying CREST Shareholders*

A CREST member or CREST Sponsored Member who makes a valid acceptance in accordance with the procedures set out in this Part 10 represents and warrants to the Company, Cenkos and the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) he or she is not within the United States or another Excluded Territory; (ii) he or she is not in any territory in which it is unlawful to make or accept an offer to acquire C Shares; (iii) he or she is not accepting on a non-discretionary basis for a person located within another Excluded Territory (except as otherwise agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) he or she is not acquiring any C Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such C Shares into any of the above territories.

6.6 *Waiver*

The provisions of this paragraph 6 and of any other terms of the Open Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Qualifying Shareholders or on a general basis by the Company and/or Cenkos in their absolute discretion. Subject to this, the provisions of this paragraph 6 supersede any terms of the Open Offer inconsistent herewith. References in this paragraph 6 to Qualifying Shareholders

shall include references to the person or persons executing an Open Offer Application Form and, in the event of more than one person executing an Open Offer Application Form, the provisions of this paragraph 6 shall apply to them jointly and to each of them.

7. Withdrawal rights

Qualifying Shareholders wishing to exercise or direct the exercise of statutory withdrawal rights pursuant to Section 87Q(4) of FSMA after the issue by the Company of a prospectus supplementary to this document must do so by lodging a written notice of withdrawal within two Business Days commencing on the Business Day after the date on which the supplementary prospectus is published. The withdrawal notice must include the full name and address of the person wishing to exercise statutory withdrawal rights and, if such person is a CREST member, the participant ID and the member account ID of such CREST member. The notice of withdrawal must be deposited by post or by hand (during normal business hours only) with the Receiving Agent, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU or by email to withdraw@capitaregistrars.com to the Receiving Agent so as to be received before the end of the withdrawal period. If you have any questions please call Capita Asset Services on Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

8. Admission, settlement and dealings

The result of the Open Offer and the Issue generally are expected to be announced on 10 February 2017. Application has been made to the UKLA for the C Shares to be admitted to the Premium Listing segment of the Official List and for the C Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that dealings in the C Shares, will commence at 8.00 a.m. on 14 February 2017.

The Company has applied for the C Shares to be admitted to CREST with effect from Admission. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Basic Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 8 February 2017 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, C Shares will be issued in uncertificated form to those persons who submitted a valid application for C Shares by utilising the CREST application procedures and whose applications have been accepted by the Company. Capita Asset Services will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to C Shares with effect from Admission (expected to be at 8.00 a.m. on 14 February 2017). The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Shareholders an Open Offer Application Form instead of crediting the relevant stock account with Basic Entitlements, and to allot and/or issue any C Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

For Qualifying Non-CREST Shareholders who have applied by using an Open Offer Application Form, share certificates in respect of the C Shares are expected to be despatched in the week commencing 20 February 2017. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers will be certified against the UK share register of the Company. All documents or remittances sent by or to applicants or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Qualifying Non-CREST Shareholders are referred to paragraph 4.1 above and their respective Open Offer Application Form.

9. Times and Dates

The Company shall, in agreement with Cenkos and after consultation with its financial and legal advisers, be entitled to amend the dates that Open Offer Application Forms are despatched or

amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this document and in such circumstances shall notify the London Stock Exchange and make an announcement on a Regulatory Information Service approved by the UKLA and, if appropriate, by Shareholders but Shareholders may not receive any further written communication.

If a supplementary prospectus is issued by the Company two or fewer Business Days prior to the latest time and date for acceptance any payment in full under the Open Offer specified in this document, the latest date for acceptance under the Open Offer shall be extended to the date that is three Business Days after the date of issue of the supplementary prospectus (and the dates and times of principal events due to take place following such date shall be extended accordingly).

10. Taxation

Certain statements regarding United Kingdom and Jersey taxation in respect of the C Shares and the Open Offer are set out in Part 7 of this document. Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer or who are subject to tax in any jurisdiction other than the United Kingdom or Jersey, should immediately consult a suitable professional adviser.

11. Further information

Your attention is drawn to the further information set out in this document and also, in the case of Non-CREST Shareholders and other Qualifying Shareholders to whom the Company has sent Open Offer Application Forms, to the terms, conditions and other information printed on the accompanying Open Offer Application Form.

12. Data Protection (Jersey) Law 2005

Pursuant to the Data Protection (Jersey) Law 2005 the Company and/or the Registrar, may hold personal data relating to past and present Shareholders.

Such personal data held is used by the Registrar to maintain the Register and mailing lists and this may include sharing such data with third parties in one or more of the countries mentioned below when (a) effecting the payment of dividends and other distributions to Shareholders and (b) filing returns of Shareholders and their respective transactions in Shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used.

The countries referred to above include, but are not limited to, those in the European Economic Area and any of their respective dependent territories overseas, Argentina, Australia, Brazil, Canada, Hong Kong, Hungary, Japan, New Zealand, Singapore, South Africa, Switzerland and the United States.

By becoming registered as a holder of C Shares a person becomes a data subject and is deemed to have consented to the processing by the Company or the Registrar of any personal data relating to them in the manner described above.

13. Governing law and jurisdiction

The Terms and Conditions of Application under the Open Offer as set out in this document, the Open Offer Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, Jersey law. The courts of Jersey are to have non-exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document or the Open Offer Application Form. By taking up C Shares by way of their Basic Entitlement, in accordance with the instructions set out in this document and, where applicable, the Open Offer Application Form, Shareholders irrevocably submit to the jurisdiction of the courts of Jersey and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

PART 11

TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION

1. INTRODUCTION

C Shares are available under the Offer for Subscription at a price of 100 pence per C Share.

Applications must be made on the application form (the "**Application Form**") attached at the end of this document (the "**Prospectus**") or otherwise published by the Company. Commitments under the Offer for Subscription, once made, may not be withdrawn without the consent of the Board.

If you are a new investor, in addition to completing and returning the Application Form to Capita Asset Services, you will also need to complete and return a Tax Residency Self Certification Form. The "individual tax residency self-certification – sole holding" form can be found at Appendix 2 of this document, further copies of this form and the relevant form for joint holdings or corporate entity holdings can be requested from Capita Asset Services on 0371 664 0321 or can be downloaded from the Investment Manager's website (which is http://www.gcpuk.com/gcp-asset-backed-income-fund-ltd). Calls are charged at the standard geographic rate and will vary by provider. Calls outside of the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

It is a condition of any Application under the Offer for Subscription that (where applicable) a completed version of the relevant form is provided with the Application Form before any application under the Offer for Subscription can be accepted. Offer for Subscription Application Forms that are returned without the completed Tax Residency Self-Certification Form will be referred to the Company after the Offer for Subscription closes at 1.00 p.m. on 9 February 2017. It will then be the Company's decision if these Application Forms can be accepted under the Offer for Subscription.

2. EFFECT OF APPLICATION

Applications under the Offer for Subscription must be for C Shares with a minimum subscription amount of 1,000 C Shares and thereafter in multiples of 100 C Shares. Multiple applications will be accepted.

2.1 **Offer to acquire C Shares**

By completing and delivering an Application Form, you, as the applicant, and, if you sign the Application Form on behalf of another person or a corporation, that person or corporation:

(a) offer to subscribe for such number of C Shares at 100 pence per C Share as may be purchased by the subscription amount specified in Box 1B on your Application Form (being a minimum of 1,000 C Shares); or such smaller number for which such application is accepted, on the terms, and subject to the conditions, set out in the Prospectus, including these Terms and Conditions of Application and the memorandum and articles of association of the Company in force from time to-time;

(b) agree that, in consideration of the Company agreeing that it will not, prior to the date of Admission, offer for subscription any C Shares to any person other than by means of the procedures referred to in the Prospectus, your application may not be revoked (subject to any legal right to withdraw your application which arises as a result of the publication of a supplementary prospectus) and that this paragraph shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to or, in the case of delivery by hand, on receipt by, the Receiving Agent of your Application Form;

(c) undertake to pay the subscription amount specified in Box 1B on your Application Form in full on application and warrant that the remittance accompanying your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured you will not be entitled to receive a share certificate for the C Shares applied for in certificated form or be entitled to commence dealing in C Shares applied for in uncertificated form or to enjoy or receive any rights in respect of such C Shares unless and until you make payment in cleared funds for such C Shares and such payment is

accepted by the Receiving Agent (which acceptance shall not constitute an acceptance of your application under the Offer and shall be in its absolute discretion and on the basis that you indemnify the Receiving Agent, the Company and Cenkos against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) avoid the agreement to allot the C Shares and may allot them to some other person, in which case you will not be entitled to any refund or payment in respect thereof (other than the refund by way of a cheque in your favour at your risk, for an amount equal to the proceeds of the remittance which accompanied your Application Form, without interest);

(d) agree, that where on your Application Form a request is made for C Shares to be deposited into a CREST account (a "**CREST Account**"), (i) the Company may in its absolute discretion issue such C Shares in certificated form registered in the name(s) of the holder(s) specified in your Application Form (and recognise that the Receiving Agent will so amend the form if there is any delay in satisfying the identity of the applicant or the owner of the CREST Account or in receiving your remittance in cleared funds) and (ii) the Receiving Agent, the Company or Cenkos may authorise your financial adviser or whoever he or she may direct to send a document of title for or credit your CREST Account in respect of the number of C Shares for which your application is accepted, and/or a crossed cheque for any monies returnable, by post at your risk to your address set out on your Application Form;

(e) agree, in respect of applications for C Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph 2.1(d) above to issue C Shares in certificated form), that any share certificate to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled or pursuant to paragraph 2.1(d) above (and any monies returnable to you) may be retained by the Receiving Agent:

- pending clearance of your remittance;
- pending investigation of any suspected breach of the warranties contained in paragraphs 2.5(a), (b), (f), (h), (m), (n), (o), (p) or (q) below or any other suspected breach of these Terms and Conditions of Application in respect of the Offer for Subscription; or
- pending any verification of identity which is, or which the Receiving Agent considers may be, required for the purpose of the Money Laundering (Jersey) Order 2008 ("**Money Laundering Regulations**") and any other regulations applicable thereto,

and any interest accruing on such retained monies shall accrue to and for the benefit of the Company;

(f) agree, on the request of the Receiving Agent to disclose promptly in writing to them such information as the Company and/or Receiving Agent may request in connection with your application and authorise the Receiving Agent to disclose any information relating to your application which they may consider appropriate;

(g) agree that if evidence of identity satisfactory to the Receiving Agent is not provided to the Receiving Agent within a reasonable time (in the opinion of the Receiving Agent) following a request therefor, the Company may terminate the agreement with you to allot C Shares and, in such case, the C Shares which would otherwise have been allotted to you may be re-allotted or sold to some other party and the lesser of your application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned by a cheque drawn on a branch of a UK clearing bank to the bank account on which the payment accompanying the application was first drawn without interest and at your risk;

(h) agree that you are not applying on behalf of a person engaged in money laundering or any sanctioned individual or entity;

(i) undertake to ensure that, in the case of an application signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) is enclosed with your Application Form together with full identity documents for the person so signing;

(j) undertake to pay interest at the rate described in paragraph 2.2 below if the remittance accompanying your Application Form is not honoured on first presentation;

(k) authorise the Receiving Agent to procure that there be sent to you definitive certificates in respect of the number of C Shares for which your application is accepted or if you have completed Section 2B on your Application Form, but subject to paragraph 2.1(d) above, to deliver the number of C Shares for which your application is accepted into CREST, and/or to return any monies returnable by a cheque drawn on a branch of a UK or Channel Islands clearing house to the bank account name from which such monies were received without interest and at your risk;

(l) confirm that you have read and complied with paragraph 2.7 below;

(m) agree that all subscription cheques and payments will be processed through a bank account (the "**Acceptance Account**") in the name of "**Capita Registrars Limited re: GCP Asset Backed Income Fund Limited – Offer for Subscription a/c**" opened by the Receiving Agent;

(n) agree that your Application Form is addressed to the Company and the Receiving Agent;

(o) acknowledge that the offer to the public of C Shares is being made only in the United Kingdom and represent that you are a United Kingdom resident (unless you are able to provide such evidence as the Company may, in its absolute discretion, require that you are entitled to apply for C Shares);

(p) agree that if a fractional entitlement to a C Share arises on your application, the number of C Shares issued to you will be rounded down to the nearest whole number and any fractions shall be retained by the Company for its benefit; and

(q) agree that any application may be rejected in whole or in part at the sole discretion of the Company.

2.2 **Acceptance of your offer**

The Receiving Agent may on behalf of the Company, accept your offer to subscribe (if your application is received (and for new investors, accompanied by the validly completed Tax Residency Self-Certification Form), valid (or treated as valid), processed and not rejected) by the London Stock Exchange being notified through a Regulatory Information Service of the basis of allocation (in which case the acceptance will be on that basis).

The basis of allocation will be determined by Cenkos in consultation with the Company and the Investment Manager. The right is reserved notwithstanding the basis as so determined to reject in whole or in part and/or scale back any application. The right is reserved to treat as valid any application not complying fully with these Terms and Conditions of Application in respect of the Offer for Subscription or not in all respects completed or delivered in accordance with the instructions accompanying the Application Form. In particular, but without limitation, the Company may accept an application made otherwise than by completion of an Application Form where you have agreed with the Company in some other manner to apply in accordance with these Terms and Conditions of Application in respect of the Offer for Subscription.

The Receiving Agent will present all cheques and banker's drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful applicants' payments.

The Receiving Agent may, as agent of the Company, require you to pay interest or its other resulting costs (or both) if the payment accompanying your application is not honoured on first presentation. If you are required to pay interest you will be obliged to pay the amount determined by the Company to be the interest on the amount of the payment from the date on which all payments in cleared funds are due to be received until the date of receipt of

cleared funds. The rate of interest will be the then published bank base rate of a clearing bank selected by the Company plus four per cent. per annum. The right is also reserved to reject in whole or in part, or to scale down or limit, any application.

Except as provided below, payments may be made by cheque or banker's draft in Sterling drawn on a branch in the United Kingdom or the Channel Islands of a bank or building society that is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or that has arranged for its cheques or bankers' drafts to be cleared through the facilities provided for members of either of those companies. Such cheques or bankers' drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of an individual Applicant where they have sole or joint title to the funds, should be made payable to "**Capita Registrars Limited re: GCP Asset Backed Income Fund Limited – Offer for Subscription a/c**" and crossed "**a/c Payee Only**". Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping/endorsing the cheque or banker's draft to that effect. However, third party cheques may be subject to the Money Laundering Regulations which would delay Shareholders receiving their C Shares. The account name should be the same as that shown on the Application Form.

Applicants choosing to settle via CREST, that is DVP, will need to input their instructions to Capita Asset Services' Participant account RA06 by no later than 1.00 p.m. on 9 February 2017, allowing for the delivery and acceptance of C Shares to be made against payment of the Issue Price per C Share, following the CREST matching criteria set out in the Application Form.

The maximum number of C Shares available under the Issue is 164,612,083. Subject always to satisfying applications by Qualifying Shareholders in full up to their Basic Entitlement, in the event that the Issue is oversubscribed it would be necessary to scale back applications under the Issue. Cenkos (in consultation with the Company and the Investment Manager) reserves the right to scale back applications in such amounts as it considers appropriate. The Company reserves the right to decline in whole or in part any application for C Shares pursuant to the Issue.

2.3 **Conditions**

The contracts created by the acceptance of applications (in whole or in part) under the Offer for Subscription will be conditional upon:

(a) Admission occurring by 8.00 a.m. (London time) on 14 February 2017 (or such later time and/or date, not being later than 8.00 a.m. on 6 April 2017, as the Company, the Investment Manager and Cenkos may agree); and

(b) the Placing Agreement not having being terminated in accordance with its terms.

You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other right you may have.

2.4 **Return of application monies**

Where application monies have been banked and/or received, if any application is not accepted in whole, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest by returning your cheque, or by crossed cheque in your favour, by post at the risk of the person(s) entitled thereto, without interest, within 14 days of Admission. In the meantime, application monies will be retained by the Receiving Agent in a separate non-interest bearing account.

2.5 **Warranties**

By completing an Application Form, you:

(a) undertake and warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person and that such other person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and

Conditions of Application under the Offer for Subscription and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;

(b) represent and warrant that you have complied with the laws of all relevant territories, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company or the Receiving Agent or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction in connection with the Offer for Subscription in respect of your application;

(c) confirm that (save for advice received from your financial adviser (if any)) in making an application you are not relying on any information or representations in relation to the Company other than those contained in the Prospectus (on the basis of which alone your application is made) and accordingly you agree that no person responsible solely or jointly for the Prospectus or any part thereof shall have any liability for any such other information or representation;

(d) agree that, having had the opportunity to read the Prospectus, you shall be deemed to have had notice of all information and representations contained therein;

(e) acknowledge that no person is authorised in connection with the Offer for Subscription to give any information or make any representation other than as contained in the Prospectus and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, Cenkos or the Receiving Agent;

(f) represent and warrant that you are not under the age of 18 on the date of your application;

(g) agree that all documents and monies sent by post to, by, from or on behalf of the Company or the Receiving Agent, will be sent at your risk and, in the case of documents and returned application cheques and payments to be sent to you, may be sent to you at your address (or, in the case of joint holders, the address of the first named holder) as set out in your Application Form;

(h) confirm that you have reviewed the restrictions contained in paragraph 2.7 below and warrant that you (and any person on whose behalf you apply) comply with the provisions therein;

(i) agree that, in respect of those C Shares for which your Application Form has been received and processed and not rejected, acceptance of your Application Form shall be constituted by the Company instructing the Registrar to enter your name on the Register;

(j) agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer for Subscription shall be governed by and construed in accordance with the laws of Jersey and that you submit to the jurisdiction of the Jersey Courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;

(k) irrevocably authorise the Company, Cenkos and/or the Receiving Agent or any other person authorised by any of them, as your agent, to do all things necessary to effect registration of any C Shares subscribed by or issued to you into your name and authorise any representatives of the Company and/or Cenkos and/or the Receiving Agent to execute any documents required therefor and to enter your name on the Register;

(l) agree to provide the Company with any information which it, Cenkos or the Receiving Agent may request in connection with your application or to comply with any other relevant legislation (as the same may be amended from time-to-time) including without limitation satisfactory evidence of identity to ensure compliance with the Money Laundering Regulations;

(m) represent and warrant that, in connection with your application, you have observed the laws of all requisite territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action which will or may result in the Company, Cenkos or the Receiving Agent acting in breach of the regulatory or legal requirements of any territory in connection with the Offer for Subscription or your application;

(n) represent and warrant to the Company that (i) you are not a U.S. Person, are not located within the United States and are not acquiring the C Shares for the account or benefit of a U.S. Person; (ii) you are acquiring the C Shares in an offshore transaction meeting the requirements of Regulation S; (iii) you understand and acknowledge that the C Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, into or within the United States or to, or for the account or benefit of, U.S. Persons; and (iv) you understand and acknowledge that the Company has not registered and will not register as an investment company under the U.S. Investment Company Act;

(o) represent and warrant to the Company that if in the future you decide to offer, sell, transfer, assign or otherwise dispose of the C Shares, you will do so only (i) in an offshore transaction complying with the provisions of Regulation S under the U.S. Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person, by pre-arrangement or otherwise, or (ii) to the Company or a subsidiary thereof. You understand and acknowledge that any sale, transfer, assignment, pledge or other disposal made other than in compliance with the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;

(p) agree that the Receiving Agent is acting for the Company in connection with the Offer for Subscription and for no-one else and that it will not treat you as its customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of the C Shares or concerning the suitability of the C Shares for you or be responsible to you for the protections afforded to their customers;

(q) represent and warrant that you (i) are highly knowledgeable and experienced in business and financial matters as to be capable of evaluating the merits and risks of an investment in the C Shares, (ii) fully understand the risks associated with such investment and (iii) are able to bear the economic risk of your investment in the Company and are currently able to afford the complete loss of such investment;

(r) represent and warrant that you are not subscribing for the C Shares using a loan which would not have been given to you or any associate or not given to you on such favourable terms, if you had not been proposing to subscribe for the C Shares;

(s) represent and warrant that the information contained in the Application Form is true and accurate; and

(t) agree that if you request that C Shares are issued to you on a date other than Admission and such C Shares are not issued on such date that the Company and its agents and Directors will have no liability to you arising from the issue of such C Shares on a different date.

2.6 **Money Laundering**

You agree that, in order to ensure compliance with the Money Laundering Regulations and any other applicable regulations, the Receiving Agent may at its absolute discretion require verification of identity of you (the "**holder(s)**") as the applicant lodging an Application Form and further may request from you and you will assist in providing identification of:

(a) the owner(s) and/or controller(s) (the "**payor**") of any bank account not in the name of the holder(s) on which is drawn a payment by way of banker's draft or cheque; or

(b) where it appears to the Receiving Agent that a holder or the payor is acting on behalf of some other person or persons.

Failure to provide the necessary evidence of identity may result in your application being rejected or delays in crediting CREST accounts or the despatch of documents.

If you use a building society cheque or banker's draft you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the cheque or banker's draft and adds its stamp.

If, in such circumstances, the person whose account is being debited is not a holder you will be required to provide for both the holder and the payor an original or a copy of that person's passport or driving licence certified by a solicitor and an original or certified copy of the following no more than three months old, a gas, electricity, water or telephone (not mobile) bill, a recent bank statement or a council tax bill, in their name and showing their current address (which originals will be returned by post at the addressees' risk) together with a signed declaration as to the relationship between the payor and you the holder.

For the purpose of the Money Laundering Regulations a person making an application for C Shares will not be considered as forming a business relationship with the Company or the Receiving Agent but will be considered as effecting a one-off transaction with either the Company or with the Receiving Agent.

The person(s) submitting an application for C Shares will ordinarily be considered to be acting as principal in the transaction unless the Receiving Agent determines otherwise, whereupon you may be required to provide the necessary evidence of identity of the underlying beneficial owner(s).

2.7 **Non-United Kingdom investors**

If you receive a copy of the Prospectus or an Application Form in any territory other than the United Kingdom you may not treat it as constituting an invitation or offer to you, nor should you, in any event, use an Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to you or an Application Form could lawfully be used without contravention of any registration or other legal requirements. It is your responsibility, if you are outside the UK and wish to make an application for C Shares under the Offer for Subscription, to satisfy yourself as to full observance of the laws of any relevant territory or jurisdiction in connection with your application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

None of the C Shares have been or will be registered under the laws of Canada, Japan, Australia, the Republic of South Africa or under the U.S. Securities Act or with any securities regulatory authority of any state or other political subdivision of the United States, Canada, Japan, Australia or the Republic of South Africa. If you subscribe for C Shares you will, unless the Company and the Receiving Agent agree otherwise in writing, be deemed to represent and warrant to the Company that you are not a U.S. Person or a resident of Canada, Japan, Australia, the Republic of South Africa or a corporation, partnership or other entity organised under the laws of the U.S., Canada (or any political subdivision of either) or Japan or Australia or the Republic of South Africa and that you are not subscribing for such C Shares for the account of any U.S. Person or resident of Canada, Japan, Australia or the Republic of South Africa and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the C Shares in or into the United States, Canada, Japan, Australia or the Republic of South Africa or to any U.S. Person or person resident in Canada, Japan, Australia or the Republic of South Africa. No application will be accepted if it shows the applicant, payor or a holder having an address in the United States, Canada, Japan, Australia or the Republic of South Africa.

Persons (including, without limitation, nominees and trustees) receiving this document should not distribute or send it to any U.S Person or in or into Canada, Japan, Australia, the Republic of South Africa, the U.S. or any other jurisdiction where to do so would or might contravene local securities law or regulations.

The Company reserves the right to treat as invalid any agreement to subscribe for C Shares pursuant to the Offer for Subscription if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

2.8 **Data Protection (Jersey) Law 2005**

Pursuant to the Data Protection (Jersey) Law 2005 the Company and/or the Registrar, may hold personal data relating to past and present Shareholders.

Such personal data held is used by the Registrar to maintain the Register and mailing lists and this may include sharing such data with third parties in one or more of the countries mentioned below when (a) effecting the payment of dividends and other distributions to Shareholders and (b) filing returns of Shareholders and their respective transactions in Shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used.

The countries referred to above include, but are not limited to, those in the European Economic Area and any of their respective dependent territories overseas, Argentina, Australia, Brazil, Canada, Hong Kong, Hungary, Japan, New Zealand, Singapore, South Africa, Switzerland and the United States.

By becoming registered as a holder of C Shares a person becomes a data subject and is deemed to have consented to the processing by the Company or the Registrar of any personal data relating to them in the manner described above.

2.9 **Miscellaneous**

To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise (including, without limitation, pre-contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the C Shares and the Offer for Subscription.

The rights and remedies of the Company, Cenkos and the Receiving Agent under these Terms and Conditions of Application under the Offer for Subscription are in addition to any rights and remedies which would otherwise be available to any of them and the exercise or partial exercise of one will not prevent the exercise of others.

The Company reserves the right to extend the closing time and/or date of the Offer for Subscription from 1.00 p.m. on 9 February 2017. In that event, the new closing time and/or date will be notified to applicants.

The Company may terminate the Offer for Subscription in its absolute discretion at any time prior to Admission. If such right is exercised, the Offer for Subscription will lapse and any monies will be returned as indicated without interest.

You agree that Cenkos and the Receiving Agent are acting for the Company in connection with the Issue and for no-one else, and that neither Cenkos nor the Receiving Agent will treat you as its customer by virtue of such application being accepted or owe you any duties concerning the price of the C Shares or concerning the suitability of the C Shares for you or otherwise in relation to the Issue or for providing the protections afforded to their customers.

Save where the context requires otherwise, terms used in these Terms and Conditions of Application bear the same meaning as where used in the Prospectus.

PART 12

TERMS AND CONDITIONS OF APPLICATION UNDER THE PLACING

1. INTRODUCTION

1.1 Each Placee which confirms its agreement to the Company and/or Cenkos to subscribe for C Shares under the Placing will be bound by these terms and conditions and will be deemed to have accepted them.

1.2 The Company and/or Cenkos may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it/they (in its/their absolute discretion) sees fit.

2. AGREEMENT TO SUBSCRIBE FOR C SHARES

Conditional on: (i) Admission becoming effective by not later than 8.00 a.m. (London time) on 14 February 2017 (or such later date as may be provided for in accordance with the terms of the Placing Agreement); (ii) the Placing Agreement becoming otherwise unconditional in all respects, and not being terminated in accordance with its terms before Admission becomes effective; (iii) satisfaction of the conditions set out in Part 4 of this document (the "**Prospectus**"); and (iv) Cenkos confirming to the Placees their allocation of C Shares, a Placee agrees to become a member of the Company and agrees to subscribe for those C Shares allocated to it by Cenkos at the Issue Price. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

3. PAYMENT FOR C SHARES

3.1 Each Placee must pay the Issue Price for the C Shares issued to the Placee in the manner and by the time directed by Cenkos. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee's application for C Shares may, at the discretion of Cenkos, either be rejected or accepted and in the latter case paragraph 3.2 of these terms and conditions shall apply.

3.2 Each Placee is deemed to agree that if it does not comply with its obligation to pay the Issue Price for the C Shares allocated to it in accordance with paragraph 3.1 of these terms and conditions and Cenkos elect to accept that Placee's application, Cenkos may sell all or any of the C Shares allocated to the Placee on such Placee's behalf and retain from the proceeds, for Cenkos's own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such C Shares on such Placee's behalf.

4. REPRESENTATIONS AND WARRANTIES

By agreeing to subscribe for C Shares, each Placee which enters into a commitment to subscribe for C Shares will (for itself and any person(s) procured by it to subscribe for C Shares and any nominee(s) for any such person(s)) be deemed to represent and warrant to each of the Company, the Investment Manager and Cenkos that:

(a) in agreeing to subscribe for C Shares under the Placing, it is relying solely on the Prospectus and any supplementary prospectus issued by the Company and not on any other information given, or representation or statement made at any time, by any person concerning the Company or the Placing. It agrees that none of the Company, the Investment Manager, Cenkos or the Registrar, nor any of their respective officers, agents or employees, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;

(b) if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for C Shares under the Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the Company, the Investment Manager, Cenkos or the Registrar or

any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing;

(c) it has carefully read and understands the Prospectus in its entirety and acknowledges that it is acquiring C Shares on the terms and subject to the conditions set out in this Part 12 and the Articles of Association as in force at the date of Admission;

(d) it has not relied on Cenkos or any person affiliated with Cenkos in connection with any investigation of the accuracy of any information contained in the Prospectus;

(e) the content of the Prospectus is the responsibility of the Company and its Directors and neither Cenkos nor any person acting on their respective behalf nor any of its affiliates are responsible for or shall have any liability for any information, representation or statement contained in the Prospectus or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Placing based on any information, representation or statement contained in the Prospectus or otherwise;

(f) it acknowledges that no person is authorised in connection with the Placing to give any information or make any representation other than as contained in the Prospectus and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the Investment Manager or Cenkos;

(g) it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services);

(h) it accepts that none of the C Shares have been or will be registered under the laws of the United States, Australia, Canada, Japan or the Republic of South Africa. Accordingly, the C Shares may not be offered, sold, issued or delivered, directly or indirectly, within any of the United States, Australia, Canada, Japan or the Republic of South Africa except, with regards to the United States, pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States;

(i) if it is within the United Kingdom, it is: (i) a person who falls within Articles 49(2)(a) to (d) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or it is a person to whom the C Shares may otherwise lawfully be offered under such Order or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, it is a person to whom the C Shares may be lawfully offered under that other jurisdiction's laws and regulations; or (ii) a person who is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook;

(j) if it is a resident in the EEA (other than the United Kingdom), (a) it is a qualified investor within the meaning of the law in the relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of Directive 2003/71/EC and (b) if that relevant Member State has implemented the AIFMD, that it is a person to whom the C Shares may lawfully be marketed under the AIFMD or under the applicable implementing legislation (if any) of that relevant Member State;

(k) in the case of any C Shares acquired by a Placee as a financial intermediary within the EEA (other than the United Kingdom) as that term is used in article 3(2) of the Prospectus Directive (i) the C Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive 2010/73/EU, or in circumstances in which the prior consent of Cenkos has been given to the offer or resale; or (ii) where C Shares have been acquired by it on behalf of persons in any relevant Member State other than qualified investors, the offer of those C Shares to it is not treated under the Prospectus Directive as having been made to such persons;

(l) if it is outside the United Kingdom, neither the Prospectus nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for C Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct

could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and C Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;

(m) it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the C Shares and it is not acting on a non-discretionary basis for any such person;

(n) if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such Placee's agreement to subscribe for C Shares under the Placing and will not be any such person on the date any such agreement to subscribe under the Placing is accepted;

(o) it has complied and will comply with all applicable provisions of the Criminal Justice Act 1993 and the Market Abuse Regulation (EU) No. 596/2014 with respect to anything done by it in relation to the Placing and/or the C Shares;

(p) it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted the Prospectus or any other offering materials concerning the Placing or the C Shares to any persons within the United States or to any U.S. Persons, nor will it do any of the foregoing;

(q) it represents, acknowledges and agrees to the representations, warranties and agreements as set out under the heading ''United States Purchase and Transfer Restrictions'' in paragraph 5, below;

(r) it acknowledges that neither Cenkos nor its affiliates, nor any person acting on Cenkos' behalf is making any recommendations to it or advising it regarding the suitability of any transactions it may enter into in connection with the Placing or providing any advice in relation to the Placing and its participation in the Placing is on the basis that it is not and will not be a client of Cenkos and that Cenkos does not have any duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertaking or indemnities otherwise required to be given by it in connection with its application under the Placing;

(s) that, save in the event of fraud on the part of Cenkos, neither Cenkos nor its ultimate holding companies nor any direct or indirect subsidiary undertakings of such holding companies, nor any of their respective directors, members partners, officers and employees, shall be responsible or liable to a Placee or any of its clients for any matter arising out of Cenkos's role as sponsor, sole placing agent and financial adviser or otherwise in connection with the Placing and that were any such responsibility or liability nevertheless arises as a matter of law the Placee and, if relevant, its clients will immediately waive any claim against any of such persons which the Placee or any of its clients may have in respect thereof;

(t) it acknowledges that where it is subscribing for C Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account; (i) to subscribe for the C Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in the Prospectus; and (iii) to receive on behalf of each such account any documentation relating to the Placing in the form provided by the Company and/or Cenkos. It agrees that the provision of this paragraph shall survive any resale of the C Shares by or on behalf of any such account;

(u) it irrevocably appoints any director of the Company and any director of Cenkos to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the C Shares for which it has given a commitment under the Placing, in the event of its own failure to do so;

(v) it accepts that if the Placing does not proceed or the conditions to the Placing Agreement are not satisfied or the C Shares for which valid applications are received and accepted are not admitted to the Official List of the UK Listing Authority and to trading on the London Stock Exchange for any reason whatsoever then neither Cenkos, nor the Company, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;

(w) in connection with its participation in the Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering ("**Money Laundering Legislation**") and that its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing) (the "Money Laundering Directive"), together with any regulations and guidance notes issued pursuant thereto; or (iii) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;

(x) it acknowledges that due to anti-money laundering requirements, Cenkos and the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Cenkos and the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Cenkos and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it;

(y) it acknowledges and agrees that information provided by it to the Company, Cenkos or the Registrar will be stored both on the Registrar's and the Administrator's computer system and manually. It acknowledges and agrees that for the purposes of the Data Protection Act 1998 (the "DP Act") and other relevant data protection legislation which may be applicable, the Registrar is required to specify the purposes for which it will hold personal data. The Registrar and the Administrator will only use such information for the purposes set out below (collectively, the "Purposes"), being to:

  (i) process its personal data (including sensitive personal data) as required by or in connection with its holding of C Shares or Ordinary Shares, including processing personal data in connection with credit and money laundering checks on it;

  (ii) communicate with it as necessary in connection with its affairs and generally in connection with its holding of C Shares or Ordinary Shares;

  (iii) provide personal data to such third parties as the Registrar or the Administrator may consider necessary in connection with its affairs and generally in connection with its holding of C Shares or as the DP Act may require, including to third parties outside the EEA;

  (iv) without limitation, provide such personal data to the Company or the Investment Manager and each of their respective associates for processing, notwithstanding that any such party may be outside the EEA; and

  (v) process its personal data for the Registrar's or the Administrator's internal administration;

(z) in providing the Registrar and the Administrator with information, it hereby represents and warrants to the Registrar and the Administrator that it has obtained the consent of any data subject to the Registrar and the Administrator and their respective associates holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes set out in paragraph (y) above). For the purposes of the Prospectus, "data subject", "personal data" and "sensitive personal data" shall have the meanings attributed to them in the DP Act;

(aa) Cenkos and the Company are entitled to exercise any of their rights under the Placing Agreement or any other right in their absolute discretion without any liability whatsoever to it;

(bb) the representations, undertakings and warranties contained in the Prospectus are irrevocable. It acknowledges that Cenkos and the Company and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of the C Shares are no longer accurate, it shall promptly notify the Cenkos and the Company;

(cc) where it or any person acting on behalf of it is dealing with Cenkos, any money held in an account with Cenkos on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Cenkos to segregate such money, as that money will be held by Cenkos under a banking relationship and not as trustee;

(dd) any of its clients, whether or not identified to Cenkos, will remain its sole responsibility and will not become clients of Cenkos for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;

(ee) it accepts that the allocation of C Shares shall be determined by Cenkos (following consultation with the Company and the Investment Manager) at their absolute discretion and that Cenkos may scale down any commitments for this purpose on such basis as it may determine;

(ff) it authorises Cenkos to deduct from the total amount subscribed under the Placing the aggregate commission (if any) (calculated at the rate agreed with the Company) payable on the number of C Shares allocated to it under the Placing;

(gg) time shall be of the essence as regards its obligations to settle payment for the C Shares and to comply with its other obligations under the Placing; and

(hh) if it is in the Bailiwick of Guernsey, it has received the Prospectus from a person licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended), or is itself regulated under that law, the Insurance Business (Bailiwick of Guernsey) Law, 2002 (as amended), the Banking Supervision (Bailiwick of Guernsey) Law, 1994 (as amended), or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2000 (as amended).

5. UNITED STATES PURCHASE AND TRANSFER RESTRICTIONS

5.1 By participating in the Placing, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for C Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, the Investment Manager and Cenkos that:

(a) it is either: (i) not a U.S. Person or located in the United States and it acknowledges that the C Shares are being offered or sold outside the United States in reliance on Regulation S; or (ii) is a U.S. Person to whom C Shares may be offered pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States;

(b) it acknowledges that the C Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons absent registration or an exemption from registration under the U.S. Securities Act;

(c) it acknowledges that the Company has not registered under the U.S. Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the U.S. Investment Company Act;

(d) unless the Company expressly consents otherwise in writing, no portion of the assets used to purchase, and no portion of the assets used to hold, the C Shares or any beneficial interest therein constitutes or will constitute the assets of (i) an "**employee benefit plan**" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a "**plan**" as defined in Section 4975 of the Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the Code; or (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the Code. In addition, if a Placee is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially

similar to the provisions of Title I of ERISA or Section 4975 of the Code, its purchase, holding, and disposition of the C Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

(e) if any Placing Shares offered are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect, unless otherwise determined by the Company in accordance with applicable law:

''GCP ASSET BACKED INCOME FUND LIMITED (THE ''COMPANY'') HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED, EXERCISED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS EXCEPT IN ACCORDANCE WITH THE SECURITIES ACT OR AN EXEMPTION THEREFROM AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE US INVESTMENT COMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS. FURTHER, NO PURCHASE, SALE OR TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE MADE UNLESS SUCH PURCHASE, SALE OR TRANSFER WILL NOT RESULT IN THE ASSETS OF THE COMPANY CONSTITUTING ''PLAN ASSETS'' WITHIN THE MEANING OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (''ERISA''), THAT ARE SUBJECT TO PART 4 OF TITLE I OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE ''CODE'');

(f) if in the future the Placee decides to offer, sell, transfer, assign or otherwise dispose of its C Shares, it will do so only in compliance with an exemption or in a transaction not subject to the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States and under circumstances which: (a) will not require the Company to register under the U.S. Investment Company Act; and (b) will not result in the assets of the Company constituting ''plan assets'' within the meaning of ERISA, that are subject to Part 4 of Title I of ERISA or Section 4975 of the Code. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such laws and the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles of Association;

(g) it is purchasing the C Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the C Shares in any manner that would violate the U.S. Securities Act, the U.S. Investment Company Act or any other applicable securities laws;

(h) it acknowledges that the Company reserves the right to make inquiries of any holder of the C Shares or interests therein at any time as to such person's status under U.S. federal securities laws and to require any such person that has not satisfied the Company that the holding by such person will not violate or require registration under U.S. securities laws to transfer such C Shares or interests in accordance with the Articles of Association;

(i) it acknowledges and understands that the Company is required to comply with FATCA and CRS and agrees to furnish any information and documents the Company may from time to time request, including but not limited to information required under FATCA or CRS;

(j) it is entitled to acquire the C Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the C Shares and that it has not taken any action, or omitted to take

any action, which may result in the Company, the Investment Manager, Cenkos or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Placing or its acceptance of participation in the Placing;

(k) it has received, carefully read and understands the Prospectus, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted the Prospectus or any other presentation or offering materials concerning the C Shares to within the United States or to any U.S. Persons, nor will it do any of the foregoing; and

(l) if it is acquiring any C Shares as a fiduciary or agent for one or more accounts, the Placee has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

5.2 The Company, the Investment Manager, Cenkos, the Registrar and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

5.3 If any of the representations, warranties, acknowledgements or agreements made by the Placee are no longer accurate or have not been complied with, the Placee will immediately notify the Company and Cenkos.

6. SUPPLY AND DISCLOSURE OF INFORMATION

If Cenkos or the Company or any of their agents request any information about a Placee's agreement to subscribe for C Shares under the Placing, such Placee must promptly disclose it to them.

Pursuant to the Data Protection (Jersey) Law 2005 the Company and/or the Registrar, may hold personal data relating to past and present Shareholders.

Such personal data held is used by the Registrar to maintain the Register and mailing lists and this may include sharing such data with third parties in one or more of the countries mentioned below when (a) effecting the payment of dividends and other distributions to Shareholders and (b) filing returns of Shareholders and their respective transactions in Shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used.

The countries referred to above include, but are not limited to, those in the European Economic Area and any of their respective dependent territories overseas, Argentina, Australia, Brazil, Canada, Hong Kong, Hungary, Japan, New Zealand, Singapore, South Africa, Switzerland and the United States.

By becoming registered as a holder of C Shares a person becomes a data subject and is deemed to have consented to the processing by the Company or the Registrar of any personal data relating to them in the manner described above.

7. MISCELLANEOUS

7.1 The rights and remedies of the Company, the Investment Manager, Cenkos and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

7.2 On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

7.3 Each Placee agrees to be bound by the Articles of Association once the C Shares, which the Placee has agreed to subscribe for pursuant to the Placing, have been acquired by the Placee. The contract to subscribe for C Shares under the Placing and the appointments and authorities mentioned in the Prospectus and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the Company, the Investment Manager, Cenkos and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and

waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction.

7.4 In the case of a joint agreement to subscribe for C Shares under the Placing, references to a "Placee" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

7.5 Cenkos and the Company expressly reserve the right to modify the Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined. The Placing is subject to the satisfaction of the conditions contained in the Placing Agreement and the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained at paragraph 6.2 of Part 8 of the Prospectus.

NOTES ON HOW TO COMPLETE THE APPLICATION FORM

Applications should be returned to the Receiving Agent, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received no later than 1.00 p.m. (London time) on 9 February 2017.

If you are a new investor, in addition to completing and returning the Application Form to Capita Asset Services, you will also need to complete and return a Tax Residency Self Certification Form. The ''individual tax residency self-certification – sole holding'' form can be found at Appendix 2 of this document, further copies of this form and the relevant form for joint holdings or corporate entity holdings can be requested from Capita Asset Services on 0371 664 0321 or can be downloaded from the Investment Manager's website (which is http://www.gcpuk.com/gcp-asset-backed-income-fund-ltd). Calls are charged at the standard geographic rate and will vary by provider. Calls outside of the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

It is a condition of any Application under the Offer for Subscription that (where applicable) a completed version of the relevant form is provided with the Application Form before any application under the Offer for Subscription can be accepted. Offer for Subscription Application Forms that are returned without the completed Tax Residency Self-Certification Form will be referred to the Company after the Offer for Subscription closes at 1.00 p.m. on 9 February 2017. It will then be the Company's decision if these Application Forms can be accepted under the Offer for Subscription.

SHAREHOLDER HELPLINE: If you have a query concerning completion of this Application Form please call Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

1. APPLICATION

Fill in (in figures) in Box 1A the number of C Shares being subscribed for and in Box 1B the monetary amount. The monetary amount being subscribed must be a minimum of 1,000 C Shares multiplied by 100 pence and thereafter in multiples of 100 C Shares multiplied by 100 pence. Financial intermediaries who are investing on behalf of clients should make separate applications or, if making a single application for more than one client, provide details of all clients in respect of whom application is made in order to benefit most favourably from any scaling back should this be required.

2A. HOLDER DETAILS

Fill in (in block capitals) the full name and address of each holder. Applications may only be made by persons aged 18 or over. In the case of joint holders only the first named may bear a designation reference and the address given for the first named will be entered as the registered address for the holding on the share register and used for all future correspondence. A maximum of four joint holders is permitted. All holders named must sign the Application Form at Section 3.

2B. CREST

If you wish your C Shares to be deposited in a CREST Account in the name of the holders given in Section 2A, enter in Section 2B the details of that CREST Account. The CREST Account must be in the same name(s) as the details of the Holder(s) of C Shares provided in Box(es) 2A and 3. If you are not a CREST Participant or CREST Sponsored Member, you should leave Section 2B blank and you will automatically receive a share certificate for your C Shares.

3. SIGNATURE

All holders named in Section 2A must sign Section 3 and insert the date. The Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor or a

bank) must be enclosed for inspection (which originals will be returned by post at the addressee's risk). A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

4. SETTLEMENT

(a) ***Cheques/Banker's draft***

Payments must be made by cheque or banker's draft in Sterling drawn on a branch in the United Kingdom or the Channel Islands of a bank or building society which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided for members of any of these companies. Such cheques or banker's drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have a sole or joint title to the funds, should be made payable to "**Capita Registrars Limited re: GCP Asset Backed Income Fund Limited – Offer for Subscription a/c**" and crossed "**a/c Payee Only**". Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping and endorsing the cheque/banker's draft to such effect. However, third party cheques may be subject to the Money Laundering Regulations which would delay Shareholders receiving their C Shares. The account name should be the same as that shown on the application.

(b) ***Electronic Payment***

For applicants making payment electronically, payment must be made for value by 1.00 p.m. on 9 February 2017. Please make payment to the Sterling bank account detailed below.

Applicants must ensure that they remit sufficient funds to the account below to cover any charges incurred by their bank. Please enter below the sort code of the bank and branch you will be instructing to make such payment for value by 1.00 p.m. on 9 February 2017 together with the name and number of the account to be debited with such payment and the branch contact details.

Bank:

Sort Code:

Account number.....

Contact name at branch and telephone number:

.....

Electronic Payment should be made in Sterling to the appropriate account below:

Sort Code: 15-10-00

Account No. 32517741

IBAN No. GB65RBOS15100032517741

Swift No. RBOSGB2L

Account Name: Capita Registrars Ltd: RE: GCP Asset Backed Income Fund Limited OFS A/C

The payment instruction relating to the electronic transfer must also include a unique reference comprising your name and a contact telephone number which should be entered in the reference field on the payment instruction, for example: MJ Smith 01234 5678910. The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference nor where a payment has been received but without an accompanying Application Form.

(c) ***Crest Settlement***

Applicants choosing to settle via CREST, that is DVP, will need to input their instructions to Capita Asset Services' Participant account RA06 by no later than 1.00 p.m. on 9 February 2017. You or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of C Shares to be made against payment at the Issue Price per C Share, following the CREST matching criteria set out in the Application Form. You must also ensure

that you or your settlement agent/custodian have a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/their own daily trading and settlement requirements.

5. RELIABLE INTRODUCER DECLARATION

Applications will be subject to Jersey's verification of identity requirements. This will involve you providing the verification of identity documents listed in Section 6 of the Application Form UNLESS you can have the declaration provided at Section 5 of the Application Form given and signed by a firm acceptable to the Receiving Agent. In order to ensure your application is processed timely and efficiently all applicants are strongly advised to have the declaration provided in Section 5 of the Application Form completed and signed by a suitable firm.

6. IDENTITY INFORMATION

Applicants need only consider Section 6 of the Application Form if the declaration in Section 5 cannot be completed. Notwithstanding that the declaration in Section 5 has been completed and signed the Receiving Agent reserves the right to request of you the identity documents listed in Section 6 and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time your application might be rejected or revoked. Where certified copies of documents are provided such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

7. CONTACT DETAILS

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person the Receiving Agent may contact with all enquiries concerning your application. Ordinarily this contact person should be the person signing in Section 3 on behalf of the first named holder. If no details are provided here but a regulated person is identified in Section 5, the Receiving Agent will contact the regulated person. If no details are entered here and no regulated person is named in Section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

INSTRUCTIONS FOR DELIVERY OF COMPLETED APPLICATION FORMS – Completed Application Forms should be returned, by post or by hand (during normal business hours only), to the Receiving Agent, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received no later than 1.00 p.m. (London time) on 9 February 2017, together in each case with payment in full in respect of the application. If you post your Application Form, you are recommended to use first class post and to allow at least four days for delivery. Application Forms received after this date may be returned.

APPENDIX 1 – APPLICATION FORM

Please send this completed form by post or by hand (during normal business hours only) to the Receiving Agent, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received no later than 1.00 p.m. (London time) on 9 February 2017.

The Directors may, with the prior approval of Cenkos, alter such date and thereby shorten or lengthen the offer period. In the event that the offer period is altered, the Company will notify investors of such change.

Important: Before completing this form, it is strongly recommended that you should read the Prospectus dated 20 January 2017 and the Terms and Conditions of Application under the Offer for Subscription set out in the Prospectus and accompanying notes to this form.

Box 1A: minimum subscription of 1,000 C Shares and multiples of 100 thereafter	
Box 1B: Amount payable (being the number in box 1A multiplied by the Issue Price being 100 pence per C Share)	£

To: GCP Asset Backed Income Fund Limited and the Receiving Agent

1. APPLICATION

I/We the person(s) detailed in Section 2A below offer to subscribe the amount shown in Box 1B for C Shares subject to the Terms and Conditions of Application under the Offer for Subscription set out in the Prospectus dated 20 January 2017 and subject to the memorandum and articles of association of the Company in force from time-to-time.

Payment method (please tick 1 box): CHEQUE ☐ ELECTRONIC PAYMENT ☐

DVP (CREST settlement) ☐

2A. DETAILS OF HOLDER(S) IN WHOSE NAME(S) C SHARES WILL BE ISSUED

(BLOCK CAPITALS)

1:	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Address (in full):		
		Postcode:
Designation (if any):		

2:	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		

3:	Mr, Mrs, Ms or Title:	Forenames (in full):

Surname/Company name:

4:	Mr, Mrs, Ms or Title:	Forenames (in full):

Surname/Company name:

2B. CREST ACCOUNT DETAILS INTO WHICH C SHARES ARE TO BE DEPOSITED (IF APPLICABLE)

Only complete this Section if C Shares allotted are to be deposited in a CREST Account which must be in the same name as the holder(s) given in Section 2A.

(BLOCK CAPITALS)

CREST Participant ID: | | | | | |

CREST Member Account ID: | | | | | | | | | |

3. SIGNATURE(S): ALL HOLDERS MUST SIGN

By completing box 3 below you are deemed to have read the Prospectus and agreed to the terms and conditions in Part 11 of the Prospectus (Terms and Conditions of Application under the Offer for Subscription) and to have given the warranties, representations and undertakings set out therein.

First Applicant Signature:	Date
Second Applicant Signature:	Date
Third Applicant Signature:	Date
Fourth Applicant Signature:	Date

Execution by a Company

Executed by (Name of Company):		Date
Name of Director:	Signature:	Date
Name of Director/Secretary:	Signature:	Date
If you are affixing a company seal, please mark a cross ☐	Affix Company Seal here:	

4A. CHEQUE/BANKER'S DRAFT

Pin or staple to this form your cheque or banker's draft for the exact amount shown in Box 1B made payable to "**Capita Registrars Limited re: GCP Asset Backed Income Fund Limited – Offer for Subscription a/c**" and crossed "**A/C Payee Only**". Cheques and banker's payments must be drawn in Sterling on an account at a bank branch in the United Kingdom or the Channel Islands and must bear the appropriate bank sort code number in the top right hand corner. If you use a banker's draft or a building society cheque you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the banker's draft or cheque and adds its stamp.

4B. ELECTRONIC PAYMENT

For applicants making payment electronically, payment must be made for value by 1.00 p.m. on 9 February 2017. Please make payment to the Sterling bank account detailed below.

Applicants must ensure that they remit sufficient funds to the account below to cover any charges incurred by their bank. Please enter below the sort code of the bank and branch you will be instructing to make such payment for value by 1.00 p.m. on 9 February 2017 together with the name and number of the account to be debited with such payment and the branch contact details.

Bank:

Sort Code:

Account number .....

Contact name at branch and telephone number:

.....

Electronic Payment should be made in Sterling to the appropriate account below:

Sort Code: 15-10-00

Account No. 32517741

IBAN No. GB65RBOS15100032517741

Swift No. RBOSGB2L

Account Name: Capita Registrars Ltd: RE: GCP Asset Backed Income Fund Limited OFS A/C

The payment instruction relating to the electronic transfer must also include a unique reference comprising your name and a contact telephone number which should be entered in the reference field on the payment instruction, for example: MJ Smith 01234 5678910. The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference nor where a payment has been received but without an accompanying Application Form.

4C. CREST SETTLEMENT BY DELIVERY VERSUS PAYMENT (DVP)

Only complete this Section if you choose to settle your application within CREST, that is delivery versus payment (DVP). Instructions must be received by the party given in Section 2A for the amount detailed in Box 1B.

Please indicate the CREST Participant ID from which the DEL message will be received by the Receiving Agent for matching.

CREST Participant ID: | | | | | |

You or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of C Shares to be made against payment at the Issue Price per C Share, following the CREST matching criteria set below:

Trade Date:	10 February 2017
Settlement Date:	14 February 2017
Trade system of origin:	Leave blank
SDRT status:	No SDRT, Result of Corporate Action
Company:	GCP Asset Backed Income Fund Limited
Security Description:	c shares of no par value
SEDOL:	BYYS2J0
ISIN code:	JE00BYYS2J04
TIDM:	GABC
CREST Instruction Type:	DEL

You should input your instructions to Capita Registrars' Participant account ID RA06 as soon as possible and in any event to ensure the DEL message is input by no later than 11.00 a.m. on 9 February 2017.

Capita will not take any action until a valid DEL message is received to participant ID RA06.

You must also ensure that you or your settlement agent/custodian have a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/their own daily trading and settlement requirements.

5. RELIABLE INTRODUCER DECLARATION

Completion and signing of this declaration by a suitable person or institution may avoid presentation being requested of the identity documents detailed in Section 6 of this form.

The declaration below may only be signed by a person or institution (such as a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the "**firm**") which is itself subject in its own country to operation of "know your customer" and anti-money laundering regulations no less stringent than those which prevail in Jersey.

DECLARATION:

To the Company and the Receiving Agent

With reference to the holder(s) detailed in Section 2A, all persons signing at Section 3 and the payor identified in Section 6 if not also a holder (collectively the "subjects") WE HEREBY DECLARE:

1. We confirm that we have read and understood the Prospectus dated 20 January 2017 and the Terms and Conditions of Application under the Offer for Subscription set out in the Prospectus and accompanying notes to this form. In particular, you acknowledge that you have received, understood and accepted the following investment warning (also set out in the Prospectus):

   Listed funds are established in Jersey under a fast-track authorisations process. This process requires you to be notified that the JFSC views this fund as suitable therefore only for professional or experienced investors, or those who have taken appropriate professional advice.

   Regulatory requirements which may be deemed necessary by the JFSC for the protection of retail or inexperienced investors do not apply to listed funds. By investing in this fund you will be deemed to be acknowledging that you are a professional or experienced investor, or have taken appropriate professional advice, and accept the reduced requirements accordingly.

   You are wholly responsible for ensuring that all aspects of this fund are acceptable to you. Investment in listed funds may involve special risks that could lead to a loss of all or a substantial portion of such investment. Unless you fully understand and accept the nature of this fund and the potential risks inherent in this fund you should not invest in the fund.
2. we operate in the United Kingdom and/or Jersey, or in a country where money laundering regulations under the laws of that country are, to the best of our knowledge, no less stringent than those which prevail in Jersey and our firm is subject to such regulations;
3. we are regulated in the conduct of our business and in the prevention of money laundering by the regulatory authority identified below;
4. each of the subjects is known to us in a business capacity and we hold valid identity documentation on each of them and we undertake to immediately provide to you copies thereof on demand;
5. we confirm the accuracy of the names and residential business address(es) of the holder(s) given at Section 2A and if a CREST Account is cited at Section 2B that the owner thereof is named in Section 2A;
6. having regard to all local money laundering regulations we are, after enquiry, satisfied as to the source and legitimacy of the monies being used to subscribe for the C Shares mentioned; and
7. where the payor and holder(s) are different persons we are satisfied as to the relationship between them and reason for the payor being different to the holder(s).

The above information is given in strict confidence for your own use only and without any guarantee, responsibility or liability on the part of this firm or its officials.

Signed:	Name:	Position:

Name of regulatory authority:	Firm's licence number:

Website address or telephone number of regulatory authority:
STAMP of firm giving full name and business address:

6. IDENTITY INFORMATION

Holders				Payor

Tick here for documents provided

If the declaration in Section 5 cannot be signed, please enclose with that Application Form the documents mentioned below, as appropriate. Please also tick the relevant box to indicate which documents you have enclosed, all of which will be returned by the Receiving Agent to the first named Applicant.

In accordance with internationally recognised standards for the prevention of money laundering, the documents and information set out below must be provided:

A. For each holder being an individual enclose:

(1) an original or a certified clear photocopy of one of the following identification documents which bear both a photograph and the signature of the person: current passport – Government or Armed Forces identity card – driving licence; and

(2) an original or certified copies of at least two of the following documents no more than 3 months old which purport to confirm that the address given in Section 2A is that person's residential address: a recent gas, electricity, water or telephone (not mobile) bill – a recent bank statement – a council rates bill – or similar document issued by a recognised authority; and

(3) if none of the above documents show their date and place of birth, enclose a note of such information; and

(4) details of the name and address of their personal bankers from which the Receiving Agent may request a reference, if necessary.

B. For each holder being a company (a "holder company") enclose:

(1) a certified copy of the certificate of incorporation of the holder company; and

(2) the name and address of the holder company's principal bankers from which the Receiving Agent may request a reference, if necessary; and

(3) a statement as to the nature of the holder company's business, signed by a director; and

(4) a list of the names and residential addresses of each director of the holder company; and

(5) for each director provide documents and information similar to that mentioned in A above; and

(6) a copy of the authorised signatory list for the holder company; and

(7) a list of the names and residential/registered address of each ultimate beneficial owner interested in more than five per cent. of the issued share capital of the holder company and, where a person is named, also complete C below and, if another company is named (hereinafter a "**beneficiary company**"), also complete D below. If the beneficial owner(s) named do not directly own the holder company but do so indirectly via nominee(s) or intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder company.

C. For each person named in B(7) as a beneficial owner of a holder company enclose for each such person documents and information similar to that mentioned in A(1) to (4).

D. For each beneficiary company named in B(7) as a beneficial owner of a holder company enclose:

(1) a certified copy of the certificate of incorporation of that beneficiary company; and

(2) a statement as to the nature of that beneficiary company's business signed by a director; and

(3) the name and address of that beneficiary company's principal bankers from which the Receiving Agent may request a reference, if necessary; and

(4) a list of the names and residential/registered address of each beneficial owner owning more than 5 per cent. of the issued share capital of that beneficiary company.

E. If the payor is not a holder and is not a bank providing its own cheque or banker's payment on the reverse of which is shown details of the account being debited with such payment (see note 5 on how to complete this form) enclose:

(1) if the payor is a person, for that person the documents mentioned in A(1) to (4); or

(2) if the payor is a company, for that company the documents mentioned in B(1) to (7); and

(3) an explanation of the relationship between the payor and the holder(s).

The Receiving Agent reserves the right to ask for additional documents and information.

7. CONTACT DETAILS

To ensure the efficient and timely processing of this application please enter below the contact details of a person the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the person signing in Section 3 on behalf of the first named holder. If no details are provided here but a regulated person is identified in Section 5, the Receiving Agent will contact the regulated person. If no details are entered here and no regulated person is named in Section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact name:	E-mail address:
Contact address:	
	Postcode:
Telephone No:	Fax No:

APPENDIX 2 – INDIVIDUAL HOLDER TAX RESIDENCY SELF-CERTIFICATION FORM – SOLE HOLDING

Please send this completed form by post or by hand (during normal business hours only) to the Receiving Agent, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received no later than 1.00 p.m. (London time) on 9 February 2017.

To: GCP Asset Backed Income Fund Limited

Instructions for completion

The law requires us to collect, retain and report certain information about our shareholders, including their tax residence. For this purpose, the shareholder is the person whose name appears on the share register. This may not necessarily be the same as the person who is entitled to dividends or the sale proceeds of the shares, for example where shares are held by a nominee. For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders https://www.gov.uk/government/publications/exchange-of-informationaccount-holders

- To enable GCP Asset Backed Income Fund Limited to comply with its obligation to report to the Jersey Comptroller of Taxes which may then share it with other tax authorities, you are required to provide certain information, including your country of residence for tax purposes.
- Please complete the sections below as directed and provide any additional information requested.
- If your declared country/countries of residence for tax purposes is on the OECD list of countries with which Jersey has agreed to exchange information, GCP Asset Backed Income Fund Limited will be obliged to share this information with the Jersey Comptroller of Taxes who may then share it with other relevant local tax authorities.
- Failure to validly complete this form will result in you being reported onwards to the relevant local tax authority.
- Definitions of terms used in this form can be found in the Notes.
- **If you have any remaining questions about how to complete this form or about how to determine your tax residency status you should contact your tax adviser.**

Please note:

- **If any pre-filled information below is incorrect** please cross it through with a pen and clearly add the amended details beside.
- **If any of the information below about your tax residency changes,** you are required to provide GCP Asset Backed Income Fund Limited with a new, updated, self-certification form within 30 days of such change in circumstances.

Part 1 – Identification of Individual Shareholder

A. Please provide the Residence Address (if different from address carrier above)

House Name	.....
Number & Street / Road Name	.....
Town / City	.....
County	.....
Country	.....
Postal or ZIP Code	.....

B. Date of Birth

DD/MM/YY

Part 2 – Country/Countries of Residence for Tax Purposes

Country of residence for tax purposes	Tax Identification Number (see Definition)

Part 2b – US Person

Please mark the box ONLY if you are a US Person (see Definition) ☐

Part 3 – Declarations and Signature

I acknowledge that the information contained in this form and information regarding my shares may be reported to the local tax authority and exchanged with tax authorities of another country or countries in which I may be tax resident where those countries have entered into agreements to exchange Financial Account information.

I undertake to advise GCP Asset Backed Income Fund Limited within 30 days of any change in circumstances which causes the information contained herein to become incorrect and to GCP Asset Backed Income Fund Limited with a suitably updated Declaration within 30 days of such change in circumstances.

I certify that I am the shareholder (or am authorised to sign for the shareholder).

I declare that all statements made in this declaration are, to the best of my knowledge and belief, correct and complete.

Signature: .....

Print Name: .....

Date: .....

If signing under a power of attorney, please also attach a copy of the power of attorney.

Notes – Definitions

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information ("**The Common Reporting Standard**") http://www.oecd.org/tax/automatic-exchange/commonreporting-standard/ contains definitions for the terms used within it. However, the following definitions are for general guidance only to help you in completing this form.

If you have any questions about these definitions or require further details about how to complete this form then please contact your tax adviser. NOTHING IN THIS DOCUMENT CAN BE CONSIDERED TO BE TAX ADVICE.

"**Country/Countries of residence for tax purposes**" You are required to list the country or countries in which you are resident for tax purposes, together with the tax reference number which has been allocated to you, often referred to as a **tax identification number (TIN)**. Special circumstances (such as studying abroad, working overseas, or extended travel) may cause you to be resident elsewhere or resident in more than one country at the same time (dual residency). The country/countries in which you might be obliged to submit a tax return are likely to be your country/countries of tax residence. If you are a US citizen or hold a US passport or green card, you will also be considered tax resident in the US even if you live outside the US.

"**Tax Identification Number** or **TIN**" The number used to identify the shareholder in the country of residence for tax purposes. Some jurisdictions do not issue a TIN or do not issue a TIN to all residents. Depending on the country or jurisdiction these can include functional equivalent references such as a National Insurance number, social security number or resident registration number. Some jurisdictions that do issue TINs have domestic law that does not require the collection of the TIN for domestic reporting purposes so that a TIN is not required to be completed by a shareholder resident in such jurisdictions.

"**US Person**"

- All US citizens. An individual is a citizen if that person was born in the United States or if the individual has been naturalized as a US citizen.
- You can also be a US citizen, even if born outside the United States if one or both of your parents are US citizens.
- You are a 'tax resident' of the United States. You can become a tax resident under two rules: 1) The 'substantial presence test'. This is a 'day count test and based on the number of days you are in the US over a three year period and 2) The 'green card' test. A person who has obtained a 'green card' has been granted the right to lawful permanent residence in the United States.