

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the contents of this document or the action that you should take, you are advised to consult your appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000 of the United Kingdom (as amended) or, if you are not in the United Kingdom, another appropriately authorised professional adviser. If you receive this document in any country or jurisdiction outside the United Kingdom you may not treat it as an invitation to elect to receive Scrip Shares unless such an invitation could lawfully be made to you without the Company being required to comply with any registration or other local legal requirements.

GCP Asset Backed Income Fund Limited (the “**Company**”) is a closed-ended collective investment fund incorporated as a public company limited by shares in Jersey on 7 September 2015 with an indefinite life and is established in Jersey as a listed fund pursuant to the Jersey Listed Fund Guide published by the Jersey Financial Services Commission (JFSC), as amended from time to time, and the Collective Investment Funds (Jersey) Law 1988, as amended. The Company is regulated by the JFSC.

GCP ASSET BACKED INCOME FUND LIMITED

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

SCRIP DIVIDEND CIRCULAR IN RESPECT OF THE FINANCIAL YEAR ENDING 31 DECEMBER 2019

IF YOU WISH TO RECEIVE YOUR DIVIDENDS IN RESPECT OF THE PERIOD FROM 1 JANUARY 2019 TO 31 DECEMBER 2019 IN CASH, RATHER THAN IN NEW ORDINARY SHARES AND DO NOT HAVE AN EVERGREEN STANDING ELECTION ALREADY IN PLACE, YOU DO NOT NEED TO TAKE ANY ACTION.

If you hold your Ordinary Shares in the Company in certificated form and have already made an evergreen standing election (referred to in the Scrip Circular as a Scrip Dividend Mandate, as defined at Note 5 of the Terms and Explanatory Notes) and do not wish to cancel this, then you do not need to take any further action as your evergreen standing election will remain in place (unless you later choose to cancel it).

If you hold your Ordinary Shares in certificated form and have an evergreen standing election in place but now wish to receive your dividends in cash, please refer to Note 5 of the Terms and Explanatory Notes for further details on cancelling your Scrip Dividend Mandate.

If you hold share certificates for your Ordinary Shares and wish to make an evergreen, standing election for the Scrip Dividend Alternative, you should refer to Note 5 of the Terms and Explanatory Notes.

If you hold your Ordinary Shares in CREST and wish to elect for the Scrip Dividend Alternative, you should refer to Note 6 of the Terms and Explanatory Notes.

If you are resident outside the United Kingdom or are not a British citizen please refer to Note 7 of the Terms and Explanatory Notes as you may not be eligible to elect for the Scrip Dividend Alternative.

EXPECTED QUARTERLY DIVIDEND TIMETABLE FOR THE PERIOD 1 JANUARY 2019 TO 31 DECEMBER 2019

	1 January 2019 to 31 March 2019	1 April 2019 to 30 June 2019	1 July 2019 to 30 September 2019	1 October 2019 to 31 December 2019
Declaration of dividend (the “ Relevant Declaration Date ”)	24 April 2019	24 July 2019	23 October 2019	22 January 2020
Ex-Dividend Date (the “ Relevant XD Date ”)	2 May 2019	1 August 2019	31 October 2019	30 January 2020
Record date (the “ Relevant Record Date ”)	3 May 2019	2 August 2019	1 November 2019	31 January 2020
Reference Share Price of Scrip Shares (the “ Relevant Scrip Share Reference Price ”) calculated and published	10 May 2019	8 August 2019	7 November 2019	6 February 2020
Last time and date for receipt of Scrip Dividend Mandates and CREST dividend elections (the “ Relevant Dividend Deadline Date ”)	5pm (GMT) on 20 May 2019	5pm (GMT) on 16 August 2019	5pm (GMT) on 15 November 2019	5pm (GMT) on 14 February 2020
Dividend payment date (the “ Relevant Dividend Payment Date ”)	4 June 2019	2 September 2019	29 November 2019	28 February 2020
Expected time and date for admission to listing and to trading of Ordinary Shares issued through the Dividend Alternative (the “ Relevant Admission Date ”)	8am (GMT) on 4 June 2019	8am (GMT) on 2 September 2019	8am (GMT) on 29 November 2019	8am (GMT) on 28 February 2020

Please note: the above dates and times are indicative only and may be subject to change at the Directors absolute discretion. Finalised dates will be communicated at the time of declaration of each dividend.

GCP ASSET BACKED INCOME FUND LIMITED
12 Castle Street, St Helier, Jersey, JE2 3RT

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

24 April 2019

To the holders of Ordinary Shares in the Company (“Shareholders”)

Dear Shareholder

SCRIP DIVIDEND ALTERNATIVE

Background

The Company's investment objective is to generate attractive risk-adjusted returns through regular, growing distributions and modest capital appreciation over the long term by investing in a diversified portfolio of investments which are secured against, or comprise, contracted, predictable, medium to long term cash flows and/or physical assets. It targets an annual dividend of 6.2 pence per ordinary share (the "**Ordinary Shares**") which it pays on a quarterly basis, with dividends typically declared in January, April, July and October in each financial year.

In accordance with the articles of association of the Company (the "**Articles**") and a shareholders resolution passed at the Annual General Meeting of the Company held on 23 May 2017, the Directors may offer Shareholders a scrip dividend alternative (the "**Scrip Dividend Alternative**") whereby Shareholders may elect to receive new Ordinary Shares ("**Scrip Shares**") instead of their cash dividend payments (the "**Relevant Dividends**"). Such authority will expire at the conclusion of the Company's Annual General Meeting in 2020 (the "**Existing Shareholder Authority**").

The Scrip Dividend Alternative enables Shareholders to increase their holding in the Company without incurring dealing costs and is expected to benefit the Company through the retention of cash which would otherwise be paid out as a cash dividend. Any such retained cash may be reinvested in accordance with the Company's investment objective and investment policy and/or used for working capital purposes.

The purpose of this circular is to provide Shareholders with further details of the Scrip Dividend Alternative in respect of the period from 1 January 2019 to 31 December 2019

Scrip Dividend Alternative

The Company offers the Scrip Dividend Alternative for Ordinary Shareholders on the register on the Relevant Record Date and will issue Scrip Shares to those Shareholders who indicate that they wish to receive Scrip Shares in lieu of cash.

Shareholders who make valid elections for the Scrip Dividend Alternative will receive an amount of Scrip Shares based on the value of the Relevant Dividend and the average mid-market price per Ordinary Share during the period from the Relevant XD Date and the four subsequent dealing days. Further details of the formulae used for calculating the Scrip Share entitlement are set out in Note 4 of the Terms and Explanatory Notes of this circular.

The indicative timetable for the Relevant Dividends in respect of the period from 1 January 2019 to 31 December 2019 is set out on page 2 of this circular. Details of each Relevant Dividend (including the Relevant Declaration Date, Relevant XD Date, Relevant Record Date, Relevant Scrip Share Reference Price, Relevant Dividend Deadline Date, Relevant Dividend Payment Date and Relevant Admission Date) will be

published on the Company's website and notified to Shareholders by way of an announcement via a Regulatory Information Service.

The Company intends to publish its annual Scrip Circular once a year, in April, setting out the general terms and indicative timetable for the quarterly dividends for that financial year. This circular will be available to download from the Company's website and notified to Shareholders by way of an announcement via a Regulatory Information Service.

The Terms and Explanatory Notes section of this circular provides more information on the Scrip Dividend Alternative and some of the UK taxation consequences as at the date of this circular.

Action to be taken – all shareholders

Shareholders should be aware that the Scrip Dividend Alternative described in this circular is subject to certain terms and conditions, which are set out in full in the Terms and Explanatory Notes. **It is recommended that you read the Terms and Explanatory Notes in full before completing the Scrip Dividend Mandate (for Shareholders who hold their Ordinary Shares in certificated form) or Dividend Election Input Message (for Shareholders who hold their Ordinary Shares in CREST), as appropriate.**

Shareholders should note that the Scrip Dividend Alternative is offered at the absolute discretion of the Directors and conditional upon the admission of the relevant Scrip Shares to listing on the Official List and to trading on the London Stock Exchange. **When considering what action to take, Shareholders are advised to obtain appropriate professional financial and/or tax advice.**

FOR SHAREHOLDERS WISHING TO RECEIVE CASH DIVIDENDS

If you wish to continue to receive your dividends in cash (rather than in the form of Scrip Shares) and do not have a Scrip Dividend Mandate already in place, you do not need to take any action. Your full cash dividend entitlement will continue to be paid to you in the usual manner on the Relevant Dividend Payment Dates.

If you hold your Ordinary Shares in certificated form and have a Scrip Dividend Mandate in place but now wish to receive your dividends in cash, please refer to Note 5 of the Terms and Explanatory Notes for further details on cancelling your Scrip Dividend Mandate.

FOR SHAREHOLDERS WISHING TO RECEIVE SCRIP DIVIDENDS

If you wish to elect for the Scrip Dividend Alternative then the action to be taken depends on whether you hold your Ordinary Shares in certificated form or in uncertificated form (that is, in CREST).

For Shareholders who hold their Ordinary Shares in Certificated form

If you hold your Ordinary Shares in certificated form and have already completed a Scrip Dividend Mandate and do not wish to cancel this, then you do not need to take any further action as your Scrip Dividend Mandate will remain in place (unless you later choose to cancel it).

If you hold share certificates for your Ordinary Shares and do not have a Scrip Dividend Mandate in place but wish to elect for the Scrip Dividend Alternative, then you will need to complete the Scrip Dividend Mandate (please refer to Note 5 of the Terms and Explanatory Notes for further details). The Scrip Dividend Mandate may be cancelled at any time and will apply in relation to all your Ordinary Shares.

The Scrip Dividend Mandate can be completed online via www.signalshares.com. Further details, including contact details for those Shareholders requiring assistance, are set out in Note 5 of the Terms and Explanatory Notes.

For Shareholders who hold their Ordinary Shares in CREST

Shareholders who hold their Ordinary Shares in CREST and wish to receive Scrip Shares in lieu of all or part of their cash dividend may elect for the Scrip Dividend Alternative by submitting a Dividend Election Input Message (as defined in the CREST Manual, available via www.euroclear.com/CREST). CREST Shareholders will need to make separate elections through CREST in respect of each Relevant Dividend.

Further details are set out in Note 6 of the Terms and Explanatory Notes.

Yours faithfully

Alex Ohlsson
Chairman

For and on behalf of
GCP Asset Backed Income Fund Limited

TERMS AND EXPLANATORY NOTES

1. TERMS OF ELECTION

Shareholders with Ordinary Shares registered in their names at the close of business on the Relevant Record Date may elect to receive their entitlement to the relevant cash dividend (the “**Full Cash Dividend**”) in the form of Scrip Shares credited as fully paid at the Relevant Scrip Share Reference Price per Ordinary Share, instead of in cash.

No fraction of a Scrip Share will be allotted and the cash representing any fractional entitlement to a Scrip Share will be dealt with as described in Note 3 below. All elections will be subject to the conditions specified in Note 2 below and, more generally, the terms set out in this circular.

If the terms and conditions are not satisfied, an election will automatically become void and a Shareholder will receive the Full Cash Dividend in the usual manner. The entitlement to receive Scrip Shares under the Scrip Dividend Alternative is personal and non-transferable.

For Shareholders who hold their Ordinary Shares in certificated form please see Note 5 below for further details of the terms of election.

For Shareholders who hold their Ordinary Shares in CREST please see Note 6 below for further details of the terms of election.

If the Directors decide to offer Scrip Shares instead of a cash dividend for the financial year ending 31 December 2020 or other future periods Shareholders will be informed separately. Shareholders who hold their Ordinary Shares in certificated form and who already have a Scrip Dividend Mandate in place at that time will continue to receive Scrip Shares.

Any electronic communication sent by a Shareholder to the Company or to the Company's Registrar in accordance with this circular which is found to contain a computer virus will not be accepted.

2. CONDITIONS

The terms and conditions of the Scrip Dividend Alternative may be amended from time to time at the discretion of the Directors. You will be notified of any changes to the terms and conditions by way of an announcement via a Regulatory Information Service. You may revoke or cancel your election to receive Scrip Shares under the Scrip Dividend Alternative at any time prior to 5pm (GMT) on a Relevant Dividend Deadline Date (for further details on revocation please refer to Note 5 (if you are a certificated Shareholder) or Note 6 (if you are a CREST Shareholder)).

The Scrip Dividend Alternative is conditional on:

- (a) listing of the Scrip Shares on the Official List being granted by the UKLA and admission of the Scrip Shares to trading being granted by the London Stock Exchange plc (see Note 9 below); and
- (b) the Directors not revoking their decision to offer the Scrip Dividend Alternative (see below).

The Directors have the power at any time up to 5pm (GMT) on the Relevant Dividend Deadline Date to revoke their decision to offer the Scrip Dividend Alternative. It is currently envisaged that the Directors would only revoke this decision in the event of a change in market conditions or a material fall in the price of the Ordinary Shares, such that the Directors consider that the Scrip Dividend Alternative would be substantially less beneficial to shareholders accepting the offer.

In the event that any of the conditions cease to be satisfied, a Shareholder will receive the Full Cash Dividend in the usual manner.

3. FRACTIONAL ENTITLEMENTS

Fractions of Ordinary Shares will not be issued. In accordance with the discretion offered to the Company by the Articles, any fractional entitlements will be retained by the Company. No fractional entitlements will be carried forward to future scrip dividends, nor will they be paid or payable to the relevant Shareholders.

4. BASIS OF ENTITLEMENT

Your entitlement to Scrip Shares under the Scrip Dividend Alternative in respect of the Relevant Dividend is based on the Relevant Scrip Share Reference Price (as defined below) for each Scrip Share.

In accordance with the Articles, the value of the Scrip Shares shall be calculated by reference to the average of the middle market quotations for a fully paid Ordinary Share quoted on the London Stock Exchange, for the Relevant XD Date and the four subsequent dealing days, or in such other manner as the Directors may decide (the “**Relevant Scrip Share Reference Price**”).

The formulae used for calculating the Scrip Share entitlement are as follows:

$$\begin{array}{l} \text{number of Ordinary Shares} \\ \text{held at the Relevant Record Date} \end{array} \times \begin{array}{l} \text{Relevant Dividend} \\ \text{per Ordinary Share} \end{array} = \begin{array}{l} \text{aggregate dividend} \\ \text{available for Scrip Share election} \end{array}$$

and

$$\frac{\text{aggregate dividend available for Scrip Share election}}{\text{Relevant Scrip Share Reference Price}} = \begin{array}{l} \text{number of Scrip Shares} \\ \text{(rounded down to the nearest whole number)} \end{array}$$

5. FOR SHAREHOLDERS WHO HOLD THEIR ORDINARY SHARES IN CERTIFICATED FORM ONLY - How to make a standing election for the Scrip Dividend Alternative

This Note 5 applies only to Shareholders who hold share certificates for their Ordinary Shares.

To receive the maximum number of Scrip Shares to which you are entitled in respect of the Relevant Dividend and all subsequent Relevant Dividends for which a Scrip Dividend Alternative is offered via an evergreen, standing election (as explained in more detail below) (a “**Scrip Dividend Mandate**”), please complete the Scrip Dividend Mandate on-line at www.signalshares.com by no later than **5pm (GMT) on the Relevant Dividend Deadline Date**. In the event a Scrip Dividend Mandate is received after this time it will be applied in respect of the following and all future Relevant Dividends.

For Shareholders who hold their Ordinary Shares in certificated form, this election may only be made by a Shareholder in respect of **all of the holding** of Ordinary Shares registered in his/her name at the close of business on the Relevant Record Date.

As this is an evergreen, standing election, this means that, subject to the conditions set out at Note 2 and, unless revoked by you (see below), a Scrip Dividend Mandate instructs the Company to treat you as having elected to take the maximum whole number of Scrip Shares available instead of the Full Cash Dividend in respect of **all future dividends** for which a Scrip Dividend Alternative is offered, whether pursuant to the Existing Shareholder Authority or Subsequent Shareholder Authority.

(where “**Subsequent Shareholder Authority**” means any renewal of the Scrip Dividend Alternative immediately upon the expiry of the Existing Shareholder Authority or, thereafter, any further renewal of the Scrip Dividend Alternative as a result of a further shareholder authority which takes effect immediately upon the expiry of the previous shareholder authority).

The table on page 2 of this circular sets out the expected quarterly dividend timetable for the period 1 January 2019 to 31 December 2019. If the Directors decide to offer Scrip Shares instead of a cash dividend for the financial year ending 31 December 2020 or other future periods Shareholders will be informed separately, and such dividends shall also constitute Relevant Dividends for the purposes of any Scrip Dividend Mandate made by certificated shareholders.

As the Scrip Dividend Mandate will apply to your entire holding of Ordinary Shares, if you acquire or dispose of any Ordinary Shares, the Scrip Dividend Mandate will apply (until revoked) to your increased or decreased Shareholding as at the Relevant Record Date.

Your Scrip Dividend Mandate may be cancelled by the Company at any time, or by you giving notice to the Registrar on-line at www.signalshares.com. In the event that your revocation is received after 5pm (GMT) on the Relevant Dividend Deadline Date then this revocation will take effect in relation to the next and all future Relevant Dividends.

Your Scrip Dividend Mandate will be revoked automatically if the Company registers a transfer of all your Ordinary Shares or if the Company receives notice of your death.

If you have more than one registered holding please refer to Note 8 below.

Should you require any assistance in relation to your shareholding in the Company, or be unable to access the Scrip Dividend Mandate on-line at www.signalshares.com in order to make or revoke your Scrip Dividend Mandate, please contact the Registrar, Link Asset Services, on +44 (0) 371 664 0321 (calls are charged at the standard geographic rate and will vary by provider) or email shareholderenquiries@linkgroup.co.uk. Calls outside the United Kingdom will be charged at the applicable international rate. Opening hours are 9am – 5.30pm GMT, Monday to Friday excluding public holidays in England and Wales.

Please note that the Registrar cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. Please quote your name, address and investor code (located on your share certificate / dividend tax voucher) in all correspondence.

6. FOR SHAREHOLDERS WHO HOLD THEIR ORDINARY SHARES IN UN-CERTIFICATED FORM ONLY - How to make elections for the Scrip Dividend Alternative

This Note 6 applies only to Shareholders who hold their Ordinary Shares in CREST.

Terms defined in the CREST Manual (available via www.euroclear.com/CREST) and not re-defined in this circular shall bear the meanings attributed to them in the CREST Manual unless the context otherwise requires.

6.1 Election for Scrip Shares

You can only elect to receive your dividend in the form of new Ordinary Shares by means of CREST procedures to effect such an election. No other form of election will be permitted and if received will be rejected and returned to you. If you are a CREST Personal Member, or other CREST Sponsored Member, you should consult your CREST sponsor, who will be able to take appropriate action on your behalf.

You may elect to receive Scrip Shares in relation to all or part of your holding of the Ordinary Shares registered in your name at the close of business on the Relevant Record Date (as defined on page 2).

The CREST procedures require the use of the Dividend Election Input Message in accordance with the CREST Manual. The Dividend Election Input Message submitted must contain the number of Ordinary Shares on which the election is being made as at the Relevant Record Date. An election using a Scrip Dividend Mandate will not be permitted. The Dividend Election Input Message includes a number of fields which, for a valid election to be made, must be input correctly as indicated below:

- (a) Dividend Election Reference** - You must indicate here a reference for the dividend election which is unique to your CREST participant ID;
- (b) Account I.D.** - If you have more than one member account, you must indicate the member account I.D. to which the election relates;
- (c) ISIN** - This is JE00BYXX8B08
- (d) Distribution type** - You must enter "SCRIP" here;
- (e) Corporate Action** - You must enter here the Corporate Action number for the dividend on which your election is being made. A Scrip Dividend Mandate cannot be made;
- (f) Number of shares** - You must enter here the number of Ordinary Shares over which your election is made. If you leave this field blank or enter zero your election will be rejected. If you enter a number of Ordinary Shares greater than your holding in CREST on the Relevant Record Date, the election will be applied to the total holding in the relevant CREST member account at the Relevant Record Date; and
- (g) Contact details** - this field is optional, although you are asked to include details of whom to contact in the event of a query relating to your election.

The Company and/or the Registrar reserve the right to treat as valid an election which is not complete in all respects.

By inputting a Dividend Election Input Message as described above, you confirm your election to participate in the Scrip Dividend Alternative in accordance with the details input and the terms and conditions in this circular as amended from time to time.

You will need to make separate elections to receive Scrip Shares for each Relevant Dividend.

6.2 Partial elections and multiple holdings

You can elect to receive Scrip Shares in respect of part of your holding. You will receive a cash dividend on the balance of your holding. If you have more than one registered holding please refer to Note 8 below.

6.3 Timing

If you wish to receive Scrip Shares in respect of some or all of your holding, you must make your election by 5pm (GMT) on the Relevant Dividend Deadline Date. If your Dividend Election Input Message is not received before 5pm (GMT) on the Relevant Dividend Deadline Date, the Full Cash Dividend will be paid.

6.4 Cancelling an election

You may only cancel an election by utilising the CREST procedures for deletions described in the CREST Manual. Your deletion must be received and, in accordance with CREST procedures, accepted by 5pm (GMT) on the Relevant Dividend Deadline Date for it to be valid for the Relevant Dividend. It is recommended that you input any deletion message 24 hours in advance of the above deadline to give the Company and the Registrar sufficient time to accept the deletion. In the event that your cancellation is not accepted by 5pm (GMT) on the Relevant Dividend Deadline Date then this cancellation will not be effective and you will receive Scrip Shares.

6.5 Basis of entitlement

Your entitlement to Scrip Shares is calculated as set out in Note 4 above. Once your Scrip Shares have been allotted, a dividend confirmation will be sent to you showing the number of Scrip Shares allotted, the Relevant Scrip Share Reference Price and the total cash equivalent of the Scrip Shares for tax purposes.

6.6 Residual cash balance

Fractions of Ordinary Shares will not be issued. In accordance with the discretion afforded to the Company under the Articles, any fractional entitlement will be retained by the Company. No fractional entitlements will be carried forward to future scrip dividends nor will they be paid or payable to the relevant shareholders.

6.7 Future dividends

If you wish to receive Scrip Shares for future Relevant Dividends, **you must complete a Dividend Election Input Message on each occasion.** If you do not complete a Dividend Election Input Message, you will receive your dividend in cash.

If the Directors decide not to offer a Scrip Dividend Alternative in respect of any dividend in the future, the Full Cash Dividend will be paid to you in the usual manner.

7. OVERSEAS SHAREHOLDERS

The opportunity to elect to receive Scrip Shares in place of a cash dividend is not being offered to, or for the account of, any citizen, national or resident of Australia, Canada, Japan, South Africa or the United States, any corporation, partnership or other entity created or organised in, or under the laws of, Australia, Canada, Japan, South Africa or the United States, or any political sub-division of these countries, or with a registered address in any of these countries or any estate or trust the income of which is subject to United States federal or Australian or Canadian or Japanese or South African income taxation regardless of its source. "United States" means the United States of America (including the District of Columbia). Reference to Australia, Canada, Japan, South Africa and the United States include their territories, possessions and all areas subject to their jurisdiction.

No person receiving a copy of this circular and/or a Scrip Dividend Mandate in any territory other than the United Kingdom may treat the same as constituting an invitation to him unless in such territory such an invitation could lawfully be made to him without compliance with any registration or other legal requirements. It is the responsibility of any such person wishing to elect to receive new Ordinary Shares, either in respect of this invitation or by way of mandate under the Scrip Dividend Alternative scheme to satisfy himself as to the full observance of the laws of such territory, including obtaining any governmental or other consents which may be required and observing any other formalities needing to be observed in such territory.

8. IF YOU HAVE MORE THAN ONE REGISTERED HOLDING

If your Ordinary Shares are registered in more than one holding, they will be treated for all purposes as separate holdings and you should complete a Scrip Dividend Mandate for each holding. If you have holdings of Ordinary Shares in certificated and uncertificated form, they will be treated for all purposes as separate holdings and you should follow the procedures set out at Note 5 and Note 6 above.

9. LISTING AND RANKING OF THE SCRIP SHARES

Application will be made to the UKLA for admission of the new Ordinary Shares in respect of scrip elections to the Official List and to the London Stock Exchange plc for admission of these Ordinary Shares to trading on the Main Market of the London Stock Exchange. The Scrip Shares will on issue be credited as fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares, except for participation in the Relevant Dividend, and will rank for all future dividends.

10. GENERAL

No acknowledgement of Scrip Dividend Mandates or Dividend Election Input Messages will be issued. Subject to satisfaction of the conditions set out in this circular, definitive share certificates for these Ordinary Shares held outside CREST will be posted, at the risk of the persons entitled thereto, on or around the Relevant Payment Date, while CREST members should have their accounts credited on the Relevant Payment Date. Dealings in the Scrip Shares are expected to begin on the Relevant Admission Date. In the unlikely event that the UKLA does not agree before the Relevant Admission Date to admit the Scrip Shares to the Official List, or if any of the other conditions are not met, Scrip Dividend Mandates and Dividend Election Input Messages will be disregarded and the Company will pay the Relevant Dividend in cash in the usual manner as soon as practicable on or after the Relevant Payment Date.

Further copies of this circular are available to download from the Company's website www.gcpassetbacked.com. All enquiries in respect of the Scrip Dividend Alternative and completing the Scrip Dividend Mandate should be addressed to the Registrar, c/o Link Asset Services, on +44 (0) 371 664 0321 (calls are charged at the standard geographic rate and will vary by provider) or by email to shareholderenquiries@linkgroup.co.uk. Calls outside the United Kingdom will be charged at the applicable international rate. Opening hours are between 9.00 am – 5.30 pm GMT, Monday to Friday excluding public holidays in England and Wales. Please note that neither the Registrar nor Link Asset Services can provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

11. UNITED KINGDOM TAXATION

The tax consequences for a Shareholder who is a UK tax resident individual or a UK tax resident company making an election to receive Scrip Shares instead of a cash dividend will depend upon the personal circumstances of that Shareholder. Set out below is a general summary of the anticipated tax treatment of such United Kingdom tax resident Shareholders who make an election to receive Scrip Shares pursuant to the Scrip Dividend Alternative. The following statements are based on current United Kingdom tax law and HMRC published practice at the date of this circular (both of which may change).

This summary is not exhaustive and does not deal with the position of any Shareholder not resident in the United Kingdom for tax purposes. The statements below apply only to Shareholders who are the absolute beneficial owners of their Ordinary Shares and who hold their Ordinary Shares as an investment. The statements do not apply to any Shareholders who acquired or hold their Ordinary Shares as part of a trade or by reason of any office or employment. If you are in any doubt as to your position or are subject to tax in any jurisdiction other than the United Kingdom, you are strongly advised to consult your professional adviser before taking any action. Tax laws and their interpretation can change potentially with retrospective effect and, in particular, the level and bases of, and reliefs from, taxation may change and such changes may alter the benefit of investments in the Company.

11.1 Taxation of income

The issue of Scrip Shares by the Company to Shareholders for no payment should not be treated as giving rise to income in the hands of the recipients of the Scrip Shares. Therefore, no liability to income tax or corporation tax on income should arise for any UK resident Shareholders by reason of electing to receive Scrip Shares pursuant to the Scrip Dividend Alternative.

11.2 Taxation of chargeable gains

UK tax resident Shareholders who elect to receive Scrip Shares pursuant to the Scrip Dividend Alternative should not be treated as disposing of any asset by reason of making that election or receiving their Scrip Shares. Accordingly, no charge to capital gains tax or corporation tax on chargeable gains should arise at that time.

Instead, the Scrip Shares and the original Ordinary Shares in respect of which they are allotted (the "**Original Holding**") should be treated as a single holding acquired at the same time as the Original Holding. The receipt of Scrip Shares pursuant to the Scrip Dividend Alternative will not result in any increase in the Shareholder's overall base cost and, for the purposes of calculating any gain or loss on a future disposal of Ordinary Shares the original base cost attributable to the Original Holding will generally be treated as apportioned across the combined holding of original and Scrip Shares.

A UK-resident Shareholder who subsequently sells or otherwise disposes of Ordinary Shares may, depending on their individual circumstances and subject to any exemption or relief, be subject to capital gains tax (in the case of an individual) or corporation tax (in the case of a corporate Shareholder) in respect of any chargeable gains arising on such disposal.

11.3 Stamp Duties

No stamp duty or stamp duty reserve tax will be payable on the issue of Scrip Shares pursuant to the Scrip Dividend Alternative.

If you are in any doubt as to your tax position or require more detailed information than the general summary above, you should consult your stockbroker or other adviser before taking any action.