IMPORTANT NOTICE

You must read the following disclaimer before continuing

THIS DOCUMENT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE TRANSMITTED INTO OR DISTRIBUTED WITHIN THE UNITED STATES TO PERSONS UNLESS SUCH PERSONS ARE BOTH "QUALIFIED INSTITUTIONAL BUYERS" ("**QIBs**") (AS DEFINED IN RULE 144A ("**RULE 144A**") UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**")) IN RELIANCE ON RULE 144A AND "QUALIFIED PURCHASERS" ("**QPs**") FOR THE PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"), IN EACH CASE FOR ITS OWN ACCOUNT FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO THE DISTRIBUTION THEREOF (EXCEPT IN ACCORDANCE WITH RULE 144A).

The following disclaimer applies to the document attached following this notice (the "**document**") and you are therefore required to read this disclaimer page carefully before reading, accessing or making any other use of the document. In accessing the document, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

The document is only being provided to you at your request as a general explanation of the structure of the transaction described therein and is not intended to constitute or form part of an offer to sell or an invitation or solicitation of an offer to sell the notes described therein, nor shall it (or any part of it), or the fact of its distribution, form the basis of or be relied on in connection with any contract therefor.

Nothing in this electronic transmission constitutes an offer of securities for sale in any jurisdiction where it is unlawful to do so. The Notes (as defined in the attached document) have not been, and will not be, registered under the Securities Act, or the securities laws of any state of the U.S. or any other jurisdiction and the Notes may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws.

Confirmation of Your Representation: In order to be eligible to view the document or make an investment decision with respect to the Notes, investors must either be (a) U.S. Persons that are QIBs that are also QPs, or (b) non-U.S. Persons (in compliance with Regulation S under the Securities Act). The document is being sent at your request and by accepting the e-mail and accessing the document, you shall be deemed to have represented to us that (1) you and any customers you represent are either (A) U.S. Persons that are both QIBs and QPs or (B) non-U.S. Persons and that the electronic email address that you gave us and to which this email has been delivered is not located in the U.S., (2) such acceptance and access to the document by you and any customer that you represent is not unlawful in the jurisdiction where it is being made to you and any customers you represent, (3) you consent to delivery of the document by electronic transmission and (4) you consent to accept delivery by electronic transmission of any subsequent preliminary offering circular and the final offering circular on publication and distribution of the same.

The document has been sent to you in the belief that you are (a) a person in member states of the European Economic Area ("**EEA**") that is a "qualified investor" within the meaning of Article 2(1)(e) of EU Directive 2003/71/EC (as amended) ("**Qualified Investor**"), (b) in the United Kingdom (the "**UK**"), a Qualified Investor of the kind described in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or who otherwise falls within an exemption set forth in such Order so that Section 21(1) of the Financial Services and Markets Act 2000 (as amended) does not apply to the Issuer and (c) a person to whom the document can be sent lawfully in accordance with all other applicable securities laws. If this is not the case then you must return the document immediately.

The document has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of *Cadogan Square CLO X D.A.C.*, *Barclays Bank PLC* or *Credit Suisse Asset Management Limited* (or any person who controls it or any director, officer, employee or agent of it, or affiliate of any such person) accepts any liability

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You are reminded that the document has been delivered to you on the basis that you are a person into whose possession the document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver the document to any other person.

Restrictions: Nothing in this electronic transmission constitutes an offer of securities for sale in the United States or any other jurisdiction. Any securities to be issued will not be registered under the Securities Act and may not be offered or sold in the United States or to or for the account or benefit of any U.S. person (as such terms are defined in Regulation S under the Securities Act) unless registered under the Securities Act or pursuant to an exemption from such registration.

This Offering Circular may not be used for and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or purchase Notes. This document is an advertisement and does not comprise a prospectus for the purposes of EU Directive 2003/71/EC or any legislation or rules in any jurisdiction implementing such Directive.

Cadogan Square CLO X DAC

(a designated activity company incorporated under the laws of Ireland with registered number 607884 and having its registered office in Ireland)

€253,500,000 Class A-1 Senior Secured Floating Rate Notes due 2030
€21,000,000 Class A-2 Senior Secured Fixed Rate Notes due 2030
€22,000,000 Class B-1 Senior Secured Floating Rate Notes due 2030
€32,000,000 Class B-2 Senior Secured Fixed Rate Notes due 2030
€17,820,000 Class C-1 Senior Secured Deferrable Floating Rate Notes due 2030
€10,530,000 Class C-2 Senior Secured Deferrable Floating Rate Notes due 2030
€16,030,000 Class D-1 Senior Secured Deferrable Floating Rate Notes due 2030
€7,370,000 Class D-2 Senior Secured Deferrable Floating Rate Notes due 2030
€24,750,000 Class E Senior Secured Deferrable Floating Rate Notes due 2030
€12,150,000 Class F Senior Secured Deferrable Floating Rate Notes due 2030
€49,550,000 Class M Subordinated Notes due 2030

Cadogan Square CLO X D.A.C. (the "**Issuer**") will issue the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class M Subordinated Notes (each as defined herein).

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (such Classes of Notes, the "**Rated Notes**") together with the Class M Subordinated Notes are collectively referred to herein as the "**Notes**". The Notes will be issued and secured pursuant to a trust deed (the "**Trust Deed**") dated on or about 17 January 2018 (the "**Issue Date**"), made between (amongst others) the Issuer and BNY Mellon Corporate Trustee Services Limited in its capacity as trustee (the "**Trustee**").

Interest on the Notes will be payable (i) quarterly in arrear on 25 January, 25 April, 25 July and 25 October at any time other than following the occurrence of a Frequency Switch Event (as defined herein); and (ii) semi-annually in arrear following the occurrence of a Frequency Switch Event on (A) 25 January and 25 July (where the Payment Date immediately following the occurrence of the Frequency Switch Event falls in either January or July), or (B) 25 April and 25 October (where the Payment Date immediately following the occurrence of the Frequency Switch Event falls in either April or October) (or, if such day is not a Business Day (as defined herein), then on the next succeeding Business Day (unless it would fall in the following month, in which case it shall be moved to the immediately preceding Business Day)) in each year, commencing on 25 July 2018 and ending on the Maturity Date (as defined herein), subject to any earlier redemption of the Notes and in accordance with the Priorities of Payment described herein.

The Notes will be subject to Optional Redemption, Mandatory Redemption and Special Redemption, each as described herein. See Condition 7 (*Redemption and Purchase*).

The Issuer anticipates that it will be a "covered fund" for the purposes of the Volcker Rule, as such terms are hereinafter defined.

See the section entitled "*Risk Factors*" herein for a discussion of certain factors to be considered in connection with an investment in the Notes.

The assets securing the Notes will consist primarily of a portfolio of Secured Senior Loans, Secured Senior Bonds, Second Lien Loans, Mezzanine Obligations, High Yield Bonds, Corporate Rescue Loans and Unsecured Senior Obligations managed by the Portfolio Manager.

This Offering Circular does not constitute a prospectus for the purposes of Article 5 of Directive 2003/71/EC (as such directive may be amended from time to time, the "**Prospectus Directive**"). The Issuer is not offering the Notes in any jurisdiction in circumstances that would require a prospectus to be prepared pursuant to the Prospectus Directive. Application will be made to the Irish Stock Exchange for the Notes to be admitted to the official list (the "**Official List**") and trading on the Global Exchange Market of the Irish Stock Exchange (the "**Global Exchange Market**"). There can be no assurance that any such approval will be granted or, if granted that such listing will be maintained. Application will be made to the Irish Stock Exchange plc (the "**Irish Stock Exchange**") to approve the Offering Circular.

The Notes are limited recourse obligations of the Issuer which are payable solely out of amounts received by or on behalf of the Issuer in respect of the Collateral (as defined herein). The net proceeds of the realisation of the security over the Collateral upon acceleration of the Notes following an Event of Default (as defined herein) may be insufficient to pay all amounts due to the Noteholders (as defined herein) after making payments to other creditors of the Issuer ranking prior thereto or *pari passu* therewith. In the event of a shortfall in such proceeds, the Issuer will not be obliged to pay, and the other assets (including the Issuer Irish Account and the rights of the Issuer under the Corporate Services Agreement (each as defined herein)) of the Issuer will not be available for payment of such shortfall, all claims in respect of which shall be extinguished. See Condition 4 (*Security*).

ANY LOSSES OF THE ISSUER WILL BE BORNE SOLELY BY INVESTORS IN THE ISSUER AND NOT BY THE PORTFOLIO MANAGER OR ITS AFFILIATES; THEREFORE, THE PORTFOLIO MANAGER'S LOSSES IN THE

ISSUER WILL BE LIMITED TO LOSSES ATTRIBUTABLE TO THE OWNERSHIP INTERESTS IN THE COVERED FUND HELD BY THE PORTFOLIO MANAGER IN ITS CAPACITY AS INVESTOR IN THE ISSUER OR AS A BENEFICIARY OF A RESTRICTED PROFIT INTEREST HELD BY THE PORTFOLIO MANAGER OR ANY AFFILIATE. THE INVESTORS SHOULD READ THE FUND OFFERING DOCUMENTS BEFORE INVESTING IN THE ISSUER, OWNERSHIP INTERESTS IN THE COVERED FUND ARE NOT INSURED BY THE FDIC. AND ARE NOT DEPOSITS, OBLIGATIONS OF, OR ENDORSED OR GUARANTEED IN ANY WAY BY, ANY BANKING ENTITY.

The Portfolio Manager will act as portfolio manager in respect of the Portfolio owned by the Issuer and may, as described further herein and subject to the limitations set out herein, including those set out in "*Risk Factors – Certain Conflicts of Interest – Certain Conflicts of Interest Involving the Portfolio Manager and its Affiliates*", provide certain other services to the Issuer.

It is a condition of the issue and sale of the Notes that the Notes (except for the Class M Subordinated Notes) be issued with at least the following ratings from Moody's Investors Service Limited ("**Moody's**") and Standard & Poor's Credit Market Services Europe Limited ("**S&P**" and, together with Moody's, the "**Rating Agencies**", and each, a "**Rating Agency**"): the Class A-1 Notes: "Aaa (sf)" from Moody's and "AAA (sf)" from S&P; the Class A-2 Notes: "Aaa (sf)" from Moody's and "AAA (sf)" from S&P; the Class B-1 Notes: "Aa2 (sf)" from Moody's and "AA (sf)" from S&P; the Class B-2 Notes: "Aa2 (sf)" from Moody's and "AA (sf)" from S&P; the Class C-1 Notes: "A2 (sf)" from Moody's and "A (sf)" from S&P; the Class C-2 Notes: "A2 (sf)" from Moody's and "A (sf)" from S&P; the Class D-1 Notes: "Baa2 (sf)" from Moody's and "BBB (sf)" from S&P; the Class D-2 Notes: "Baa2 (sf)" from Moody's and "BBB (sf)" from S&P; the Class E Notes: "Ba2 (sf)" from Moody's and "BB (sf)" from S&P; and the Class F Notes: "B2 (sf)" from Moody's and "B- (sf)" from S&P. The Class M Subordinated Notes will not be rated.

The Notes have not been registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and will be offered only: (a) outside the United States to non-U.S. Persons (as defined in Regulation S under the Securities Act ("**Regulation S**")); and (b) within the United States to persons and outside the United States to U.S. Persons (as such term is defined in Regulation S ("**U.S. Persons**")), in each case, who are both qualified institutional buyers (as defined in Rule 144A under the Securities Act) in reliance on Rule 144A under the Securities Act and qualified purchasers for the purposes of Section 3(c)(7) of the United States Investment Company Act of 1940, as amended (the "**Investment Company Act**"). The Issuer will not be registered under the Investment Company Act. Interests in the Notes will be subject to certain restrictions on transfer, and each purchaser of Notes offered hereby in making its purchase will be deemed to have made certain acknowledgements, representations and agreements. See "*Plan of Distribution*" and "*Transfer Restrictions*".

The Notes are being offered by the Issuer through Barclays Bank PLC in its capacity as initial purchaser of the offering of such Notes (the "**Initial Purchaser**") subject to prior sale, when, as and if delivered to and accepted by the Initial Purchaser, and to certain conditions. It is expected that delivery of the Notes will be made on or about the Issue Date. Either the Initial Purchaser or the Issuer may offer the Notes at other prices as may be negotiated at the time of sale which may vary among different purchasers and which may be different from the issue price of the Notes.

Barclays Bank PLC

Initial Purchaser

The date of this Offering Circular is 15 January 2018.

The Issuer accepts responsibility for the information contained in this document (save for the information contained in the sections of this document headed "Risk Factors – Certain Conflicts of Interest – Certain Conflicts of Interest Involving the Portfolio Manager and its Affiliates", "The Portfolio Manager", "Description of the Collateral Administrator", "The Retention Holder and EU Retention Requirements – Description of the Retention Holder" and "Credit Risk Retention") and to the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Portfolio Manager accepts responsibility for the information contained in the sections of this document headed "Risk Factors – Certain Conflicts of Interest – Certain Conflicts of Interest Involving the Portfolio Manager and its Affiliates", "The Portfolio Manager" and "Credit Risk Retention". To the best of the knowledge and belief of the Portfolio Manager (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Collateral Administrator accepts responsibility for the information contained in the section of this document headed "Description of the Collateral Administrator". To the best of the knowledge and belief of the Collateral Administrator (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Retention Holder accepts responsibility for the information contained in the section of this document headed "The Retention Holder and EU Retention Requirements – Description of the Retention Holder". To the best of the knowledge and belief of the Retention Holder (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. Except for the sections of this document headed "Risk Factors – Certain Conflicts of Interest – Certain Conflicts of Interest Involving the Portfolio Manager and its Affiliates", "The Portfolio Manager" and "Credit Risk Retention", in the case of the Portfolio Manager, "Description of the Collateral Administrator", in the case of the Collateral Administrator and "The Retention Holder and EU Retention Requirements – Description of the Retention Holder", in the case of the Retention Holder, neither the Portfolio Manager, the Collateral Administrator nor the Retention Holder accept any responsibility for the accuracy and completeness of any information contained in this Offering Circular. The delivery of this Offering Circular at any time does not imply that the information herein is correct at any time subsequent to the date of this Offering Circular.

None of Barclays Bank PLC, in its capacity as the Initial Purchaser, the Trustee, the Portfolio Manager (save in respect of the sections headed "Risk Factors – Certain Conflicts of Interest Certain Conflicts of Interest Involving the Portfolio Manager and its Affiliates", "The Portfolio Manager" and "Credit Risk Retention"), the Collateral Administrator (save in respect of the section headed "Description of the Collateral Administrator"), any Agent, any Hedge Counterparty, the Retention Holder (save in respect of the section headed "The Retention Holder and EU Retention Requirements – Description of the Retention Holder") or any other party has separately verified the information contained in this Offering Circular and, accordingly, none of the Initial Purchaser, the Trustee, the Portfolio Manager (save as specified above), the Collateral Administrator (save as specified above), any Agent, any Hedge Counterparty, the Retention Holder (save in respect of the section headed "The Retention Holder and EU Retention Requirements – Description of the Retention Holder") or any other party (save for the Issuer as specified above) makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained in this Offering Circular or in any further notice or other document which may at any time be supplied in connection with the Notes or their distribution or accepts any responsibility or liability therefor. None of the Initial Purchaser, the Trustee, the Portfolio Manager, the Collateral Administrator, any Agent, any Hedge Counterparty, the Retention Holder or any other party undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the aforementioned parties which is not included in this Offering Circular. None of the Initial Purchaser, the Trustee, the Portfolio Manager (save as specified above), the Collateral Administrator (save as specified above), any Agent, any Hedge Counterparty, the Retention Holder (save as specified above), or any other party (save for the Issuer as specified above) accepts any responsibility for the accuracy or completeness of any information contained in this Offering Circular.

*This Offering Circular does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Initial Purchaser or any of their Affiliates, the Portfolio Manager, the Collateral Administrator or any other person to subscribe for or purchase any of the Notes. The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Initial Purchaser to inform themselves about and to observe any such restrictions. In particular, the communication constituted by this Offering Circular is directed only at persons who (i) are outside the United Kingdom and are offered and accept this Offering Circular in compliance with such restrictions or (ii) are persons falling within Article 49(2)(a) to (d) (High net worth companies, unincorporated associations etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or who otherwise fall within an exemption set forth in such Order so that Section 21(1) of the Financial Services and Markets Act 2000 does not apply to the Issuer (all such persons together being referred to as "***relevant persons***"). This communication must not be distributed to, acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. For a description of certain further restrictions on offers and sales of Notes and distribution of this Offering Circular, see "Plan of Distribution"* and *"Transfer Restrictions" below.*

In connection with the issue and sale of the Notes, no person is authorised to give any information or to make any representation not contained in this Offering Circular and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer, the Initial Purchaser, the Trustee, the Portfolio Manager or the Collateral Administrator. The delivery of this Offering Circular at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

*In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to "***Euro***", "***euro***", "***€***" and "***EUR***" are to the lawful currency of the Member States of the European Union that have adopted and retain the single currency in accordance with the Treaty establishing the European Community, as amended from time to time; provided that if any member state or states ceases to have such single currency as its lawful currency (such member state(s) being the "***Exiting State(s)***"), the euro shall, for the avoidance of doubt, mean for all purposes the single currency adopted and retained as the lawful currency of the remaining member states and shall not include any successor currency introduced by the Exiting State(s), any references to "***US Dollar***", "***US dollar***", "***USD***", "***U.S. Dollar***" or "***$***" shall mean the lawful currency of the United States of America and any references to "***pounds sterling***", "***Sterling***", "***£***" or "***GBP***" shall mean the lawful currency of the United Kingdom.*

In connection with the issue of the Notes, no stabilisation will take place and Barclays Bank PLC will not be acting as stabilising manager in respect of the Notes.

*Each of S&P and Moody's are established in the EU and are registered under Regulation (EC) No 1060/2009 (as amended) ("***CRA3***").*

EU RETENTION REQUIREMENTS

The Retention Holder will represent and undertake to the Issuer, the Trustee, the Collateral Administrator and the Initial Purchaser to hold the Retention Notes on the terms set out in the Risk Retention Letter.

Each prospective investor in the Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction are sufficient to comply with the EU Retention Requirements or any other regulatory requirement. None of the Issuer, the Portfolio Manager, the Initial Purchaser, the Retention Holder, the Collateral Administrator, the Trustee, their respective Affiliates or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy the EU Retention Requirements or any other applicable legal, regulatory or other requirements other than in the case of the Retention Holder pursuant to and in accordance with the Risk Retention Letter. Each prospective investor in the Notes which is subject to the EU Retention Requirements or any other regulatory requirement should consult with its own legal, accounting and other advisers and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of which it is uncertain. See "*Risk Factors – Regulatory Initiatives*", "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements*" and "*The Retention Holder and EU Retention Requirements*" below.

VOLCKER RULE

Section 619 of the Dodd-Frank Act (the "**Volcker Rule**") prevents "banking entities" (a term which includes affiliates of a U.S. banking organisation as well as affiliates of a foreign banking organisation that has a branch or agency office in the U.S., regardless where such affiliates are located) from (i) engaging in proprietary trading in financial instruments, or (ii) acquiring or retaining any "ownership interest" in, or in "sponsoring", a "covered fund," subject to certain exemptions.

An "ownership interest" is defined widely and may arise through a holder's exposure to the profits and losses of the "covered fund", as well as through certain rights of the holder to participate in the selection or removal of an investment advisor, investment manager, or general partner, trustee, or member of the board of directors of the "covered fund".

A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act 1940 (the "**ICA**") but is exempt from registration solely in reliance on section 3(c)(1) or 3(c)(7) of that Act, subject to certain exemptions found in the Volcker Rule's implementing regulations.

It should be noted that a commodity pool as defined in the CEA (see "*Risk Factors – Commodity Pool Regulation*" below) could, depending on which CEA exemption is used by such commodity pool or its commodity pool operator, also fall within the definition of a covered fund as described above.

The holders of any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, Class E Notes or Class F Notes in the form of PM Non-Voting Exchangeable Notes or PM Non-Voting Notes are not counted for purposes of establishing a quorum, nor may they vote in respect of any PM Removal Resolution or PM Replacement Resolution. However, there can be no assurance that despite these limitations, the PM Non-Voting Exchangeable Notes and PM Non-Voting Notes will not be deemed to be or be characterised as "ownership interests" in the Issuer.

If the Issuer is deemed to be a "covered fund", the provisions of the Volcker Rule and its related regulatory provisions, will severely limit the ability of "banking entities" to hold an "ownership interest" in the Issuer or enter into certain credit related financial transactions with the Issuer. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in "ownership interests" of the Issuer should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of such investment. If investment by "banking entities" in the Notes of any Class is prohibited or restricted by the Volcker Rule, this could impair the marketability and liquidity of such Notes.

No assurance can be made as to the effect of the Volcker Rule on the ability of certain investors subject thereto to acquire or retain an interest in the Notes. Each prospective investor in the Notes should independently consider the potential impact of the Volcker Rule in respect of any investment in the Notes. Investors should conduct their own analysis to determine whether the Issuer is a "covered fund" for their purposes, and none of the Issuer, the Initial Purchaser, the Portfolio Manager, the Trustee or any of their Affiliates make any representation, warranty or guarantee to any prospective investor or purchaser of the Notes regarding the application of the Volcker Rule to the Issuer or to such investor's investment in the Notes on the Issue Date or at any time in the future. See "*Risk Factors – Regulatory Initiatives – Volcker Rule*" below for further information.

INFORMATION AS TO PLACEMENT WITHIN THE UNITED STATES

The Notes of each Class offered pursuant to an exemption from registration requirements under Rule 144A under the Securities Act will be sold only to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act ("**Rule 144A**")) ("**QIBs**") that are also "qualified purchasers" for the purposes of Section 3(c)(7) of the Investment Company Act ("**QPs**"). Rule 144A Notes of each Class will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "**Rule 144A Global Certificate**" and together, the "**Rule 144A Global Certificates**"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank S.A./N.V., as operator of the Euroclear system ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"). The Notes of each Class sold outside the United States to non-U.S. Persons in reliance on Regulation S ("**Regulation S**") under the Securities Act will each be represented on issue by beneficial interests in one or more permanent

global certificates of such Class (each, a "**Regulation S Global Certificate**" and together, the "**Regulation S Global Certificates**"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Neither U.S. Persons nor U.S. residents (as determined for the purposes of the Investment Company Act) ("**U.S. Residents**") may hold an interest in any Notes sold in reliance on Regulation S. Ownership interests in the Regulation S Global Certificates and the Rule 144A Global Certificates (together, the "**Global Certificates**") will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream, Luxembourg and their respective participants. Notes in definitive certificated form will be issued only in limited circumstances, and will be registered in the name of the holder (or a nominee thereof). In each case, purchasers and transferees of Notes will be deemed and in certain circumstances will be required to have made certain representations and agreements. See "*Form of the Notes*", "*Book Entry Clearance Procedures*", "*Plan of Distribution*" and "*Transfer Restrictions*" below.

As at the Issue Date, the Issuer has not been registered under the Investment Company Act in reliance on Section 3(c)(7) of the Investment Company Act. Exemptions or exclusions from registration as an investment company under the Investment Company Act other than those set out in sections 3(c)(1) and 3(c)(7) of the Investment Company Act may be available to the Issuer, but it is unlikely, and there can be no assurance that, any such exemptions or exclusions will be available or that the Issuer will elect to rely on such exemptions.

Investors in the Notes are responsible for analysing their own regulatory position. Each purchaser of an interest in the Notes (other than a non-U.S. Person outside the U.S.) will be deemed to have represented and agreed that it is both a QIB and a QP and will also be deemed to have made the representations set out in "*Transfer Restrictions*" herein. The purchaser of any Note, by such purchase, agrees that such Note is being acquired for its own account and not with a view to distribution (other than in the case of the Initial Purchaser) and may be resold, pledged or otherwise transferred only (1) to the Issuer (upon redemption thereof or otherwise), (2) (other than any PM Voting Notes or PM Non-Voting Exchangeable Notes) to a person the purchaser reasonably believes is a QIB which is also a QP in a transaction meeting the requirements of Rule 144A, or (3) outside the United States to a non-U.S. Person, in an offshore transaction in reliance on Regulation S in each case, in compliance with the Trust Deed and all applicable securities laws of any state of the United States or any other jurisdiction. See "*Transfer Restrictions*".

In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Notes and the offering thereof described herein, including the merits and risks involved.

THE NOTES OFFERED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH, OR APPROVED BY, ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

This Offering Circular has been prepared by the Issuer solely for use in connection with the offering of the Notes described herein (the "**Offering**"). Each of the Issuer and the Initial Purchaser reserves the right to reject any offer to purchase Notes in whole or in part for any reason, or to sell less than the stated initial principal amount of any Class of Notes offered hereby. This Offering Circular is personal to each offeree to whom it has been delivered by the Issuer, the Initial Purchaser or any Affiliate thereof and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Notes. Distribution of this Offering Circular to any persons other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, the Initial Purchaser, is prohibited. Any reproduction or distribution of this Offering Circular in whole or in part and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the securities offered herein is prohibited.

DISCLOSURE

NOTWITHSTANDING ANYTHING IN THIS OFFERING CIRCULAR TO THE CONTRARY, YOU (AND ANY OF YOUR EMPLOYEES, REPRESENTATIVES, OR OTHER AGENTS) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE U.S. FEDERAL, STATE, AND LOCAL TAX TREATMENT OF THE ISSUER, THE NOTES, AND THE TRANSACTIONS DESCRIBED IN THIS OFFERING CIRCULAR AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER U.S. TAX ANALYSES) RELATING TO SUCH U.S. FEDERAL, STATE, AND LOCAL TAX TREATMENT AND THAT MAY BE RELEVANT TO UNDERSTANDING SUCH U.S. FEDERAL, STATE, AND LOCAL TAX TREATMENT.

AVAILABLE INFORMATION

To permit compliance with the Securities Act in connection with the sale of the Notes in reliance on Rule 144A, the Issuer will be required under the Trust Deed to furnish upon request to a holder or beneficial owner who is a QIB of a Note sold in reliance on Rule 144A or a prospective investor who is a QIB designated by such holder or beneficial owner the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request the Issuer is neither a reporting company under Section 13 or Section 15(d) of the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), nor exempt from reporting pursuant to Rule 12g 3 2(b) under the Exchange Act. All information made available by the Issuer pursuant to the terms of this paragraph may also be obtained during usual business hours free of charge at the office of the Principal Paying Agent.

GENERAL NOTICE

EACH PURCHASER OF THE NOTES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN EACH JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS SUCH NOTES OR POSSESSES OR DISTRIBUTES THIS OFFERING CIRCULAR AND MUST OBTAIN ANY CONSENT, APPROVAL OR PERMISSION REQUIRED FOR THE PURCHASE, OFFER OR SALE BY IT OF SUCH NOTES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTIONS TO WHICH IT IS SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES, AND NONE OF THE ISSUER, THE INITIAL PURCHASER, THE PORTFOLIO MANAGER (OR ANY OF THEIR AFFILIATES), THE TRUSTEE (OR ANY OF THEIR RESPECTIVE AFFILIATES) OR THE COLLATERAL ADMINISTRATOR SPECIFIED HEREIN SHALL HAVE ANY RESPONSIBILITY THEREFOR.

THE NOTES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NO STABILISATION

In connection with the issue of the Notes, no stabilisation will take place and neither the Initial Purchaser will be acting as stabilising manager in respect of the Notes.

COMMODITY POOL REGULATION

BASED UPON INTERPRETIVE GUIDANCE PROVIDED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION (THE "**CFTC**"), THE ISSUER IS NOT EXPECTED TO BE TREATED AS A COMMODITY POOL AND AS SUCH, THE ISSUER (OR THE PORTFOLIO MANAGER ON THE ISSUER'S BEHALF) MAY ENTER INTO HEDGE AGREEMENTS (OR ANY OTHER AGREEMENT THAT WOULD FALL WITHIN THE DEFINITION OF "SWAP" AS SET OUT IN THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE "**CEA**") FOLLOWING RECEIPT OF LEGAL ADVICE FROM REPUTABLE COUNSEL TO THE EFFECT THAT NONE OF THE ISSUER, ITS DIRECTORS OR OFFICERS, OR THE PORTFOLIO MANAGER OR ANY OF ITS DIRECTORS, OFFICERS OR EMPLOYEES, SHOULD BE REQUIRED TO REGISTER WITH THE CFTC AS EITHER A "COMMODITY POOL OPERATOR" (A "**CPO**") OR A "COMMODITY TRADING ADVISOR" (THE "**CTA**") (AS SUCH TERMS ARE DEFINED IN THE CEA) IN RESPECT OF THE ISSUER. IN THE EVENT THAT TRADING OR ENTERING INTO HEDGE AGREEMENTS WOULD RESULT IN THE ISSUER'S ACTIVITIES FALLING WITHIN THE DEFINITION OF A "COMMODITY POOL" UNDER THE CEA, THE PORTFOLIO MANAGER WOULD EITHER SEEK TO UTILIZE ANY EXEMPTIONS FROM REGISTRATION AS A CPO AND/OR A CTA WHICH THEN MAY BE AVAILABLE, OR SEEK TO REGISTER AS A CPO/CTA. ANY SUCH EXEMPTION MAY IMPOSE ADDITIONAL COSTS ON THE PORTFOLIO MANAGER, AND MAY SIGNIFICANTLY LIMIT ITS ABILITY TO ENGAGE IN HEDGING ACTIVITIES ON BEHALF OF THE ISSUER. SEE "*RISK FACTORS – REGULATORY INITIATIVES – COMMODITY POOL REGULATION*"

PRIIPS Regulation / Prohibition on Sales to EEA Retail Investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

MiFID II product governance / Professional investors and ECPs only target market

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

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OVERVIEW

*The following overview does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this offering circular (this "***Offering Circular***") and related documents referred to herein. Capitalised terms not specifically defined in this overview have the meanings set out in Condition 1 (Definitions) under "Terms and Conditions of the Notes" below or are defined elsewhere in this Offering Circular. An index of defined terms appears at the back of this Offering Circular. References to a "***Condition***" are to the specified Condition in the "Terms and Conditions of the Notes" below and references to "***Conditions of the Notes***" are to the "Terms and Conditions of the Notes" below. For a discussion of certain risk factors to be considered in connection with an investment in the Notes, see "Risk Factors".*

Issuer ..... Cadogan Square CLO X D.A.C., a designated activity company incorporated under the laws of Ireland with registered number 607884 and having its registered office at 3rd floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Portfolio Manager ..... Credit Suisse Asset Management Limited.

Trustee ..... BNY Mellon Corporate Trustee Services Limited.

Initial Purchaser ..... Barclays Bank PLC.

Collateral Administrator ..... The Bank of New York Mellon SA/NV, Dublin Branch.

Notes

Class of Notes	Principal Amount	Initial Stated Interest Rate[1]	Alternative Stated Interest Rate[2]	S&P Ratings of at least	Moody's Ratings of at least[3]	Maturity Date	Initial Offer Price (%)[4]
A-1	€253,500,000	3 month EURIBOR[6] + 0.740%	6 month EURIBOR[6] + 0.740%	"AAA (sf)"	"Aaa (sf)"	25 October 2030	100.00
A-2	€21,000,000	1.164%	1.164%	"AAA (sf)"	"Aaa (sf)"	25 October 2030	100.00
B-1	€22,000,000	3 month EURIBOR[6] + 1.200%	6 month EURIBOR[6] + 1.200%	"AA (sf)"	"Aa2 (sf)"	25 October 2030	100.00
B-2	€32,000,000	1.950%	1.950%	"AA (sf)"	"Aa2 (sf)"	25 October 2030	100.00
C-1	€17,820,000	3 month EURIBOR[6] + 1.680%	6 month EURIBOR[6] + 1.680%	"A (sf)"	"A2 (sf)"	25 October 2030	100.00
C-2	€10,530,000	3 month EURIBOR + 1.930% during the Non-Call Period, 3 month EURIBOR[6] + 1.680% following the expiry of the Non-Call Period	6 month EURIBOR + 1.930% during the Non-Call Period, 3 month EURIBOR[6] + 1.680% following the expiry of the Non-Call Period	"A (sf)"	"A2 (sf)"	25 October 2030	100.00
D-1	€16,030,000	3 month EURIBOR[6] + 2.550%	6 month EURIBOR[6] + 2.550%	"BBB (sf)"	"Baa2 (sf)"	25 October 2030	100.00

Class of Notes	Principal Amount	Initial Stated Interest Rate[1]	Alternative Stated Interest Rate[2]	S&P Ratings of at least	Moody's Ratings of at least[3]	Maturity Date	Initial Offer Price (%)[4]
D-2	€7,370,000	3 month EURIBOR + 2.800% during the Non-Call Period, 3 month EURIBOR[6] + 2.550% following the expiry of the Non-Call Period	6 month EURIBOR + 2.800% during the Non-Call Period, 3 month EURIBOR[6] + 2.550% following the expiry of the Non-Call Period	"BBB (sf)"	"Baa2 (sf)"	25 October 2030	100.00
E	€24,750,000	3 month EURIBOR[6] + 4.40%	6 month EURIBOR[6] + 4.40%	"BB (sf)"	"Ba2 (sf)"	25 October 2030	96.43
F	€12,150,000	3 month EURIBOR[6] + 5.900%	6 month EURIBOR[6] + 5.900%	"B- (sf)"	"B2 (sf)"	25 October 2030	93.07
M Subordinated	€49,550,000	N/A[5]	N/A[5]	Not Rated	Not Rated	25 October 2030	91.50

1. Applicable at any time prior to the occurrence of a Frequency Switch Event. The rate of interest of the Rated Notes of each Class, other than the Class A-2 Notes and the Class B-2 Notes, for the first Accrual Period will be determined by reference to a straight line interpolation of 6 month EURIBOR and 9 month EURIBOR.

2. Applicable at all times following the occurrence of a Frequency Switch Event.

3. The ratings assigned by S&P to the Class A Notes and the Class B Notes address the timely payment of interest and the ultimate payment of principal. The ratings assigned by S&P to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes address the ultimate payment of principal and interest. The ratings assigned by Moody's to the Rated Notes address the unexpected loss posed to investors by the legal final maturity on the Maturity Date. A security rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by the applicable Rating Agency.

4. Either the Initial Purchaser or the Issuer may offer the Notes at other prices as may be negotiated at the time of sale which may vary among different purchasers and which may be different from the issue price of the Notes.

5. Subject to available Interest Proceeds. See Condition 6(a)(ii) (*Class M Subordinated Notes*).

6. Subject to a minimum of zero per cent. per annum.

Eligible Purchasers..... The Notes of each Class will be offered:

(a) outside of the United States to non-U.S. Persons in "offshore transactions" in reliance on Regulation S; and

(b) within the United States to persons and outside the United States to U.S. Persons, in each case, who are QIB/QPs.

Distributions on the Notes

Payment Dates..... Interest on the Notes will be payable:

(a) following the occurrence of a Frequency Switch Event on (A) 25 January and 25 July (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event falls in either January or July), or (B) 25 April and 25 October (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event falls in either April or Octobrt); and

(b) 25 January, 25 April, 25 July, and 25 October at all other times,

	commencing on 25 July 2018 and ending on the Maturity Date (subject to any earlier redemption of the Notes and in each case to adjustment for non-Business Days in accordance with the Conditions). The Issuer and the Portfolio Manager may (and shall if so directed by an Ordinary Resolution of the Class M Subordinated Noteholders) designate a date other than a scheduled Payment Date as a Payment Date provided that, inter alia, it falls on a Business Day falling on or after the redemption in full of the Rated Notes (see Condition 3(k) (Unscheduled Payment Dates)).
Stated Note Interest	Interest in respect of the Notes of each Class will be payable semi-annually in arrear in respect of each six month Accrual Period and quarterly in arrear in respect of each three month Accrual Period, in each case, on each Payment Date (with the first Payment Date occurring on 25 July 2018) in accordance with the Interest Proceeds Priority of Payments.
Deferral of Interest.....	Failure on the part of the Issuer to pay the Interest Amounts due and payable on any Class A Note or Class B Note in accordance with the Priorities of Payment shall not constitute an Event of Default unless and until such failure continues for a period of at least five Business Days (save in the case of an administrative error or omission only, where such failure continues for a period of at least seven Business Days) except in each case as the result of any deduction therefrom or the imposition of any withholding thereon as set out in Condition 9 (*Taxation*). To the extent that interest payments on the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes are not made on the relevant Payment Date, an amount equal to such unpaid interest will be added to the Principal Amount Outstanding of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (as applicable), and from the date such unpaid interest is added to the Principal Amount Outstanding of the relevant Class of Notes, such unpaid amount will accrue interest at the rate of interest applicable to the relevant Notes. See Condition 6(c) (Deferral of Interest). Non–payment of amounts due and payable on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes as a result of the insufficiency of available Interest Proceeds will not constitute an Event of Default even where any such Class of Notes is the Controlling Class. Non-payment of amounts due and payable on the Class M Subordinated Notes as a result of the insufficiency of available Interest Proceeds or Principal Proceeds will not constitute an Event of Default.
Redemption of the Notes.....	Principal payments on the Notes may be made in the following circumstances: (a) on the Maturity Date (see Condition 7(a) (*Final Redemption*)); (b) on any Payment Date on and after the Effective Date following a Determination Date on which a Coverage Test is not satisfied (to the extent such test is required to be satisfied on such Determination Date) (see Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*));

(c) if, as at the Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, either (x) the Issuer, at the direction of the Portfolio Manager, shall purchase additional Collateral Debt Obligations until an Effective Date Rating Event is no longer continuing or (y) the Rated Notes shall be redeemed in accordance with the Note Payment Sequence on such Payment Date and thereafter on each subsequent Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment, in each case until redeemed in full or, if earlier, until such Effective Date Rating Event is no longer continuing (see Condition 7(e) (*Redemption upon Effective Date Rating Event*));

(d) after the Reinvestment Period, on each Payment Date out of Principal Proceeds transferred to the Payment Account immediately prior to the related Payment Date (see Condition 7(f) (*Redemption Following Expiry of the Reinvestment Period*));

(e) on any Payment Date during the Reinvestment Period at the discretion of the Portfolio Manager (acting on behalf of the Issuer) following written notification by the Portfolio Manager to the Trustee that, using reasonable endeavours, it has been unable, for a period of 20 consecutive Business Days, to identify a sufficient quantity of additional or Substitute Collateral Debt Obligations in which to invest or reinvest Principal Proceeds (see Condition 7(d) (*Special Redemption*));

(f) in whole (with respect to all Classes of Rated Notes) but not in part on any Business Day on or after the expiry of the Non-Call Period from Sale Proceeds or Refinancing Proceeds (or any combination thereof) if directed in writing by the Class M Subordinated Noteholders (acting by way of an Ordinary Resolution) if certain conditions (including, where such Optional Redemption is effected through Refinancing, the consent of the Portfolio Manager) are satisfied (see Condition 7(b)(i) (*Optional Redemption in Whole – Class M Subordinated Noteholders*);

(g) in part by the redemption in whole of one or more Classes of Rated Notes from Refinancing Proceeds on any Business Day on or after the expiry of the Non-Call Period if directed in writing by the Portfolio Manager or the Class M Subordinated Noteholders (acting by way of an Ordinary Resolution) as long as the Class of Rated Notes to be redeemed represents not less than the entire Class of such Rated Notes and if certain other conditions are satisfied (including, where such Optional Redemption is directed by the Class M Subordinated Noteholders (acting by way of an Ordinary Resolution), the consent of the Portfolio Manager) (see Condition 7(b)(ii) (*Optional Redemption in Part – Class M Subordinated Noteholders or Portfolio Manager*));

(h) in whole (with respect to all Classes of Rated Notes) but not in part from Sale Proceeds on any Business Day on or after the expiry of the Non-Call Period if the Aggregate Collateral Balance is less than 15 per cent. of the Target Par Amount and if directed in writing by the Portfolio Manager (see

	Condition 7(b)(iii) (*Optional Redemption in Whole – Portfolio Manager*));
	(i) the Class M Subordinated Notes may be redeemed in whole at the direction of the Class M Subordinated Noteholders acting by way of Ordinary Resolution or at the direction of the Portfolio Manager on any Business Day on or after the redemption in full of all Classes of Rated Notes (see Condition 7(b)(viii) (*Optional Redemption of Class M Subordinated Notes*));
	(j) on any Business Day on and following the occurrence of a Collateral Tax Event in whole (with respect to all Classes of Rated Notes) at the option of the Class M Subordinated Noteholders acting by way of Ordinary Resolution (see Condition 7(b)(i) (*Optional Redemption in Whole – Class M Subordinated Noteholders*));
	(k) on any Business Day in whole (with respect to all Classes of Rated Notes) at the option of the Controlling Class (acting by way of Extraordinary Resolution) or the Class M Subordinated Noteholders (acting by way of Ordinary Resolution), following the occurrence of a Note Tax Event, subject to (i) the Issuer having failed to cure the Note Tax Event and (ii) certain minimum time periods (see Condition 7(g) (*Redemption following Note Tax Event*)); and
	(l) at any time following an Event of Default which occurs and is continuing, and following the delivery of an Acceleration Notice (deemed or otherwise) which has not been rescinded or annulled (see Condition 10 (*Events of Default*)).
Non-Call Period	During the period from the Issue Date up to, but excluding 25 January 2020, or if such day is not a Business Day, the next following day that is a Business Day (unless it would fall in the following month, in which case such date shall be brought forward to the immediately preceding Business Day) (the "**Non-Call Period**"), the Notes are not subject to Optional Redemption (save for upon a Collateral Tax Event). See Condition 7(b) (*Optional Redemption*).
Redemption Prices.....	The Redemption Price of each Class of Rated Notes will be (a) 100 per cent. of the Principal Amount Outstanding of the Notes to be redeemed (including, in the case of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, any accrued and unpaid Deferred Interest on such Notes) *plus* (b) accrued and unpaid interest thereon to the day of redemption. The Redemption Price for each Class M Subordinated Note will be the greater of (1) 100 per cent. of the Principal Amount Outstanding thereof (if any), together with any accrued and unpaid interest in respect thereof to the relevant day of redemption and (2) its *pro rata* share (calculated in accordance with the relevant Priorities of Payment) of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such circumstances, remaining following application thereof in accordance with the Priorities of Payments.
Priorities of Payment.....	Prior to the delivery of an Acceleration Notice (deemed or otherwise) in accordance with Condition 10(b) (*Acceleration*) or following the delivery of an Acceleration Notice (deemed or

	otherwise) which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), and other than in connection with an Optional Redemption in whole pursuant to Condition 7(b) (*Optional Redemption*) or in connection with a redemption in whole pursuant to Condition 7(g) (*Redemption following Note Tax Event*), Interest Proceeds will be applied in accordance with the Interest Proceeds Priority of Payments and Principal Proceeds will be applied in accordance with the Principal Proceeds Priority of Payments. Upon any redemption in whole of the Notes in accordance with Condition 7(b) (*Optional Redemption*) or in accordance with Condition 7(g) (*Redemption following Note Tax Event*) or following the delivery of an Acceleration Notice (deemed or otherwise) in accordance with Condition 10(b) (*Acceleration*) which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), Interest Proceeds and Principal Proceeds will be applied in accordance with the Post-Acceleration Priority of Payments, in each case as described in the Conditions.
Portfolio Management Fees	
Senior Portfolio Management Fee.....	0.15 per cent. per annum of the Fee Basis Amount calculated semi-annually following the occurrence of a Frequency Switch Event and quarterly at all other times, in each case on the basis of a 360-day year and the actual number of days elapsed in such Due Period (exclusive of any VAT). See "*Description of the Portfolio Management Agreement – Fees*".
Subordinated Portfolio Management Fee	0.35 per cent. per annum of the Fee Basis Amount calculated semi-annually following the occurrence of a Frequency Switch Event and quarterly at all other times, in such case on the basis of a 360-day year and the actual number of days elapsed in such Due Period (exclusive of any VAT). See "*Description of the Portfolio Management Agreement – Fees*".
Incentive Portfolio Management Fee.....	After having met or surpassed the Incentive Portfolio Management Fee IRR Threshold of 10.0 per cent., an amount equal to 20.0 per cent. of any Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Class M Subordinated Noteholders in accordance with the Priorities of Payment (exclusive of VAT). See "*Description of the Portfolio Management Agreement – Fees*".
Security for the Notes	
General.....	The Notes will be secured in favour of the Trustee for the benefit of the Secured Parties by security over a portfolio of Collateral Debt Obligations predominantly consisting of Secured Senior Loans, Unsecured Senior Obligations, Secured Senior Bonds, Mezzanine Obligations, Second Lien Loans, Corporate Rescue Loans and High Yield Bonds. The Notes will also be secured by an assignment by way of security of various of the Issuer's other rights, including its rights under certain of the agreements described herein but excluding its rights in respect of the amounts standing to the credit of the Issuer Irish Account and the Corporate Services Agreement. See Condition 4 (*Security*).
Hedge Arrangements	
General.....	Subject to compliance with the Hedging Condition, the Issuer may enter into hedging arrangements to hedge the interest rate and

	currency risk in respect of the Portfolio on the Issue Date and upon acquisition of applicable Collateral Debt Obligations. The Issuer will obtain Rating Agency Confirmation prior to entering into any hedging arrangements after the Issue Date unless it is a Form Approved Hedge. See "*Hedging Arrangements*".
Qualifying Currency Obligations and Currency Hedge Transactions	Subject to the Eligibility Criteria, the Issuer or the Portfolio Manager on its behalf may purchase Collateral Debt Obligations that are denominated in a Qualifying Currency provided that: (a) a Currency Hedge Transaction is entered into in respect of each such Collateral Debt Obligation with a Hedge Counterparty satisfying the applicable Rating Requirement under which the currency risk is reduced or eliminated (i) within 180 calendar days of the later of the settlement of the purchase by the Issuer of such Collateral Debt Obligation and the Issue Date, if such Collateral Debt Obligation is denominated in a Qualifying Unhedged Obligation Currency and either (x) is an Issue Date Collateral Debt Obligation, or (y) is a Principal Hedged Obligation, and (ii) in all other cases, no later than the settlement of the purchase by the Issuer of such Collateral Debt Obligation; (b) the Aggregate Collateral Balance of all Unhedged Collateral Debt Obligations shall not exceed 2.5 per cent. of the Aggregate Collateral Balance at any time; (c) the Aggregate Collateral Balance of all Principal Hedged Obligations shall not exceed (x) 2.5 per cent. of the Aggregate Collateral Balance or (y) if the Aggregate Collateral Balance is greater than or equal to the Reinvestment Target Par Balance, 4.0 per cent. of the Aggregate Collateral Balance (provided, for the purposes of calculating the Aggregate Collateral Balance, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value); and (d) the Aggregate Collateral Balance of all Unhedged Collateral Debt Obligations and Principal Hedged Obligations in aggregate shall not exceed 4.0 per cent. of the Aggregate Collateral Balance at any time. For the avoidance of doubt, the ability of the Issuer to enter into Currency Hedge Transactions is subject to satisfaction of the Hedging Condition. The Portfolio Manager (on behalf of the Issuer) is also authorised to enter into spot exchange transactions, as necessary, to fund the Issuer's payment obligations under any Currency Hedge Transaction.
Principal Hedged Obligations and FX Forward Transactions	The Issuer (or the Portfolio Manager on its behalf) may enter into FX Forward Transactions with respect to Unhedged Collateral Debt Obligations with one or more FX Forward Counterparties pursuant to the terms of which (i) the Issuer will be required to pay to the relevant FX Forward Counterparty on a date specified, an amount of Euro in exchange for an amount (which may or may not be equal to the principal amount of such Unhedged Collateral Debt Obligation) in the same currency as such Unhedged Collateral Debt Obligation, at the rate specified therein, and (ii) the Issuer may be required to pay to the relevant FX Forward Counterparty non-Euro amounts representing principal received in respect of the relevant

	Collateral Debt Obligation in exchange for Euro amounts, in each case, in accordance with the terms of the applicable FX Forward Agreement. FX Forward Transactions may be entered into in respect of Unhedged Collateral Debt Obligations denominated in a Qualifying Unhedged Obligation Currency, subject to the Portfolio Manager believing in its reasonable judgment that the Issuer will be able to enter into a Currency Hedge Transaction in relation to such Unhedged Collateral Debt Obligation, and *provided that* only one such FX Forward Transaction may be entered into with respect to each Unhedged Collateral Debt Obligation.
Interest Rate Hedging.....	The Issuer (or the Portfolio Manager on its behalf) may enter into Interest Rate Hedge Transactions with one or more Interest Rate Hedge Counterparties satisfying the Rating Requirement in order to hedge any interest rate mismatch between the Notes and the Collateral Debt Obligations, subject to the receipt of Rating Agency Confirmation in respect thereof unless such Interest Rate Hedge Transaction is a Form Approved Hedge. In accordance with the Portfolio Profile Tests, no more than 12.5 per cent. of the Aggregate Collateral Balance may consist of Fixed Rate Collateral Debt Obligations.
Portfolio Manager	Pursuant to the Portfolio Management Agreement, the Portfolio Manager is required to act as the Issuer's portfolio manager with respect to the Portfolio, to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described therein. Pursuant to the Portfolio Management Agreement, the Issuer delegates authority to the Portfolio Manager to carry out certain functions in relation to the Portfolio and any hedging arrangements without the requirement for specific approval by the Issuer, the Collateral Administrator or the Trustee but subject to the policies and ongoing review of the Issuer. See "*Description of the Portfolio Management Agreement*" and "*The Portfolio*". The Portfolio Manager has selected the Collateral Debt Obligations purchased by the Issuer on or prior to the Issue Date pursuant to the terms of the Warehouse Arrangements and has independently reviewed and assessed each such Collateral Debt Obligation.
Purchase of Collateral Debt Obligations	
Initial Investment Period.....	During the period from and including the Issue Date to but excluding the earlier of: (a) the date designated for such purpose by the Portfolio Manager, subject to the Effective Date Determination Requirements having been satisfied; and (b) 9 July 2018 (or, if such day is not a Business Day, the next following Business Day), (such earlier date, the "**Effective Date**" and, such period, the "**Initial Investment Period**"), the Issuer intends to purchase the remainder of the Portfolio of Collateral Debt Obligations, subject to the Eligibility Criteria and certain other restrictions.
Reinvestment in Collateral Debt Obligations.....	Subject to the limits described in the Portfolio Management Agreement and Principal Proceeds being available from time to

	time, the Portfolio Manager shall, on behalf of the Issuer, use reasonable endeavours to purchase Substitute Collateral Debt Obligations meeting the Eligibility Criteria and the Reinvestment Criteria during the Reinvestment Period. Following expiry of the Reinvestment Period, only Sale Proceeds from the sale of Credit Impaired Obligations, Credit Improved Obligations and Unscheduled Principal Proceeds received after the Reinvestment Period may be reinvested by the Issuer or the Portfolio Manager, on behalf of the Issuer, in Substitute Collateral Debt Obligations meeting the Eligibility Criteria and Reinvestment Criteria. See "*The Portfolio – Management of the Portfolio – Sale of Collateral Debt Obligations*" and "*The Portfolio – Management of the Portfolio – Reinvestment of Collateral Debt Obligations*".
Eligibility Criteria.....	In order to qualify as a Collateral Debt Obligation, an obligation must satisfy certain specified Eligibility Criteria. Each obligation shall only be required to satisfy the Eligibility Criteria at the time the Issuer (or the Portfolio Manager, acting on behalf of the Issuer) enters into a binding commitment to purchase such obligation save for an Issue Date Collateral Debt Obligation which must also satisfy the Eligibility Criteria on the Issue Date. See "*The Portfolio – Eligibility Criteria*".
Restructured Obligations.....	In order for a Collateral Debt Obligation which is the subject of a restructuring to qualify as a Restructured Obligation, such Collateral Debt Obligation must satisfy the Restructured Obligation Criteria as at the applicable Restructuring Date.
Collateral Quality Tests.....	The Collateral Quality Tests will comprise the following: For so long as any of the Rated Notes are rated by S&P and are Outstanding: (a) the S&P CDO Monitor Test; (b) the Minimum Weighted Average Spread Test; (c) the Minimum Weighted Average Fixed Coupon Test; (d) the S&P Minimum Weighted Average Recovery Rate Test; and (e) the Weighted Average Life Test. For so long as any of the Rated Notes are rated by Moody's and are Outstanding: (i) the Moody's Minimum Diversity Test; (ii) the Moody's Maximum Weighted Average Rating Factor Test; (iii) the Moody's Minimum Weighted Average Recovery Rate Test; (iv) the Minimum Weighted Average Spread Test; (v) the Minimum Weighted Average Fixed Coupon Test; and (vi) the Weighted Average Life Test.

For the avoidance of doubt, each of the Collateral Quality Tests referred to above shall be applied by reference to Collateral Debt Obligations excluding any Defaulted Obligations.

Portfolio Profile Tests..... In summary, the Portfolio Profile Tests will consist of each of the following (the percentage requirements applicable to different types of Collateral Debt Obligations (which, for the avoidance of doubt, shall exclude Defaulted Obligations) specified in the Portfolio Profile Tests and summarily displayed in the table below shall be determined by reference to the Aggregate Collateral Balance):

		Minimum	**Maximum**
(a)	Secured Senior Loans and Secured Senior Bonds in aggregate (which shall include the Balance of the Principal Account and the Unused Proceeds Account)	90.0%	N/A
(b)	Secured Senior Loans (which shall include the Balance of the Principal Account and the Unused Proceeds Account)	65.0%	N/A
(c)	Secured Senior Bonds, High Yield Bonds and/or Mezzanine Obligations in the form of bonds	N/A	35%
(d)	Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and/or High Yield Bonds in aggregate	N/A	10%
(e)	Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and/or High Yield Bonds of a single Obligor	N/A	1.5%
(f)	Collateral Debt Obligations of a single Obligor	N/A	2.5%, provided that the obligations of three Obligors may each represent up to 3.0%
(g)	Participations (other than Participations granted pursuant to a CSAM Secured Participation Deed)	N/A	10.0%
(h)	Current Pay Obligations	N/A	2.5%
(i)	Annual Obligations	N/A	5.0% unless Rating Agency Confirmation has been obtained
(j)	The aggregate of all Unfunded Amounts under Delayed Drawdown Obligations and Funded Amounts/Unfunded Amounts under Revolving Obligations	N/A	5.0%
(k)	Caa Obligations	N/A	7.5%
(l)	CCC Obligations	N/A	7.5%
(m)	Corporate Rescue Loans	N/A	5.0%

		Minimum	Maximum
(n)	Corporate Rescue Loans from a single Obligor	N/A	2.0%
(o)	PIK Securities and Partial Deferrable Securities in aggregate	N/A	5%
(p)	Fixed Rate Collateral Debt Obligations	N/A	12.5%
(q)	Hedged Fixed Rate Collateral Debt Obligations	N/A	5.0%
(r)	Non-Euro Obligations	N/A	20%
(s)	Principal Hedged Obligations	N/A	2.5% or if the Aggregate Collateral Balance is greater than or equal to the Reinvestment Target Par Balance (and for the purposes of the Reinvestment Criteria, such condition is satisfied immediately following the entry into a binding commitment to purchase the applicable Collateral Debt Obligation), 4.0% (provided, for the purposes of calculating the Aggregate Collateral Balance, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value)
(t)	Unhedged Collateral Debt Obligations	N/A	2.5%
(u)	Principal Hedged Obligations and Unhedged Collateral Debt Obligations in aggregate	N/A	4.0%
(v)	S&P Industry Classification Group	N/A	10%, provided that (without duplication) (i) any three S&P Industry Classification Groups may together comprise up to 40%; (ii) up to one S&P Industry Classification Group may comprise up to

			Minimum	Maximum
				17.5%; (iii) up to one S&P Industry Classification Group may comprise up to 15% and (iv) up to one S&P Industry Classification Group may comprise up to 12%
	(w)	Moody's Rating derived from an S&P rating	N/A	10.0%
	(x)	Domicile of Obligors	N/A	10% Domiciled in countries or jurisdictions with a Moody's local-currency country bond ceiling between "A1" and "A3" unless Rating Agency Confirmation from Moody's is obtained
	(y)	Obligors whose total potential indebtedness (as determined by original or subsequent issuance size, at the time of purchase by the Issuer, whether drawn or undrawn) under all loan agreements, indentures, and other underlying instruments entered into directly or indirectly by such Obligors is between EUR 100 million and EUR 200 million (inclusive) or the equivalent thereof converted into Euro at the Spot Rate (it being understood, and as a clarification only, that any principal repayments made in respect of such loan agreements, indentures, and other underlying instruments shall not be taken into account for the purposes of this provision and provided that such determination shall be made at, and only at, the time when the Issuer enters into a binding commitment to purchase the relevant Collateral Debt Obligation)	N/A	10%
	(z)	Credit Estimate Obligations	N/A	10%
	(aa)	Bivariate Risk Table	N/A	See limits set out in "*The Portfolio – Management of the Portfolio – Bivariate Risk Table*"

		Minimum	Maximum
(bb)	Cov-Lite Loans	N/A	40%
(cc)	Bridge Loans	N/A	5%
(dd)	Project Finance Loan	N/A	3%
(ee)	Obligor Domiciled in countries rated "A-" or lower by S&P	N/A	10%

Obligations which are to constitute Collateral Debt Obligations in respect of which the Issuer or the Portfolio Manager, on behalf of the Issuer, has entered into a binding commitment to purchase but which have not yet settled shall be included as Collateral Debt Obligations in the calculation of the Portfolio Profile Tests at any time as if such purchase had been completed and Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell but which have not yet settled shall be excluded as Collateral Debt Obligations in the calculation of the Portfolio Profile Tests as if such sale had been completed.

For the purposes of the Portfolio Profile Tests, the Balances standing to the credit of the Principal Account and the Unused Proceeds Account shall include amounts to the extent such amounts represent Principal Proceeds, any Eligible Investments which represent Principal Proceeds and any Principal Proceeds to be received in respect of any sale of Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell and which is yet to settle shall be included, but shall exclude any interest accrued on Eligible Investments and any Principal Proceeds to be used to purchase Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to acquire, which are yet to settle.

Coverage Tests..... Each of the Par Value Tests and Interest Coverage Tests shall be satisfied on a Measurement Date in the case of (i) the Par Value Tests, on and after the Effective Date; and (ii) the Interest Coverage Tests on and after the Determination Date immediately preceding the second Payment Date, if the corresponding Par Value Ratio or Interest Coverage Ratio (as the case may be) is at least equal to the percentage specified in the table below in relation to that Coverage Test.

Following the failure of one or more Coverage Tests, Interest Proceeds and Principal Proceeds shall be applied on the immediately following Payment Date and each Payment Date thereafter until, after having been recalculated on such date or dates, the applicable Coverage Test or Coverage Tests are satisfied. See Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

Class	Required Par Value Ratio
A/B	126.99%
C	118.60%
D	112.34%
E	106.61%

Class	Required Interest Coverage Ratio
A/B	120.00%

Class	Required Par Value Ratio
C	110.00%

Reinvestment Overcollateralisation Test ..... During the Reinvestment Period only, if the Class E Par Value Ratio is less than 107.11 per cent., on the relevant Determination Date, Interest Proceeds shall be paid to the Principal Account, for the acquisition of additional Collateral Debt Obligations in an amount (such amount, the "**Required Diversion Amount**") equal to the lesser of (1) 50 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (V) of the Interest Proceeds Priority of Payments and (2) the amount which, after giving effect to the payment of all amounts payable in respect of (A) through (U) (inclusive) of the Interest Proceeds Priority of Payments, would be sufficient to cause the Reinvestment Overcollateralisation Test to be met as of the relevant Determination Date after giving effect to any payments made pursuant to paragraph (V) of the Interest Proceeds Priority of Payments, such amounts to be applied during the Reinvestment Period to purchase additional Collateral Debt Obligations.

Authorised Denominations ..... Notes of each Class of Rated Notes in the form of Regulation S Notes will be issued in minimum denominations of €100,000 and integral multiples of €500 in excess thereof. Class M Subordinated Notes in the form of Regulation S Notes will be issued in minimum denominations of €100,000 and integral multiples of €500 in excess thereof.

Each Class of Rated Notes in the form of Rule 144A Notes will be issued in minimum denominations of €250,000 and integral multiples of €500 in excess thereof. Class M Subordinated Notes in the form of Rule 144A Notes will be issued in minimum denominations of €250,000 and integral multiples of €500 in excess thereof.

Form, Registration and Transfer of the Notes ..... The Regulation S Notes of each Class sold outside the United States to non-U.S. Persons in reliance on Regulation S will be represented on issue by beneficial interests in one or more Regulation S Global Certificates in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"). Beneficial interests in a Regulation S Global Certificate may at any time be held only through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*". Interests in any Regulation S Note may not at any time be held by any U.S. Person or U.S. Resident.

The Rule 144A Notes of each Class of Notes sold in reliance on Rule 144A to persons who are QIB/QPs will be represented on issue by one or more Rule 144A Global Certificates in fully registered form, without interest coupons or principal receipts deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Rule 144A

Global Certificate may at any time only be held through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg.

The Rule 144A Global Certificates will bear a legend and such Rule 144A Global Certificates, or any interest therein, may not be transferred except in compliance with the transfer restrictions set out in such legend. See "*Transfer Restrictions*".

No beneficial interest in a Rule 144A Global Certificate may be transferred to a person who takes delivery thereof through a Regulation S Global Certificate unless the transferor provides the Transfer Agent with a written certification substantially in the form set out in the Trust Deed regarding compliance with certain of such transfer restrictions. Any transfer of a beneficial interest in a Regulation S Global Certificate to a person who takes delivery through an interest in a Rule 144A Global Certificate is also subject to certification requirements substantially in the form set out in the Trust Deed and each purchaser thereof shall be deemed to represent that such purchaser is both a QIB and a QP. In addition, interests in any of the Regulation S Notes may not at any time be held by any U.S. Person or U.S. Resident. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*".

Except in the limited circumstances described herein, Notes in definitive, certificated, fully registered form ("**Definitive Certificates**") will not be issued in exchange for beneficial interests in either the Regulation S Global Certificates or the Rule 144A Global Certificates. See "*Form of the Notes – Exchange for Definitive Certificates*".

Each investor in a Class E Note, Class F Note or a Class M Subordinated Note will be deemed to represent (or, in the case of any Class E Notes, Class F Notes or Class M Subordinated Notes in the form of Definitive Certificates, required to represent), among other things, that (i) for so long as it holds such Notes or interest herein, it is not, or is not acting on behalf of, a Benefit Plan Investor, and (ii) that if it is a governmental, church, non-U.S. plan or other plan, (x) it is not, and for so long as it holds such Notes or interest therein will not be, subject to Similar Law and (y) its acquisition, holding and disposition of such Notes or interest therein will not constitute or result in a violation of any Other Plan Law, and such investors will be deemed to agree (or, in the case of Class E Notes, Class F Notes or Class M Subordinated Notes in the form of Definitive Certificates, required to agree) agree to certain transfer restrictions regarding its interest in such Notes.

Transfers of interests in the Notes are subject to certain restrictions and must be made in accordance with the procedures set forth in the Trust Deed. See "*Form of the Notes*", "*Book Entry Clearance Procedures*" and "*Transfer Restrictions*". Each purchaser of Notes in making its purchase will be required to make, or will be deemed to have made, certain acknowledgements, representations and agreements. See "*Transfer Restrictions*". The transfer of Notes in breach of certain of such representations and agreements will result in affected Notes becoming subject to certain forced transfer provisions. See Condition 2(h) (*Forced Transfer of Rule 144A Notes*), Condition 2(i) (*Forced Sale pursuant to FATCA or CRS*) and Condition 2(j) (*Forced Transfer pursuant to ERISA*).

PM Voting Notes, PM Non-Voting Exchangeable Notes and PM Non-Voting Notes	Each of the Notes which are Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class F Notes may be issued and may be held in the form of a PM Voting Note, a PM Non-Voting Exchangeable Note or a PM Non-Voting Note. PM Voting Notes (and the Class M Subordinated Notes) shall carry a right to vote in respect of, and be counted for the purposes of determining a quorum and the result of voting on, any PM Replacement Resolution and any PM Removal Resolution. PM Non-Voting Exchangeable Notes and PM Non-Voting Notes shall not carry any rights in respect of, or be counted for the purposes of determining a quorum and the result of voting on, any PM Removal Resolution or any PM Replacement Resolution but shall carry a right to vote on and be counted in respect of all other matters in respect of which the PM Voting Notes have a right to vote and be counted. PM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into PM Non-Voting Exchangeable Notes or PM Non-Voting Notes. PM Non-Voting Exchangeable Notes shall be exchangeable (a) upon request by the relevant Noteholder at any time into PM Non-Voting Notes or (b) into PM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor upon request of the relevant transferee or transferor and in no other circumstance. PM Non-Voting Notes shall not be exchangeable at any time into PM Voting Notes or PM Non-Voting Exchangeable Notes. Any Notes held by or on behalf of the Portfolio Manager or any Portfolio Manager Related Person at any time shall not vote with respect to, and shall not be counted for the purposes of determining a quorum and the results of voting on, any PM Removal Resolution or a PM Replacement Resolution upon the removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement. The Portfolio Manager and any Portfolio Manager Related Persons will hold any Notes in the form of PM Voting Notes (and not PM Non-Voting Notes or PM Non-Voting Exchangeable Notes).
Governing Law.....	The Notes, the Trust Deed, the Portfolio Management Agreement, the Agency Agreement and all other Transaction Documents (save for the Corporate Services Agreement (which is governed by the laws of Ireland)) will be governed by English law.
Listing.....	Application will be made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its Global Exchange Market. There can be no assurance that any such admission will be granted or, if granted, that such listing will be maintained.
Tax Status.....	See "*Tax Considerations*".
Certain ERISA Considerations.....	See "*Certain ERISA Considerations*".
Withholding Tax.....	The Issuer will not gross up any payments to the Noteholders in respect of amounts deducted from or withheld for or on account of tax in relation to the Notes. See Condition 9 (*Taxation*).

Additional Issuances.....	Subject to certain conditions being met, additional Notes of all existing Classes may be issued and sold. See Condition 17 (*Additional Issuances*). Any additional Notes that are not fungible with the existing Notes for U.S. federal income tax purposes will be assigned a separate International Securities Identification Number.
EU Retention Requirements.....	The Retention Holder shall agree to purchase the Retention Notes from the Initial Purchaser at the relevant initial offer prices set out herein. The Retention Holder will represent and undertake to hold the Retention Notes on the terms set out in the Risk Retention Letter, See "*The Retention Holder and EU Retention Requirements*".
U.S. Risk Retention Rules.....	The U.S. Risk Retention Rules require that (subject to certain exceptions) the "sponsor" of a securitisation transaction, either directly or through its "majority-owned affiliates" acquires and retains an economic interest in the credit risk of the securitised assets of at least 5 per cent, in accordance with the methodologies permitted by the U.S. Risk Retention Rules. For purposes of this transaction, the Portfolio Manager would be considered to be a "sponsor" for the purposes of the U.S. Risk Retention Rules. See "*Risk Factors—Regulatory Initiatives—Risk Retention and Due Diligence Requirements—U.S. Risk Retention Rules*.". The Portfolio Manager has informed the Issuer that it intends to satisfy the U.S. Risk Retention Rules by (i) purchasing an "eligible vertical interest" on the Issue Date in an amount not less than 5% of the principal amount of each Class of Notes issued by the Issuer (the "**U.S. Retention Interest**") and (ii) holding the U.S. Retention Interest in the manner and for so long as required under the U.S. Risk Retention Rules. See "*Credit Risk Retention*". The statements contained in this Offering Circular regarding the U.S. Risk Retention Rules are solely based on the U.S. Risk Retention Rules as published in the Federal Register as of the date of this Offering Circular.

RISK FACTORS

An investment in the Notes of any Class involves certain risks, including risks relating to the Collateral securing such Notes and risks relating to the structure and rights of such Notes and the related arrangements. There can be no assurance that the Issuer will not incur losses or that investors will receive a return on their investments. Prospective investors should carefully consider the following factors, in addition to the matters set forth elsewhere in this Offering Circular, prior to investing in any Notes. Terms not defined in this section and not otherwise defined above have the meanings set out in Condition 1 (Definitions) of the Terms and Conditions of the Notes.

1. GENERAL

1.1 General

It is intended that the Issuer will invest in loans, bonds and other financial assets with certain risk characteristics as described below and subject to the investment policies, restrictions and guidelines described in "*The Portfolio*". There can be no assurance that the Issuer's investments will be successful, that its investment objectives will be achieved, that the Noteholders will receive the full amounts payable by the Issuer under the Notes or that they will receive any return on their investment in the Notes. Prospective investors are therefore advised to review this entire Offering Circular carefully and should consider, among other things, the risk factors set out in this section before deciding whether to invest in the Notes. Except as is otherwise stated below, such risk factors are generally applicable to all Classes of Notes, although the degree of risk associated with each Class of Notes will vary in accordance with the position of such Class of Notes in the Priorities of Payment. See Condition 3(c) (*Priorities of Payment*). In particular, payments in respect of the Class A Notes are generally higher in the Priorities of Payment than those of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class M Subordinated Notes. None of the Initial Purchaser or the Trustee undertakes to review the financial condition or affairs of the Issuer or the Portfolio Manager during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Initial Purchaser or the Trustee which is not included in this Offering Circular.

1.2 Suitability

Prospective purchasers of the Notes of any Class should ensure that they understand the nature of such Notes and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, regulatory, accounting and financial evaluation of the merits and risks of investment in such Notes and that they consider the suitability of such Notes as an investment in light of their own circumstances and financial condition and that of any accounts for which they are acting.

1.3 Limited Resources of Funds to Pay Expenses of the Issuer

The funds available to the Issuer to pay its expenses on any Payment Date are limited as provided in the Priorities of Payment. In the event that such funds are not sufficient to pay the expenses incurred by the Issuer, the ability of the Issuer to operate effectively may be impaired, and it may not be able to defend or prosecute legal proceedings brought against it or which it might otherwise bring to protect its interests or be able to pay the expenses of legal proceedings against persons it has indemnified.

1.4 Business and Regulatory Risks for Vehicles with Investment Strategies such as the Issuer's

Legal, tax, accounting and regulatory changes could occur over the course of the life of the Notes that may adversely affect the Issuer. The regulatory environment for vehicles of the nature of the Issuer is evolving, and changes in regulation may adversely affect the value of investments held by the Issuer and the ability of the Issuer to obtain the leverage it might otherwise obtain or to pursue its investment and trading strategies. In addition, the securities and derivatives markets are subject to comprehensive statutory, regulatory and margin requirements. Certain regulators and self–regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The regulation of transactions of a type similar to this transaction, and derivatives transactions and vehicles that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on the Issuer could be substantial and adverse.

1.5 Events in the CLO and Leveraged Finance Markets

Over the past several years, European financial markets have experienced volatility and have been adversely affected by concerns over economic contraction in certain EU member states (the "**Member States**"), rising government debt levels, credit rating downgrades and risk of default or restructuring of government debt. These events could cause bond yields and credit spreads to increase.

Many European economies continue to suffer from high rates of unemployment. This economic climate may have an adverse effect on the ability of consumers and businesses to repay or refinance their existing debt.

As discussed further in "*European Union and Euro Zone Risk*" below, it is possible that countries that have adopted the Euro could return to a national currency. The effect on a national economy as a result of it leaving the Euro is impossible to predict but is likely to be negative. The exit of one or more countries from the Euro zone could have a destabilising effect on all European economies and possibly the global economy as well.

Significant risks for the Issuer and investors exist as a result of current economic conditions. These risks include, among others: (a) the likelihood that the Issuer will find it more difficult to sell any of its assets or to purchase new assets in the secondary market, (b) the possibility that, on or after the Issue Date, the price at which assets can be sold by the Issuer will have deteriorated from their effective purchase price and (c) the illiquidity of the Notes. These additional risks may affect the returns on the Notes to investors and/or the ability of investors to realise their investment in the Notes prior to their Maturity Date, or at all. In addition, the primary market for a number of financial products including leveraged loans has not fully recovered from the effects of the global credit crisis. As well as reducing opportunities for the Issuer to purchase assets in the primary market, this is likely to increase the refinancing risk in respect of maturing assets. Although there have recently been signs that the primary market for certain financial products is recovering, particularly in the United States of America, the impact of the economic crisis on the primary market may adversely affect the flexibility of the Portfolio Manager to invest and, ultimately, reduce the returns on the Notes to investors.

Difficult macro–economic conditions may adversely affect the rating, performance and the realisation value of the Collateral. Default rates on loans and other investments may continue to fluctuate and accordingly the performance of many collateralised loan obligation ("**CLO**") transactions and other types of investment vehicles may suffer as a result. It is also possible that the Collateral will experience higher default rates than anticipated and that performance will suffer.

The ability of the Issuer to make payments on the Notes can depend on the general economic climate and the state of the global economy. The business, financial condition or results of operations of the Obligors of the Collateral Debt Obligations may be adversely affected by a deterioration of economic and business conditions. To the extent that economic and business conditions deteriorate or fail to improve, non-performing assets are likely to increase, and the value and collectability of the Collateral Debt Obligations are likely to decrease. A decrease in market value of the Collateral Debt Obligations would also adversely affect the Sale Proceeds that could be obtained upon the sale of the Collateral Debt Obligations and could ultimately affect the ability of the Issuer to pay in full or redeem the Rated Notes, as well as the ability to make any distributions in respect of the Class M Subordinated Notes.

Many financial institutions including banks continue to suffer from capitalisation issues in a regulatory environment which may increase the capital requirements for certain businesses. The bankruptcy or insolvency of a major financial institution may have an adverse effect on the Issuer, particularly if such financial institution is a grantor of a participation in an asset or is a hedge counterparty to a swap or hedge involving the Issuer or a counterparty to a buy or sell trade that has not settled with respect to an asset. The bankruptcy or insolvency of another financial institution may result in the disruption of payments to or by the Issuer. In addition, the bankruptcy or insolvency of one or more additional financial institutions may trigger additional crises in the global credit markets and overall economy which could have a significant adverse effect on the Issuer, the Collateral and the Notes. The global credit crisis and its consequences together with the perceived failure of the preceding financial regulatory regime, continue to drive legislation and regulators towards a restrictive regulatory environment, including the implementation of further regulation which affects financial institutions, markets, instruments and the bond market. Such additional rules and regulations could, among other things, adversely affect Noteholders as well as the flexibility of the Portfolio Manager in managing and administering the Collateral. Increasing capital requirements and changing regulations may also result in some financial institutions exiting, curtailing or otherwise adjusting some trading, hedging or investment activities which may have effects on the liquidity of investments such as the Notes as well as the Collateral.

While it is possible that current conditions may improve for certain sectors of the global economy, there can be no assurance that the CLO, leveraged finance or structured finance markets will recover from an economic downturn at the same time or to the same degree as such other recovering sectors.

1.6 Illiquidity in the collateralised debt obligation, leveraged finance and fixed income markets may affect the Noteholders

In previous years, events in the collateralised debt obligation (including CLO), leveraged finance and fixed income markets have resulted in substantial fluctuations in prices for leveraged loans and high-yield debt securities and limited liquidity for such instruments. No assurance can be made that conditions giving rise to similar price fluctuations and limited liquidity may not emerge following the Issue Date. During periods of limited liquidity and higher price volatility, the Issuer's ability to acquire or dispose of Collateral Debt Obligations at a price and time that the Issuer deems advantageous may be severely impaired. As a result, in periods of rising market prices, the Issuer may be unable to participate in price increases fully to the extent that it is unable to acquire desired positions quickly: and the Issuer's inability to dispose fully and promptly of positions in declining markets may exacerbate losses suffered by the Issuer when Collateral Debt Obligations are sold. Furthermore, significant additional risks for the Issuer and investors in the Notes may exist. Such risks include, among others, (i) the possibility that, after the Issue Date, the prices at which Collateral Debt Obligations can be sold by the Issuer may deteriorate from their purchase price, (ii) the possibility that opportunities for the Issuer to sell its Collateral Debt Obligations in the secondary market, including Credit Impaired Obligations, Credit Improved Obligations, and Defaulted Obligations, may be impaired, and (iii) increased illiquidity of the Notes because of reduced secondary trading in CLO securities. These additional risks may affect the returns on the Notes to investors or otherwise adversely affect Noteholders.

1.7 European Union and Euro Zone Risk

Investors should carefully consider how changes to the Euro zone may affect their investment in the Notes. Since the global financial crisis, the deterioration of the sovereign debt of several countries, together with the risk of contagion to other, more stable, countries, has continued to pose risks. This situation has also raised uncertainties regarding the stability and overall standing of the European Economic and Monetary Union and may result in changes to the composition of the Euro zone.

As a confidence building measure, the European Commission created the European Financial Stability Facility (the "**EFSF**") and the European Financial Stability Mechanism (the "**EFSM**") to provide funding to Euro zone countries in financial difficulties that seek such support. Subsequently, the European Council agreed that Euro zone countries would establish a permanent stability mechanism, the European Stability Mechanism (the "**ESM**"), to assume the role of the EFSF and the EFSM in providing external financial assistance to Euro zone countries which has been active since 1 July 2013.

Despite these measures, concerns persist regarding the growing risk that other Euro zone countries could be subject to an increase in borrowing costs and could face an economic crisis similar to that of Cyprus, Greece, Ireland, Italy, Portugal and Spain, together with the risk that some countries could leave the Euro zone (either voluntarily or involuntarily, including as a result of an electoral decision to leave the European Union), and that the impact of these events on Europe and the global financial system could be severe which could have a negative impact on the Collateral.

Furthermore, concerns that the Euro zone sovereign debt crisis could worsen may lead to the reintroduction of national currencies in one or more Euro zone countries or, in more extreme circumstances, the possible dissolution of the Euro entirely. The departure or risk of departure from the Euro by one or more Euro zone countries and/or the abandonment of the Euro as a currency could have major negative effects on the Collateral (including the risks of currency losses arising out of redenomination and related haircuts on any affected assets), the Issuer and the Notes. Should the Euro dissolve entirely, the legal and contractual consequences for holders of Euro–denominated obligations would be determined by laws in effect at such time. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the Notes. Investors should carefully consider how changes to the Euro zone may affect their investment in the Notes.

1.8 Political uncertainty in Spain

There is currently significant political uncertainty in Spain following the referendum on Catalan secession from Spain held in October 2017. The referendum was promoted by the Catalan regional government and held despite

being suspended by Spain's constitutional court. The Catalan regional government announced a result in favour of independence and on 27 October 2017 the Catalan regional parliament passed a resolution of independence from Spain. In response to these developments, the Spanish government has used emergency powers under the Spanish constitution, including to dismiss the Catalan regional government, to dissolve the Catalan regional parliament, to impose direct rule on the Catalan region and to require regional elections to be held in December 2017. While the effects of these developments are difficult to predict, they could have an adverse affect on the Spanish economy, increase social unrest and uncertainty in Spain and reduce the ability of Obligors which derive all or part of their revenues from Spain to meet their payment obligations under Collateral Obligations.

1.9 Referendum on the UK's EU Membership

On 23 June 2016, the UK held an advisory referendum with respect to its continued membership of the EU (the "**Referendum**"). The result of the Referendum was a vote in favour of leaving the EU. Whilst the result of the Referendum itself is clear, the next steps of the UK executive and UK Parliament and the reaction of the other Member States to these steps is not. In particular, the format of the negotiation, negotiation positions of the participants and timeframe are uncertain, with any limited public statements subject to change.

Article 50 of the Treaty on European Union ("**Article 50**") provides that a Member State which decides to withdraw from the EU is required to notify the European Council of its intention to do so.

The UK government gave notice of the UK's intention to withdraw from the EU pursuant to Article 50 on 29 March 2017, which has triggered the commencement of a negotiation process between the UK and the EU in respect of the arrangements for the UK's withdrawal from the EU. Article 50 provides for a two year period for such negotiations to take place.

As a result of the Referendum and related matters, there are a number of uncertainties in connection with the future of the UK and its relationship with the EU. Until the terms of the UK's exit from the EU are clearer, it is not possible to determine the impact that the Referendum, the UK's departure from the EU and/or any related matters may have on the business of the Issuer (including the performance of the Portfolio), the Portfolio Manager (including its ability to manage the Portfolio), one or more of the other parties to the Transaction Documents or any Obligor, or on the regulatory position of any such entity or of the transactions contemplated by the Transaction Documents under EU regulation or more generally. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

Applicability of EU law in the UK

It is at present unclear what type of relationship between the UK and the EU will be established, or at what date (whether by the time when, or after, the UK ceases to be a member of the EU), or what would be the content of such a relationship. It is possible that a new relationship would preserve the applicability of certain EU rules (or equivalent rules) in the UK, and the UK government has indicated that it intends to bring existing EU law into UK law on the date of the UK's exit from the EU in general, subject to certain powers to deal with deficiencies in such retained EU law. The legislation proposed by the UK government to achieve its intentions in this regard, referred to as the European Union (Withdrawal) Bill, remains subject to political negotiation.

Given the current uncertainty, prospective investors should note that substantial amendments to English law may occur in connection with the UK's exit from the EU. Consequently, English law may change and it is impossible at this time to predict the consequences on the Portfolio or the Issuer's business, financial condition, results of operations or prospects. Such changes could be materially detrimental to Noteholders.*Regulatory Risk*

Currently, under the EU single market directives, mutual access rights to markets and market infrastructure exist across the EU and the mutual recognition of insolvency, bank recovery and resolution regimes applies. In addition, under MiFID II, regulated entities licensed or authorised in one EEA jurisdiction may operate on a cross-border basis in other EEA countries in reliance on passporting rights and without the need for a separate licence or authorisation. There is uncertainty as to whether, following a UK exit from the EU or the EEA (whatever the form thereof), a passporting regime (or similar regime in its effect) will apply (for an implementation period or at all). Depending on the terms of the UK's exit, any implementation period and any replacement relationship, it is likely that UK regulated entities may, on the UK's withdrawal from the EU, lose the right to passport their services to EEA countries, and EEA entities may lose the right to reciprocal passporting into the UK. Also, UK entities may no longer have access rights to market infrastructure across the

EU and the recognition of insolvency, bank recovery and resolution regimes across the EU may no longer be mutual.

It should also be noted that MiFID II and corresponding Regulation 600/2014/EU provide for (among other things) the ability for non-EU investment firms to provide collateral management services in the EU on a cross-border basis. However, in order to qualify to provide collateral management services in the EU on a cross-border basis, non-EU investment firms will be required (i) to be authorised in a third country (A) in respect of which the Commission has adopted an equivalency decision and (B) where ESMA has established cooperation arrangements with the relevant competent authorities, and (ii) to be registered with ESMA to do so. It is not possible to guarantee or predict the timing of any Commission equivalency decision, cooperation arrangements or registration by ESMA and any equivalency determination may be withdrawn.

There can be no assurance that the terms of the UK's exit from the EU or any replacement relationship will include arrangements for the continuation of a passporting regime (or a similar regime in its effect) or mutual access rights to market infrastructure and recognition of insolvency, bank recovery and resolution regimes. Such uncertainty could adversely impact the Issuer and, in particular, the ability of third parties to provide services to the Issuer, and could be materially detrimental to Noteholders. The replacement of any such third parties that are no longer able to provide services to the Issuer may result in additional costs and expenses, which may in turn affect the amounts available to pay Noteholders.

Regulatory Risk – UK manager/Retention Holder

In addition, if the UK were, as a consequence of leaving the EU, in a position where no passporting regime or third country recognition of the UK is not in place, then (a) a UK manager such as the Portfolio Manager may be unable to to rely upon passporting or similar rights in order continue to provide collateral management services to the Issuer and (b) the Portfolio Manager may no longer qualify as a "sponsor" for the purposes of the EU Retention Requirements and, as a result, not be able to continue to act as Retention Holder to the extent it is required to hold the retention solely as "sponsor" in accordance with the EU Retention Requirements (even if the Portfolio Manager were to remain subject to UK financial services regulation) unless any EU Retention Cure Action intended to enable the Portfolio Manager to qualify as the Retention Holder other than as "sponsor" is permitted or recognised under the EU Retention Requirements and has been taken in accordance with the terms of the Transaction Documents. See "*The Retention Holder and EU Retention Requirements*" below. If the Retention Holder no longer qualifies as a "sponsor" and no EU Retention Cure Action is, or can be taken, the transaction described in this Offering Circular may no longer comply with the EU Retention Requirements.

However, in Ireland under the European Union (Markets in Financial Instruments) Regulations 2017, if the Portfolio Manager has no head or registered office or branch in Ireland, it would not generally need to be an authorised investment firm in order to provide CLO services in Ireland to bodies corporate (such as the Issuer) and therefore the Portfolio Manager should be able to continue to provide collateral management services to the Issuer until such firm qualifies under the MiFID II measures to provide collateral management services in the EU on a cross-border basis. The Central Bank of Ireland has discretion to make rules requiring those who avail themselves of the "safe harbour" exemption to notify it as it deems necessary to ensure that the conditions of the exemption are being met. No such rules have been made to date (so, currently, use of the "safe harbour" does not require any notification to the Central Bank of Ireland).

Market Risk

Following the results of the Referendum and throughout the early stages of negotiation between the UK and the EU, the financial markets have experienced some volatility and disruption. This volatility and disruption may continue or increase, and investors should consider the effect thereof on the market for securities such as the Notes and on the ability of Obligors to meet their obligations under the Collateral Debt Obligations.

Investors should be aware that the UK's exit from the EU (including any related negotiations, notifications, withdrawal and changes to legislation) may introduce potentially significant new uncertainties and instabilities in the financial markets. These uncertainties and instabilities could have an adverse impact on the business, financial condition, results of operations and prospects of the Issuer, the Obligors, the Portfolio, the Portfolio Manager and the other parties to the transaction and could therefore also be materially detrimental to Noteholders.

Exposure to Counterparties

The Issuer will be exposed to a number of counterparties (including in relation to any Assignments, Participations and Hedge Transactions and also each of the Agents) throughout the life of the Notes. Investors should note that if the UK does leave the EU, such counterparties may be unable to perform their obligations due to changes in regulation, including the loss of, or changes to, existing regulatory rights to do cross-border business in the EU or, as noted above, the costs of such transactions with such counterparties may increase. In addition, counterparties may be adversely affected by rating actions or volatile and illiquid markets (including currency markets and bank funding markets) arising from the result of the Referendum, therefore increasing the risk that such counterparties may become unable to fulfil their obligations. Such inability could adversely impact the Issuer and could be materially detrimental to Noteholders. For further information on counterparties, see "*Counterparty Risk*" below.

Ratings actions

Following the result of the Referendum, in 2016 S&P and Fitch have each downgraded the UK's sovereign credit rating and each of S&P, Fitch and Moody's has placed such rating on negative outlook, suggesting possible further negative rating action.

The credit rating of a country affects the ratings of entities operating in its territory, and in particular the ratings of financial institutions. Accordingly, any further downgrade action may trigger downgrades in respect of parties to the Transaction Documents. If a counterparty no longer satisfies the relevant Rating Requirement, the Transaction Documents may require that such counterparty be replaced with an entity that satisfies the relevant Rating Requirement. If rating downgrades are widespread, it may become difficult or impossible to replace counterparties with entities that satisfy the relevant Rating Requirement.

While the extent and impact of these issues are unknown, investors should be aware that they could have an adverse impact on the Issuer, its service providers, the payment of interest and repayment of principal on the Notes and therefore, the Noteholders. For further information, see "*Counterparty Risk*" below.

1.10 Flip Clauses

The validity and enforceability of certain provisions in contractual priorities of payments which purport to alter the priority in which a particular secured creditor is paid as a result of the occurrence of one or more specified trigger events, including the insolvency of such creditor ("**flip clauses**"), have been challenged recently in the English and U.S. courts on the basis that the operation of a flip clause as a result of such creditor's insolvency breaches the "anti-deprivation" principles of English and U.S. insolvency law. This principle prevents a party from agreeing to a provision that deprives its creditors of an asset upon its insolvency.

The English Supreme Court has, in *Belmont Park Investments Pty Limited v BNY Corporate Trustee Services Limited and Lehman Brothers Special Financing Inc.* [2011] UKSC 38, upheld the validity of a flip clause contained in an English-law governed security document, stating that the anti-deprivation principle was not breached by such provisions.

In the U.S. courts, the U.S. Bankruptcy Court for the Southern District of New York in *Lehman Brothers Special Financing Inc. v. BNY Corporate Trustee Services Limited. (In re Lehman Brothers Holdings Inc.)*, Adv. Pro. No. 09-1242-JMP (Bankr S.D.N.Y. May 20, 2009) examined a flip clause contained in an indenture related to a swap agreement and held that such a provision, which seeks to modify one creditor's position in a priority of payments when that creditor files for bankruptcy, is unenforceable under the U.S. Bankruptcy Code. Judge Peck also found that the Code's safe harbour provisions, which protect certain contractual rights under swap agreements, did not apply to the flip clause because the flip clause provisions were contained in the indenture, and not in the swap agreement itself. Judge Peck acknowledged that this has resulted in the U.S. courts coming to a decision "directly at odds with the judgement of the English Courts". While BNY Corporate Trustee Services Ltd filed a motion for and was granted leave to appeal with the U.S. Bankruptcy Court, the case was settled before the appeal was heard.

On 28 June 2016, the U.S. Bankruptcy Court issued a decision in *Lehman Brothers Special Financing Inc. v. Bank of America National Association, et al. Case No. 10-3547 (In re Lehman Brothers Holdings Inc.)*, No. 10-03547 (Bankr S.D.N.Y. June 208, 2016). In this decision, the court held that not all priority of payment provisions would be unenforceable ipso facto clauses under the U.S. Bankruptcy Code. Instead, the court identified two materially distinct approaches to such provisions. Where a counterparty's automatic right to

payment priority ahead of the noteholders is "flipped" or modified upon, for example, such counterparty's default under the swap document, the court confirmed that such priority provisions were unenforceable ipso facto clauses. Conversely, the court held that priority provisions where no right of priority is established until after a termination event under the swap documents has occurred were not ipso facto clauses, and, therefore, fully enforceable. Moreover, even where the provisions at issue were ipso facto clauses, the Court found that they were nonetheless enforceable under the Code's safe harbour provisions. Specifically, the Court concluded that priority of distribution was a necessary part of liquidation of a swap agreement, which the safe harbour provisions expressly protect. The Court effectively limited the analysis in the BNY case to cases where the flip provisions are only in an indenture, and do not constitute part of the swap agreement. This judgment highlights the difference in approach taken between U.S. and English law on this subject, although it significantly reduces the practical differences in outcome. Lehman filed a notice of appeal with regards to this decision on 6 February 2017. In addition, there remain several actions in the U.S. commenced by debtors of Lehman Brothers concerning the enforceability of flip clauses and this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies.

The flip clause examined in the *Belmont* case is similar in substance to the relevant provisions in the Priorities of Payments, however the context and manner of subordination which may be applied to a Hedge Counterparty in accordance with such provisions will not be identical; and the judgments in *Belmont* and subsequent litigation in which the same rule has been applied have noted that English law questions relating to the anti-deprivation principle will be determined on the basis of the particular terms at hand and their commercial context. As such, it is not necessarily settled that the particular flip clauses contained in the Priorities of Payment would certainly be enforceable as a matter of English law, in the case of insolvency of a Hedge Counterparty.

Moreover, if the Priorities of Payments are the subject of litigation in any jurisdiction outside England and Wales, in particular in the United States of America, and such litigation results in a conflicting judgment in respect of the binding nature of the Priorities of Payments, it is possible that termination payments due to the Hedge Counterparties would not be subordinated as envisaged by the Priorities of Payments and as a result, the Issuer's ability to repay the Noteholders in full may be adversely affected. There is a particular risk of such conflicting judgments where a Hedge Counterparty is the subject of bankruptcy or insolvency proceedings outside England and Wales.

1.11 Changes or uncertainty in respect of LIBOR, EURIBOR and other interest rate benchmarks may affect the value or payment of interest under the Collateral Debt Obligations or the Refinancing Notes

Various interest rate benchmarks (including the London Interbank Offered Rate ("**LIBOR**") and the Euro Interbank Offered Rate ("**EURIBOR**") are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented including Regulation (EU) 2016/1011. In addition, the sustainability of LIBOR has been questioned by the UK Financial Conduct Authority as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of regulatory reforms) for market participants to continue contributing to such benchmarks. These reforms and other pressures may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted.

Investors should be aware that:

(a) any of the international, national or other measures or proposals for reform, or general increased regulatory scrutiny of "benchmarks" could have a material adverse effect on the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the disappearance of certain "benchmarks";

(b) any of these changes or any other changes to a relevant interest rate benchmark (including LIBOR or EURIBOR) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be;

(c) if the applicable rate of interest on any Collateral Debt Obligation is calculated with reference to a benchmark (or currency or tenor) which is discontinued:

(i) such rate of interest will then be determined by the provisions of the affected Collateral Debt Obligation, which may include determination by the relevant calculation agent in its discretion; and

(ii) in the case of a change to LIBOR, there may be a mismatch between the replacement rate of interest applicable to the affected Collateral Debt Obligation and the replacement rate of interest the Issuer must pay under any applicable Hedge Agreement. This could lead to the Issuer receiving amounts from affected Collateral Debt Obligations which are insufficient to make the due payment under the Hedge Agreement, and potential termination of the Hedge Agreement;

(d) in the case of a change to EURIBOR, if the EURIBOR benchmarks referenced in the Condition 6 (*Interest*) is discontinued, interest on the Refinancing Notes will be calculated under Condition 6(e) (*Interest on the Rated Notes*). In general, fallback mechanisms which may govern the determination of interest rates where a benchmark rate is not available are not suitable for long-term use. Accordingly, in the event a benchmark rate is permanently discontinued, it may be desirable to amend the applicable interest rate provisions in the affected Collateral Debt Obligation, Hedge Agreement or the Notes. Investors should note that the Issuer may, in certain circumstances, amend the Transaction Documents to modify or amend the reference rate in respect of the Notes without the consent of Noteholders. See Condition 14(c) (*Modification and Waiver*); and

(e) the administrator of a relevant benchmark (including LIBOR or EURIBOR) will not have any involvement in the Collateral Debt Obligations or the Notes and may take any actions in respect of such benchmark without regard to the effect of such actions on the Collateral Debt Obligations or the Notes.

In general, any of the above or any other significant changes to the setting or existence of LIBOR or EURIBOR or any other benchmark could have a material adverse effect on the value of, and the amount payable under (i) any Collateral Debt Obligations which pay interest linked to a LIBOR or EURIBOR rate or other benchmark (as applicable) and (ii) the Notes. No assurance may be provided that relevant changes will not be made to LIBOR or EURIBOR and/or that such benchmarks will continue to exist. Investors should consider these recent developments when making their investment decision with respect to the Refinancing Notes.

1.12 Anti-Money Laundering, Corruption, Bribery and Similar Laws May Require Certain Actions or Disclosures

Many jurisdictions have adopted wide–ranging anti–money laundering, economic and trade sanctions, and anti–corruption and anti–bribery laws, and regulations (collectively, the "**AML Requirements**"). Any of the Issuer, the Initial Purchaser, the Portfolio Manager, the Trustee or the Agents could be requested or required to obtain certain assurances from prospective investors intending to purchase Notes and to retain such information or to disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future. It is expected that the Issuer, the Initial Purchaser, the Portfolio Manager and the Trustee will comply with AML Requirements to which they are or may become subject and to interpret such AML Requirements broadly in favour of disclosure. Failure to honour any request by the Issuer, the Initial Purchaser, the Portfolio Manager or the Trustee to provide requested information or take such other actions as may be necessary or advisable for the Issuer, the Initial Purchaser, the Portfolio Manager or the Trustee to comply with any AML Requirements, related legal process or appropriate requests (whether formal or informal) may result in, among other things, a forced sale to another investor of such investor's Notes. In addition, it is expected that each of the Issuer, the Initial Purchaser, the Portfolio Manager and the Trustee intends to comply with applicable anti–money laundering and anti–terrorism, economic and trade sanctions, and anti–corruption or anti–bribery laws and regulations of the United States and other countries, and will disclose any information required or requested by authorities in connection therewith. A Noteholder may also be obliged to provide information they may have previously identified or regarded as confidential to satisfy the Issuer AML Requirements.

1.13 Third Party Litigation; Limited Funds Available

Investment activities such as the purchase, selling, holding and participation in voting or the restructuring of Collateral Debt Obligations may subject the Issuer to the risks of becoming involved in litigation by third parties. This risk may be greater where the Issuer exercises control or significant influence over a company's

direction, management and/or operations. The expense of defending claims against the Issuer by third parties (including bankruptcy or insolvency proceedings) and paying any amounts pursuant to settlements or judgments would, except in the unlikely event that the Issuer is indemnified for such amounts, be borne by the Issuer and would reduce the funds available for distribution and the Issuer's net assets. The funds available to the Issuer to pay certain fees and expenses of the Trustee, the Collateral Administrator and for payment of the Issuer's other accrued and unpaid Administrative Expenses are limited to amounts available in accordance with the Priorities of Payment. If such funds are not sufficient to pay the expenses incurred by the Issuer, the ability of the Issuer to operate effectively may be impaired, and the Issuer may not be able to defend or prosecute legal proceedings that may be bought against it or that the Issuer might otherwise bring to protect its interests.

1.14 Investment Company Act

The Issuer has not been and will not be registered with the United States Securities and Exchange Commission (the "**SEC**") as an investment company pursuant to the Investment Company Act, in reliance on an exclusion under Section 3(c)(7) of the Investment Company Act for securities issuers (a) whose outstanding securities are beneficially owned only by "qualified purchasers" (within the meaning given to such term in the Investment Company Act and the regulations of the SEC thereunder) and certain transferees thereof identified in Rule 3c-6 under the Investment Company Act and (b) which do not make a public offering of their securities in the United States.

If the SEC or a court of competent jurisdiction were to find that the Issuer is required, but in violation of the Investment Company Act had failed, to register as an investment company, possible consequences include, but are not limited to, the following: (i) the SEC could apply to a district court to enjoin the violation; (ii) investors in the Issuer could sue the Issuer and seek recovery of any damages caused by the violation; and (iii) any contract to which the Issuer is party could be declared unenforceable unless a court were to find that under the circumstances enforcement would produce a more equitable result than non-enforcement and would not be inconsistent with the purposes of the Investment Company Act. Should the Issuer be subjected to any or all of the foregoing, the Issuer would be materially and adversely affected.

Each initial purchaser of an interest in a Rule 144A Note and each transferee of an interest in a Rule 144A Note will be deemed to represent at the time of purchase that, amongst other things, the purchaser is a QIB/QP.

The Trust Deed provides that if, notwithstanding the restrictions on transfer contained therein, the Issuer determines at any time that any holder of an interest in a Rule 144A Note is a "Non-Permitted Holder", the Issuer shall, promptly after determination that such person is a Non-Permitted Holder by the Issuer, send notice to such Non-Permitted Holder demanding that such Non-Permitted Noteholder transfer its interest outside the United States to a non U.S. Person or to a person that is not a Non-Permitted Holder within 30 days of the date of such notice. If such Non-Permitted Holder fails to effect the transfer required within such 30 day period, (A) the Issuer or the Portfolio Manager on its behalf and at the expense of the Issuer, shall cause such beneficial interest to be transferred in a sale to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and (B) pending such transfer, no further payments will be made in respect of such beneficial interest.

2. TAXATION

2.1 EU Financial Transaction Tax

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the "**Commission's Proposal**") for a financial transaction tax ("**FTT**") to be adopted in certain participating EU member states (including Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovenia, Slovakia, and Spain (the "**Participating Member States**"). However, Estonia has since stated that it will not participate. If the Commission's Proposal was adopted, the FTT would be a tax primarily on "financial institutions" (which could include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the financial transaction is issued in a Participating Member State.

The FTT may give rise to tax liabilities for the Issuer with respect to certain transactions if it is adopted based on the Commission's Proposal. Examples of such transactions are the conclusion of a derivative contract in the context of the Issuer's hedging arrangements or the purchase or sale of securities (such as charged assets). Any such tax liabilities may reduce amounts available to the Issuer to meet its obligations under the Notes and may result in holders of the Notes receiving less than expected in respect of the Notes. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Notes (including secondary market transactions) if the conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's Proposal. Primary market transactions referred to in Article 5(c) of Regulation EC No 1287/2006 are expected to be exempt. There is however uncertainty in relation to the intended scope of this exemption for certain money market instruments and structured issues.

However, the FTT proposal remains subject to negotiation between the Participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU member states may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT and its potential impact on their dealings in the Notes before investing.

2.2 OECD Action Plan on Base Erosion and Profit Shifting

Fiscal and taxation policy and practice is constantly evolving and recently the pace of change has increased due to a number of developments. In particular a number of changes of law and practice are occurring as a result of the Organisation for Economic Co-operation and Development ("**OECD**") Base Erosion and Profit Shifting project ("**BEPS**").

In July 2013 the OECD published its Action Plan on BEPS, which proposed fifteen actions intended to counter international tax base erosion and profit shifting. The focus of one of the action points ("**Action 6**") is the prevention of treaty abuse by developing model treaty provisions to prevent the granting of treaty benefits in inappropriate circumstances. Investors should note that other action points (such as Action 4, which can deny deductions for financing costs) may be implemented in a manner which affects the tax position of the Issuer.

On 5 October 2015 the OECD released its final recommendations, including in respect of Action 6. On 24 November 2016, more than 100 jurisdictions (including the UK and Ireland) concluded negotiations on a multilateral convention that is intended to implement a number of BEPS related measures swiftly, including Action 6. The multilateral convention opened for signing as of 31 December 2016 and was signed by over 60 jurisdictions (including the UK and Ireland) on 7 June 2017. It enters into force on the first day of the month following the expiration of a period of three calendar months beginning on the date of deposit of the fifth instrument of ratification, acceptance or approval. For signatories who deposit their ratification, acceptance or approval later, the Convention comes into force at the start of the month which is three entire calendar months after such deposit takes place. The date from which provisions of the multilateral convention have effect in relation to a treaty depends on several factors including the type of tax which the article relates to.

Action 6

Action 6 is intended to prevent the granting of treaty benefits in inappropriate circumstances. It is expected that the Issuer will rely on the interest and other articles of treaties entered into by Ireland to be able to receive payments from some Obligors free from withholding taxes that might otherwise apply.

The multilateral convention provides for double tax treaties to include a "principal purpose test" ("**PPT**"), which would deny a treaty benefit where it is reasonable to conclude, having regard to all relevant facts and circumstances for this purpose, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in those circumstances would be in accordance with the object and purpose of the relevant provisions of the treaty. It is unclear how a PPT, if adopted, would be applied by the tax authorities of those jurisdictions from which payments are made to the Issuer.

The multilateral convention also permits jurisdictions to choose to apply, in addition to the PPT, a "simplified limitation of benefits" rule. This rule would generally deny a treaty benefit to a resident which is not a "qualified person". It is not expected that the Issuer would be a "qualified person" as defined in the multilateral convention. However, the Issuer may nevertheless be able to claim treaty benefits under a treaty containing a "simplified limitation of benefits rule": (i) if persons who would be entitled to equivalent or more favourable treaty benefits were they to own the income or earn the profits of the Issuer directly own at least 75% of the beneficial interests of the Issuer for at least half of the days of any 12 month period that includes the time when

the Issuer is claiming the treaty benefit; (ii) if the Issuer is able to demonstrate to the satisfaction of the relevant tax authority that neither its establishment, acquisition or maintenance, nor the conduct of its operation, had as one of its principal purposes the obtaining of the treaty benefit; or (iii) with respect to an item of income derived from a relevant jurisdiction if the Issuer engaged in the "active conduct of a business" in Ireland and the income derived from that other jurisdiction emanates from, or is incidental to, that business.

The multilateral convention permits a further degree of flexibility, by allowing jurisdictions to choose to have no PPT at all, but instead to include a "detailed limitation of benefits" rule together with rules to address "conduit financing structures". The multilateral convention does not include language for either, on the basis that jurisdictions that agree to adopt this approach would be required to negotiate bespoke amendments to their double tax treaty bilaterally.

Upon signing the multilateral convention, Ireland provided a provisional list of expected reservations and notifications to be made pursuant to it. In the list provided by Ireland it did not elect to apply the simplified limitation of benefits rule or permit it to be applied by other jurisdictions to its treaties. As a result, the double tax treaties Ireland has entered into are expected to only apply a principal purpose test. It is not clear, however, how this test would be interpreted by the relevant tax authorities. On 24 March 2016, the OECD published a public discussion draft consulting on the treaty entitlement of non-CIV funds (that is, of funds that are not collective investment vehicles). The OECD published a further public discussion draft on 6 January 2017. This work may be relevant to the treaty entitlement of the Issuer. However, the OECD has not yet finalised its position in relation to non-CIV funds, and in any event it is not clear how any such position might be implemented through the multilateral convention otherwise than by the bilateral negotiation of a "detailed limitation of benefits" rule.

Consequences of a denial of treaty benefits

In the event that as a result of the application Action 6 the Issuer were to be denied the benefit of a treaty entered into by Ireland and as a consequence payments of interest were made by an Obligor to the Issuer subject to a withholding or deduction for or on account of tax in respect of any payments of interest on the Collateral Debt Obligations, this may constitute a Collateral Tax Event.

If a Collateral Tax Event were to occur the Notes may be redeemed in accordance with Condition 7(b)(i) (*Optional Redemption in Whole – Class M Subordinated Noteholders*) in whole but not in part at the direction of the Class M Subordinated Noteholders acting by way of Ordinary Resolution.

2.3 Withholding tax in respect of the Notes

As at the Issue Date, no withholding or deduction for on account of tax is expected to be made by the Issuer in respect of payments of interest on the Notes. However, there can be no assurance that, as a result of any change in any applicable law, rule or regulation or interpretation thereof, that the payments on the Notes might not in the future become subject to withholding tax.

Pursuant to Condition 9 (*Taxation*) the Issuer is entitled to withhold or deduct from any payments in respect of the Notes any amounts for or on account of tax which it is required to do by law. In particular, the Issuer has the right to withhold in connection with FATCA (see the risk factor entitled "*FATCA*" below for further information in relation to FATCA).

If any withholding or deduction for or on account of tax is made on payments on the Notes, the holders of the Notes will not be entitled to receive additional amounts to compensate them for such withholding or deduction and no Note Event of Default shall occur as a result of that withholding or deduction.

In the event that any withholding or deduction for or on account of tax in respect of any payment on the Notes of any Class constitutes a Note Tax Event, the Notes may be redeemed in accordance with Condition 7(g) (*Redemption following Note Tax Event*) in whole but not in part at the direction of the holders of either the Controlling Class acting by way of Extraordinary Resolution or the Class M Subordinated Noteholders acting by way of Ordinary Resolution, subject to certain conditions.

2.4 UK Corporation and Diverted Profits Tax treatment of the Issuer

UK corporation tax

In the context of the activities to be carried on under the Transaction Documents, the Issuer will be subject to UK corporation tax if it (i) is tax resident in the UK or (ii) carries on a trade in the UK through a permanent establishment.

The Issuer will not be treated as being tax resident in the UK provided that it is not incorporated in the UK and the central management and control of the Issuer is not in the UK. The Issuer was incorporated in Ireland and the Managing Directors intend to conduct the affairs of the Issuer in such a manner that it does not become resident in the UK for taxation purposes. The Issuer would be liable to pay (in accordance with the Priorities of Payment (as applicable)) UK tax on its UK taxable profits if it were treated as being tax resident in the UK.

The Issuer would generally be regarded as having a permanent establishment in the UK if it has (i) a fixed place of business in the UK or (ii) a dependent agent in the UK who has and habitually exercises authority in the UK to do business on the Issuer's behalf. The Issuer does not intend to have a fixed place of business in the UK. The Portfolio Manager is an agent which will, however, have and is expected to habitually exercise authority to do business on behalf of the Issuer in the UK.

The Issuer should not be subject to UK corporation tax in consequence of the activities which the Portfolio Manager carries out on its behalf provided that the Issuer's activities are regarded as investment activities rather than trading activities.

Even if the Issuer is regarded as carrying on a trade in the UK through the agency of the Portfolio Manager for the purposes of UK taxation, it should not be subject to UK tax on the basis that the specific domestic UK tax exemption (the "**IME**") for profits generated in the UK by an investment manager acting on behalf of its non-resident clients (section 1146 of the Corporation Tax Act 2010) should be available in the context of this transaction.

In the event that the Portfolio Manager were assessed to UK tax on behalf of the Issuer, it would in certain circumstances be entitled to an indemnity from the Issuer. Any payment to be made by the Issuer under this indemnity will be paid as Administrative Expenses of the Issuer. Administrative Expenses are payable by the Issuer on any Payment Date in accordance with the Priorities of Payment (as applicable).

Investors should also note that UK tax legislation makes it possible for HM Revenue & Customs to seek to assess the Issuer to UK tax directly rather than through the Portfolio Manager as its UK representative. Should the Issuer be assessed on this basis, the Issuer will be liable to pay the UK tax on its UK taxable profit attributable to its UK activities in accordance with the Priorities of Payment (as applicable).

If the UK imposed corporation tax on the net income or profits of the Issuer this may, in certain circumstances, constitute a Note Tax Event. If a Note Tax Event were to occur the Notes may be redeemed in accordance with Condition 7(g) (*Redemption following a Note Tax Event*) in whole but not in part at the direction of the holders of either the Controlling Class acting by way of Extraordinary Resolution or the Class M Subordinated Noteholders acting by way of Ordinary Resolution, subject to certain conditions.

Diverted Profits Tax

With effect from 1 April 2015 a new tax has been introduced in the UK called the "diverted profits tax" (**DPT**). The DPT is charged at a rate of 25 per cent. on any "taxable diverted profits".

The DPT may apply in circumstances including where arrangements are designed to ensure either: (i) that a non-UK resident company does not carry on a trade in the UK for corporation tax purposes through a permanent establishment; or (ii) that a tax reduction is secured through the involvement of entities or transactions lacking economic substance. The DPT is a new tax and its scope and the basis upon which it will be applied by HM Revenue & Customs remains uncertain. However, it should be noted that there is a specific exemption for UK investment managers who enter into transactions on behalf of certain overseas persons and in respect of which the IME would apply.

In the event that the Portfolio Manager were assessed to DPT, it would in certain circumstances be entitled to an indemnity from the Issuer. Any payments to be made by the Issuer under this indemnity will be paid as Administrative Expenses in accordance with the Priorities of Payment (as applicable). It should be noted that

HM Revenue & Customs would be entitled to seek to assess the Issuer to any diverted profits tax due directly rather than through the Portfolio Manager as its UK tax representative. Should the Issuer be assessed directly on this basis, the Issuer will be liable to pay such amounts in accordance with the Priorities of Payment (as applicable).

Imposition of the DPT by the UK tax authorities in these circumstances may also give rise to a Note Tax Event. If a Note Tax Event were to occur the Notes may be redeemed in accordance with Condition 7(g) (*Redemption following a Note Tax Event*) in whole but not in part at the direction of the holders of either the Controlling Class acting by way of Extraordinary Resolution or the Class M Subordinated Noteholders, acting by way of Ordinary Resolution, subject to certain conditions.

2.5 Taxation Implications of Contributions

A Noteholder may, in certain circumstances, provide the Issuer with cash by way of a Contribution in accordance with Condition 2(k) (*Contributions*). Noteholders may become subject to taxation in relation to the making of a Contribution. Noteholders are responsible for any and all taxation liabilities that may be applicable in such circumstances. Noteholders should consult their own tax advisers as to the tax treatment to them of making a Contribution in accordance with Condition 2(k) (*Contributions*).

2.6 Irish Value Added Tax Treatment of the Portfolio Management Fees

The Issuer has been advised that under current Irish law, the Portfolio Management Fees should be exempt from VAT in Ireland. This is on the basis that they should be treated as consideration paid for collective portfolio management services provided to a "qualifying company" for the purposes of section 110 of the TCA.

This exemption is based upon Article 135(1)(g) of Council Directive 2006/112/EC on the Common System of Value Added Tax (the "**Directive**""), which provides that Member States shall exempt the management of "special investment funds" as defined by Member States.

On 9 December 2015, the ECJ handed down its judgment in the case of *Staatssecretaris van Financiën v Fiscale Eenheid X NV cs* Case C 595/13 which concerned whether a Dutch real estate fund qualified as a "special investment fund" under the Directive. The Court decided that the power accorded to Member States to define the meaning of "special investment funds" must be exercised consistently with the objectives pursued by the Directive and with the principle of "fiscal neutrality", and accordingly that the following are "special investment funds": (a) funds which constitute undertakings for collective investment in transferable securities within the meaning of the UCITS Directive and (b) funds which, without being collective investment undertakings within the meaning of that Directive, display features that are sufficiently comparable for them to be in competition with such undertakings - in particular that they are subject to specific State supervision under national law (as opposed to under the UCITS Directive). The Court did not answer the question of whether the fund the subject of its decision constituted a "special investment fund", including the question of whether the fund was subject to "specific State supervision", leaving this to the national court to determine.

It is not clear whether the Issuer would be regarded as being subject to "specific State supervision" under Irish law, as the Court did not elaborate on the meaning of that phrase in its judgment. There is, as a result, some doubt as to whether the Issuer would qualify as a "special investment fund" under Article 135(1)(g) of the Directive, if a court were to be called upon to consider such a question. The Value-Added Tax Consolidation Act 2010 of Ireland, in the provisions implementing Article 135(1)(g) of the Directive, specifically lists, in the categories of undertakings to whom supplies of management services are exempt from VAT, undertakings which are "qualifying companies" for the purposes of section 110 of the TCA. The Issuer has been advised that it will be such a "qualifying company", therefore management services supplied to it are exempt from VAT in Ireland under current law. The VAT treatment of the Issuer should only be different if there were a change in Irish domestic law whether made either unilaterally by Ireland, or following action taken at EU level. The Issuer is not aware of any proposal for either of those to occur.

If Irish VAT were imposed on the Portfolio Management Fees, the amount of VAT payable by the Issuer would likely be significant, but this will not constitute a Note Tax Event in accordance with the Conditions.

2.7 The Common Reporting Standard

The common reporting standard framework was first released by the OECD in February 2014 as a result of the G20 members endorsing a global model of automatic exchange of information in order to increase international tax transparency. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in

Tax Matters was published by the OECD and this includes the Common Reporting Standard (the "**CRS**"). The goal of the CRS is to provide for the annual automatic exchange between governments of financial account information reported to them by local reporting financial institutions (as defined) ("**FIs**") relating to account holders who are tax resident in other participating jurisdictions.

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation ("**DAC II**") implements the CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis commencing in 2017 in respect of the 2016 calendar year (or from 2018 in the case of Austria).

Ireland is a signatory jurisdiction to a Multilateral Competent Authority Agreement on the automatic exchange of financial account information in respect of the CRS while the Finance Act 2014 of Ireland and the Finance Act 2015 of Ireland contain measures necessary to implement the CRS internationally and across the European Union, respectively. The Returns of Certain Information by Reporting Financial Institutions Regulations 2015 of Ireland (the "**Regulations**") giving effect to the CRS from 1 January 2016 came into operation on 31 December 2015.

Over 95 jurisdictions have committed to exchanging information under the CRS and a group of 50 countries, including Ireland, have committed to the early adoption of the CRS from 1 January 2016 (known as the "**Early Adopter Group**"). The first data exchanges were scheduled to take place in September 2017 and are expected to occur in each subsequent year. All EU Member States are members of the Early Adopter Group.

The Irish Revenue Commissioners will issue regulations to implement the requirements of the CRS and DAC II into Irish law under which Irish FIs (such as the Issuer) will be obliged to make a single return in respect of CRS and DAC II. For the purposes of complying with its obligations under CRS and DAC II, an Irish FI (such as the Issuer) shall be entitled to require Noteholders to provide any information regarding their and, in certain circumstances, their controlling persons' tax status, identity or residence in order to satisfy any reporting requirements which the Issuer may have as a result of CRS and DAC II and Noteholders will be deemed, by their holding to have authorised the automatic disclosure of such information by the Issuer (or any nominated service provider) or any other person to the Irish Revenue Commissioners. The information will be provided to the Irish Revenue Commissioners who will exchange the information with the tax authorities of other participating jurisdictions, as applicable. Failure by an Irish FI to comply with its CRS and DAC II obligations may result in the Issuer being deemed to be non-compliant in respect of its CRS obligations and monetary penalties may be imposed on a non-compliant FI under Irish legislation.

The Issuer (or any nominated service provider) will, pursuant to the Trust Deed, agree that information (including the identity of any Noteholder) supplied for the purposes of CRS and DAC II compliance is intended for the Issuer's (or any nominated service provider's) use for the purposes of satisfying CRS and DAC II requirements and the Issuer (or any nominated service provider) will agree, to the extent permitted by applicable law, that it will take reasonable steps to treat such information in a confidential manner, except that the Issuer may disclose such information (i) to its officers, directors, agents and advisors, (ii) to the extent reasonably necessary or advisable in connection with tax matters, including achieving CRS and DAC II compliance, (iii) to any person with the consent of the applicable Noteholder, or (iv) as otherwise required by law or court order or on the advice of its advisors. Further information in relation to CRS can be found on the Automatic Exchange of Information webpage on www.revenue.ie.

2.8 US Tax Treatment of the Issuer

Upon the issuance of the Notes, Clifford Chance US LLP will deliver an opinion generally to the effect that, under current law, assuming compliance with the Transaction Documents and based upon certain factual representations made by the Issuer and/or the Portfolio Manager, and assuming the correctness of all opinions and advice of counsel that permit the Issuer to take or fail to take any action under the Transaction Documents based upon such opinions or advice, although the matter is not free from doubt, the Issuer will not be treated as engaged in the conduct of a trade or business within the United States for U.S. federal income tax purposes. The opinion of Clifford Chance US LLP will be based on certain factual assumptions, covenants and representations as to the Issuer's contemplated activities. The Issuer intends to conduct its affairs in accordance with such assumptions and representations. In addition, you should be aware that the opinion referred to above will be predicated upon the Portfolio Manager's compliance with certain tax restrictions set out in the Trust Deed and the Portfolio Management Agreement (the "U.S. Tax Guidelines"), which are intended to prevent the Issuer from engaging in activities which could give rise to a trade or business within the United States. Although the Portfolio Manager has generally undertaken to comply with the U.S. Tax Guidelines, the U.S. Tax Guidelines

may be amended if the Portfolio Manager, acting on behalf of the Issuer under the Portfolio Management Agreement, receives an opinion from internationally recognised U.S. tax counsel or written advice from Clifford Chance US LLP or Allen & Overy LLP that the amendment will not cause the Issuer to be treated as engaged in a trade or business within the United States. Any such actions or amendments would not be covered by the opinion of Clifford Chance US LLP referred to above. Furthermore, the Portfolio Manager is not obligated to monitor (or conform the Issuer's activities in order to comply with) changes in law, and accordingly, any such changes could adversely affect whether the Issuer is treated as engaged in a U.S. trade or business. The opinion of Clifford Chance US LLP will be based on the documents as of the Issue Date, and accordingly, will not address any potential U.S. federal income tax effect of any supplemental indenture. The opinion of Clifford Chance US LLP and any such other advice or opinions are not binding on the U.S. Internal Revenue Service (the "IRS") or the courts, and no ruling will be sought from the IRS regarding this, or any other, aspect of the U.S. federal income tax treatment of the Issuer. Accordingly, in the absence of authority on point, the U.S. federal income tax treatment of the Issuer is not entirely free from doubt, and there can be no assurance that positions contrary to those stated in the opinion of Clifford Chance US LLP or any such other advice or opinions may not be asserted successfully by the IRS.

If the IRS were to successfully assert that the Issuer is engaged in a U.S. trade or business, however, there could be material adverse financial consequences to the Issuer and to persons who hold the Notes. There can be no assurance, that the Issuer's net income will not become subject to U.S. federal net income tax as a result of unanticipated activities by the Issuer, changes in law, contrary conclusions by U.S. tax authorities or other causes. In such a case, the Issuer would be potentially subject to substantial U.S. federal income tax and, in certain circumstances interest payments by the Issuer under the Notes could be subject to U.S. withholding tax. The imposition of any of the foregoing taxes would materially affect the Issuer's ability to pay principal, interest, and other amounts owing in respect of the Notes.

2.9 FATCA

Provisions of the Code commonly referred to as "FATCA", impose an information reporting regime and, potentially, a 30 per cent. withholding tax with respect to (a) certain payments from sources within the United States and gross proceeds from the disposition of property which produces certain U.S. source income, (b) "foreign passthru payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (c) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. The Issuer will be classified as a financial institution for these purposes.

The Issuer will use best efforts to comply with the intergovernmental agreement between the United States and Ireland with respect to FATCA (the "IGA"), and the Irish legislation and regulations implementing the IGA. If, however, the Issuer fails to comply with the IGA and becomes subject to withholding under FATCA, it would be subject to a 30 per cent. withholding tax on U.S. source and dividend interest payments and, beginning in 2019, proceeds from the sale of U.S. Collateral Debt Obligations and, potentially, on payments and proceeds with respect to non-U.S. Collateral Debt Obligations, which could materially affect the Issuer's ability to make payments on the Notes, and could result in a Collateral Tax Event. The Issuer will require (and other intermediaries through which Notes are held are expected to require) each Noteholder to provide certifications and identifying information about itself and its direct or indirect owners (or beneficial owners) or controlling persons in order to enable the Issuer (or an intermediary) to identify and report on certain Noteholders and certain of the Noteholder's direct and indirect U.S. owners or controlling persons to the IRS or the relevant tax authorities. The Issuer (and intermediaries through which such Notes are held) may also be required to withhold on payments to Noteholders that do not provide the required information, or that are "foreign financial institutions" that are not compliant with, nor exempt from, FATCA. Although certain exceptions to these disclosure requirements could apply, the failure to provide the required information may give the Issuer (or an intermediary) the right to sell the Noteholder's Notes (and such sale could be for less than its then fair market value). See Condition 2(i) (*Forced Sale pursuant to FATCA*). Moreover, the Issuer is permitted to make any amendments to the Trust Deed or any other Transaction Document, and the Trustee shall consent to (without the consent of the Noteholders) such amendment, to enable the Issuer to comply with FATCA.

If an amount in respect of FATCA were to be deducted or withheld either from amounts due to the Issuer or from interest, principal or other payments made in respect of the Notes, neither the Issuer, the Principal Paying Agent nor any other person would, pursuant to the Conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected. Furthermore, any requirement to deduct or withhold such withholding tax would not result in the occurrence of a Note Tax Event pursuant to which the Notes may be subject to early redemption in the manner

described in Condition 7(g) (Redemption following Note Tax Event). Prospective investors should refer to the summary under "Tax Considerations – FATCA" below.

2.10 U.S. Federal Inccome Tax Characterisation of the Notes

Upon the issuance of the Notes, Allen & Overy LLP will deliver an opinion generally to the effect that under current law, assuming compliance with the Transaction Documents, and based on certain assumptions and factual representations made by the Issuer and/or the Portfolio Manager, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be treated, and the Class E Notes should be treated, as debt of the Issuer for U.S. federal income tax purposes.

The Issuer has agreed and, by its acceptance of a Note, each Noteholder (and any beneficial owners of any interest therein) will be deemed to have agreed, to treat the Rated Notes as debt of the Issuer and the Class M Subordinated Notes as equity in the Issuer, in each case for U.S. federal income tax purposes, except as otherwise required by applicable law. The determination of whether a Note will or should be treated as debt for U.S. federal income tax purposes is based on the facts and circumstances existing at the time the Note is issued. Prospective investors should be aware that the classification of an instrument as debt or equity is highly factual, and there can be no assurance that the IRS will not seek to characterise any particular Class or Classes of the Rated Notes as equity in the Issuer. If any of the Notes were treated as equity for U.S. federal income tax purposes, adverse U.S. federal income tax consequences might apply.

For a more complete discussion of the U.S. federal income tax consequences of your investment in Notes, see "*Tax Considerations – U.S. Federal Tax Treatment of the Issuer*" below.

2.11 The Issuer is Expected to be Treated as a Passive Foreign Investment Company and May be Treated as a Controlled Foreign Corporation for U.S. Federal Income Tax Purposes

The Issuer is expected to be a passive foreign investment company for U.S. federal income tax purposes, which means that a U.S. Holder of any Class of Notes treated as equity for U.S. federal income tax purposes may be subject to adverse tax consequences, which may be mitigated if such U.S. Holder elects to treat the Issuer as a qualified electing fund and to recognise currently its proportionate share of the Issuer's income whether or not distributed to such U.S. Holder. In addition, depending on the overall ownership of interests in the Issuer, a U.S. Holder of 10 per cent. or more of any Class of Notes treated as equity for U.S. federal income tax purposes may be treated as a U.S. shareholder in a controlled foreign corporation and required to recognise currently its proportionate share of the "subpart F income" of the Issuer, whether or not distributed to such U.S. Holder. A U.S. Holder that makes a qualified electing fund election, or that is required to include subpart F income in the event that the Issuer is treated as a controlled foreign corporation, may recognise income in amounts significantly greater than the payments received from the Issuer. Taxable income may exceed cash payments when, for example, the Issuer uses earnings to repay principal on the Notes or accrues income on the Collateral Debt Obligations prior to the receipt of cash or the Issuer discharges its debt at a discount. A U.S. Holder that makes a qualified electing fund election or that is required to recognise currently its proportionate share of the subpart F income of the Issuer will be required to include in the current income its pro rata share of such earnings, income or amounts whether or not the Issuer actually makes any payments to such Noteholder. The Issuer will cause its independent accountants to provide any U.S. Holder, upon request by such U.S. Holder and at the Issuer's expense, with the information reasonably available to the Issuer that a U.S. Holder would need to make a qualified electing fund election and/or to comply with the controlled foreign corporation rules.

2.12 Withholding Tax on the Notes

No withholding tax would currently be imposed in Ireland on payments of interest on the Notes. However, there can be no assurance that the law will not change or that payments will not otherwise be subject to withholding taxes. In particular, the Issuer has the right to withhold on all payments made to any beneficial owner of an interest in any of the Notes that fails to comply with its requests for identifying information to enable the Issuer to comply with FATCA. See "*Risk Factors – Taxation – FATCA*" above.

If any withholding tax or deduction for tax is imposed on payments of principal or interest on the Notes, the holders of the Notes will not be entitled to receive grossed-up amounts to compensate for such withholding tax and no Event of Default shall occur as a result of any such withholding or deduction.

In the event of the occurrence of a Note Tax Event pursuant to which any payment on the Notes of any Class becomes subject to any withholding tax or deduction for or on account of tax (other than in the circumstances

set out in the definition thereof, including, without limitation, withholding tax in respect of FATCA), the Notes may be redeemed in whole but not in part at the direction of the holders of (a) the Controlling Class or (b) the Class M Subordinated Notes, subject to certain conditions including a threshold test pursuant to which determination is made as to whether the anticipated proceeds of liquidation of the security over the Collateral would be sufficient to pay all amounts due and payable on the Rated Notes in such circumstances in accordance with the Priorities of Payment.

2.13 Changes in Tax Law; No Gross Up; General

At the time when Collateral Debt Obligations are acquired by the Issuer, Eligibility Criteria require that payments of interest on the Collateral Debt Obligations either will not be reduced by any withholding tax imposed by any jurisdiction or, if and to the extent that any such withholding tax does apply, the relevant Obligor will be obliged to make gross up payments to the Issuer that cover the full amount of such withholding tax. However, there can be no assurance that, as a result of any change in any applicable law, rule or regulation or interpretation thereof or otherwise, the payments on the Collateral Debt Obligations might not in the future become subject to withholding tax or increased withholding tax rates in respect of which the relevant Obligor will not be obliged to gross up to the Issuer. In such circumstances, the Issuer may be able, but will not be obliged, to take advantage of (a) a double taxation treaty between the Ireland and the jurisdiction from which the relevant payment is made or (b) any domestic exemption or procedural formality under the current applicable law in the jurisdiction of the Obligor. In the event that the Issuer receives any interest payments on any Collateral Debt Obligation net of any applicable withholding tax, the Coverage Tests and Collateral Quality Tests will be determined by reference to such net receipts. Such tax would also reduce the amounts available to make payments on the Notes. There can be no assurance that remaining payments on the Collateral Debt Obligations would be sufficient to make timely payments of interest, principal on the Maturity Date and other amounts payable in respect of the Notes of each Class. The occurrence of any withholding tax imposed by any jurisdiction owing to a change in law may result in the occurrence of a Collateral Tax Event pursuant to which the Notes may be subject to early redemption at the option of the Class M Subordinated Noteholders acting by way of Ordinary Resolution in the manner described in Condition 7(b) (*Optional Redemption*).

3. REGULATORY INITIATIVES

3.1 General

In Europe, the U.S. and elsewhere, there is significant focus on fostering greater financial stability through increased regulation of financial institutions, and their corresponding capital and liquidity positions. This has resulted in a number of regulatory initiatives which are currently at various stages of implementation and which may have an impact on the regulatory position for certain investors in securitisation exposures and/or on the incentives for certain investors to hold or trade asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Initial Purchaser, the Portfolio Manager, any Portfolio Manager Related Person, the Retention Holder, the Trustee nor any of their respective Affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the impact of such regulation on investors or the regulatory capital treatment of their investment in the Notes in each case, on the Issue Date or at any time in the future.

3.2 Basel III

It should be noted that the Basel Committee on Banking Supervision ("**BCBS**") has approved a series of significant changes to the Basel regulatory capital and liquidity framework (such changes being referred to by the BCBS as "**Basel III**"). Basel III provides for a substantial strengthening of existing prudential rules, including new requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards (referred to as the Liquidity Coverage Ratio ("**LCR**") and the Net Stable Funding Ratio ("**NSFR**")). BCBS member countries agreed to implement the initial phase of the Basel III reforms from 1 January 2013, and the second phase from 1 January 2022, subject to transitional and phase–in arrangements for certain requirements. As implementation ofBasel III requires national legislation, the final rules and the timetable for its implementation in each jurisdiction, as well as the treatment of asset–backed securities (for example, as LCR eligible assets or not), may be subject to some level of national variation. It should also be noted that changes to regulatory capital requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe.

Prospective investors should therefore make themselves aware of the requirements described above (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other applicable regulatory requirements with respect to their investment in the Notes. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

3.3 Risk Retention and Due Diligence Requirements

EU Risk Retention and Due Diligence Requirements

Investors should be aware of the EU risk retention and due diligence requirements (the "**EU Risk Retention and Due Diligence Requirements**") which currently apply, or are expected to apply in the future, in respect of various types of EU regulated investors including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings, UCITS funds and institutions for occupational retirement provision. Amongst other things, such requirements restrict a relevant investor from investing in asset-backed securities unless (i) that investor is able to demonstrate that it has undertaken certain due diligence in respect of various matters including its note position, the underlying assets and (in the case of certain types of investors) the relevant sponsor or originator and (ii) the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the investor that it will retain, on an on-going basis, a net economic interest of not less than five per cent. in respect of certain specified credit risk tranches or asset exposures. Failure to comply with one or more of the requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a penal capital charge on the Notes acquired by the relevant investor. Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear.

The EU Risk Retention and Due Diligence Requirements described above apply, or are expected to apply, in respect of the Notes. Relevant investors are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with any relevant requirements and none of the Issuer, the Portfolio Manager, the Initial Purchaser, the Trustee, the Collateral Administrator, the Retention Holder, their respective Affiliates or any other Person makes any representation that the information described above is sufficient in all circumstances for such purposes.

It should be noted that the European authorities have adopted and finalised two new regulations related to securitisation (being Regulation (EU) 2017/2402 and Regulation (EU) 2017/2401) which will apply in general from 1 January 2019. Amongst other things, the regulations include provisions intended to implement the revised securitisation framework developed by BCBS (with adjustments) and provisions intended to harmonise and replace the risk retention and due diligence requirements (including the corresponding guidance provided through technical standards) applicable to certain EU regulated investors. There are material differences between the coming new requirements and the current requirements including with respect to the matters to be verified under the due diligence requirements, as well as with respect to the application approach under the retention requirements and the originator entities eligible to retain the required interest. Further differences may arise under the corresponding guidance which will apply under the new risk retention requirements, which guidance is to be made through new technical standards. However, securitisations established prior to the application date of 1 January 2019 that do not involve the issuance of securities (or otherwise involve the creation of a new securitisation position) from that date should remain subject to the current requirements and should not be subject to the new risk retention and due diligence requirements in general.

If any changes to the Conditions or the Transaction Documents are required as a result of the implementation of the Securitisation Regulation, the Issuer shall be required to bear the costs of making such changes. It should be noted that any Refinancing of the Notes or additional issuance of Notes in accordance with Condition 17 (*Additional Issuances*) may, if undertaken after the date of application of the Securitisation Regulation, bring the transaction described herein within the scope of the Securitisation Regulation.

Prospective investors should therefore make themselves aware of the changes and requirements described above (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other applicable regulatory requirements with respect to their investment in the Notes. The matters described above and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

With respect to the commitments of the Retention Holder to retain a material net economic interest in the securitisation, please see the statements set out in "*The Retention Holder and EU Retention Requirements*" below.

In particular, investors should note that the Retention Holder initially intends to retain such material economic interest as "sponsor" pursuant to the EU Retention Requirements. However, if the UK were, as a consequence of leaving the EU, no longer within the scope of MiFID II and a passporting regime or third country recognition of the UK is not in place, then, unless the Portfolio Manager elects to take any EU Retention Cure Action in accordance with the terms of the Transaction Documents (and subject to compliance with the U.S. Risk Retention Rules (see "*U.S. Risk Retention Rules*" below and "*Credit Risk Retention*")), it may not be able to continue to act as Retention Holder. As detailed in "*The Retention Holder and EU Retention Requirements*" below, the Portfolio Manager may in its sole and absolute discretion, having determined that an EU Retention Compliance Event has occurred (or is, with the passage of time, reasonably likely to occur), take such action as it may deem to be reasonably necessary or appropriate (in light of the facts and circumstances existing at the time) with the intention of complying with, or preserving compliance with, the EU Retention Requirements.

U.S. Risk Retention Rules

The final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act (the "**U.S. Risk Retention Rules**") generally apply to CLOs, unless an exemption is available. Pursuant to the U.S. Risk Retention Rules, the "sponsor" of a securitisation transaction (or majority-owned affiliate of the sponsor) is required, unless an exemption exists, to retain five per cent. of the credit risk of the assets collateralising the asset-backed securities (the "**Minimum Risk Retention Requirement**"). Under the U.S. Risk Retention Rules, a "sponsor" means a person who organises and initiates a securitisation transaction by selling or transferring assets, either directly or indirectly, including through an affiliate, to the issuing entity. The sponsor (or its "majority-owned affiliate") is generally prohibited from directly or indirectly eliminating or reducing such credit risk by hedging or otherwise transferring the retained credit risk.

The U.S. Risk Retention Rules provide several permissible forms through which a sponsor can satisfy the Minimum Risk Retention Requirement, including retaining an eligible vertical interest consisting of not less than 5 per cent. of the principal amount of each class of asset-backed securities ("**ABS**") issued in a securitisation transaction.

The Portfolio Manager has informed the Issuer that it intends to satisfy the U.S. Risk Retention Rules by (i) purchasing an "eligible vertical interest" on the Issue Date in an amount of not less than 5% of the principal amount of each Class of Notes issued by the Issuer (the "**U.S. Retention Interest"**), and (ii) holding the U.S. Retention Interest in the manner and for so long as required under the U.S. Risk Retention Rules. See "*Credit Risk Retention*".

Failure to comply with the U.S. Risk Retention Rules may have an adverse effect on the Portfolio Manager or its Affiliates, as such failure could constitute a violation of the Exchange Act. Any such failure to comply may result in significant negative reputational consequences and may adversely affect the ability of the Portfolio Manager to perform its obligations under the Portfolio Management Agreement which may, in turn, affect the market value and liquidity of the Notes.

In addition, although not free from doubt, if CSAM is removed or resigns as Portfolio Manager under the Portfolio Management Agreement, CSAM or its "majority-owned affiliate" (as defined under the U.S. Risk Retention Rules) may be required to continue to hold the U.S. Retention Interest. The fact that a replacement

Portfolio Manager may not be required by the U.S. Risk Retention Rules to acquire or retain any Notes may result in a replacement portfolio manager taking a different approach in managing the Collateral Debt Obligations than would a similarly situated portfolio manager required by the U.S. Risk Retention Rules to hold Notes. Furthermore, if a replacement portfolio manager does not hold Notes sufficient to constitute the U.S. Retention Interest, such replacement portfolio manager may be required to acquire such Notes to comply with the U.S. Risk Retention Rules on the date of any issuance of Additional Notes or Refinancing. This may adversely impact a replacement portfolio manager's willingness to consent to any such issuance of Additional Notes or Refinancing and may affect the liquidity of the Notes. The Retention Holder may, but is not obligated to, transfer the U.S. Retained Interest to a successor portfolio manager if, in the sole discretion of the Portfolio Manager, such transfer is permitted in accordance with the Portfolio Management Agreement.

The U.S. Risk Retention Rules may have adverse effects on the Issuer and/or the holders of the Notes. The U.S. Risk Retention Rules would apply to any Additional Notes issued after the Issue Date or any Refinancing. In addition, the SEC has indicated in contexts separate from the U.S. Risk Retention Rules that an "offer" and "sale" of securities may arise when amendments to securities are so material as to require holders to make a new "investment decision" with respect to such securities. Thus, if the SEC were to take a similar position with respect to the U.S. Risk Retention Rules, they could apply to material amendments to the terms of the Notes, to the extent such amendments require investors to make a new investment decision with respect to the Notes. There is no assurance that the U.S. Retention Interest purchased by the Retention Holder on the Issue Date will be sufficient to satisfy the U.S. Risk Retention Rules in connection with any such additional issuance or Refinancing. As a result, the U.S. Risk Retention Rules may adversely affect the Issuer (and the performance and market value of the Notes) if the Issuer is unable to undertake any such additional issuance or Refinancing and may affect the liquidity of the Notes. Furthermore, no assurance can be given as to whether the U.S. Risk Retention Rules would have any future material adverse effect on the business, financial condition or prospects of the Portfolio Manager or the Issuer or on the market value or liquidity of the Notes.

The U.S. Risk Retention Rules may have a negative impact on secondary market liquidity for the Notes due to market expectations, the relative appeal of alternative investments not subject to the U.S. Risk Retention Rules or other factors. In addition, it is possible that the U.S. Risk Retention Rules may reduce the number of portfolio managers active in the CLO market, which may result in fewer new issue CLOs and reduce the liquidity provided by CLOs to the leveraged loan market generally. A contraction or reduced liquidity in the loan market could reduce opportunities for the Portfolio Manager to sell Collateral Debt Obligations or to invest in Collateral Debt Obligations when it believes it is in the interest of the Issuer to do so, which in turn could negatively impact the return on the Collateral and reduce the market value or liquidity of the Notes.

None of the Transaction Parties or their respective affiliates, corporate officers or professional advisors or any other Person makes any representation, warranty or guarantee that the Portfolio Manager, its affiliates or the transaction contemplated by this Offering Circular will be in compliance with the U.S. Risk Retention Rules, and no such person shall have any liability to any prospective investor or any other Person with respect to any failure by the Portfolio Manager to satisfy the U.S. Risk Retention Rules or any other applicable legal, regulatory or other requirements with respect to the issuance and offering of the Notes.

3.4 European Market Infrastructure Regulation (EMIR)

The European Market Infrastructure Regulation EU 648/2012 ("**EMIR**") and its various delegated regulations and technical standards impose a range of obligations on parties to "over-the-counter" ("**OTC**") derivative contracts according to whether they are "financial counterparties", such as investment firms, alternative investment funds (in respect of which see "*Alternative Investment Fund Managers Directive*" below), credit institutions and insurance companies, other entities which are "non-financial counterparties" or third country entities equivalent to "financial counterparties" or "non-financial counterparties".

Financial counterparties (as defined in EMIR) will be subject to a general obligation to clear through a duly authorised or recognised central counterparty (the "**clearing obligation**") all "eligible" OTC derivative contracts entered into with other counterparties subject to the clearing obligation. They must also report the details of all derivative contracts to a trade repository (the "**reporting obligation**"), and undertake certain risk-mitigation techniques in respect of OTC derivative contracts which are not cleared by a central counterparty such as timely confirmation of terms, portfolio reconciliation and compression and the implementation of dispute resolution procedures (the "**risk mitigation obligations**"). Non-cleared OTC derivative contracts entered into by financial counterparties must also be marked to market and collateral must be exchanged (the "**margin requirement**"). To the extent that the Issuer becomes a financial counterparty, this may lead to a termination of the Hedge Agreements or restricting of their terms.

Non-financial counterparties (as defined in EMIR) are not subject to the clearing obligation and certain additional risk mitigation obligations (such as the posting of collateral) provided the gross notional value of all derivative contracts entered into by the non-financial counterparty and other non-financial entities within its "group", excluding eligible hedging transactions, does not exceed certain thresholds (set per asset class of OTC derivatives). If the Issuer is considered to be a member of a "group" (as defined in EMIR) (which may, for example, potentially be the case if the Issuer is consolidated by a Noteholder as a result of such Noteholder's holding of a significant proportion of the Class M Subordinated Notes) and if the aggregate notional value of OTC derivative contracts entered into by the Issuer and any non-financial entities within such group exceeds the applicable thresholds, the Issuer would be subject to the clearing obligation or if the relevant contract is not a type required to be cleared, to the risk mitigation obligations, including the margin requirement. If the Issuer exceeds the applicable thresholds and its swaps become subject to mandatory clearing, this may also lead to a termination of the Hedge Agreements.

Key details in respect of the clearing obligation and the margin requirement and their applicability to certain classes of OTC derivative contracts are to be provided through corresponding regulatory technical standards. Whilst regulatory technical standards have been published in respect of certain classes of OTC derivative contracts, others are yet to be proposed.

Clearing obligation

The regulatory technical standards governing the mandatory clearing obligation for certain classes of OTC derivative contracts which entered into force on 21 December 2015 specify that the clearing obligation in respect of interest rate OTC derivative contracts that are (i) basis swaps and fixed-to floating swaps denominated in euro, GBP, USD and Japanese Yen and (ii) forward rate agreements and overnight index swaps denominated in euro, GBP and USD, in each case, will take effect on dates ranging from 21 June 2016 (for major market participants grouped under "Category 1") to 21 December 2018 (for non-financial counterparties that are not AIFs (as defined below) grouped under "Category 4").

Margin requirements

On 4 October 2016, the European Commission adopted regulatory technical standards on risk-mitigation techniques for OTC derivative contracts not cleared by a central clearing counterparty to the European Commission (the "**RTS**"). The RTS were published in the Official Journal on 15 December 2016 and entered into force on 4 January 2017.

The RTS detail the risk mitigation obligations and margin requirements in respect of non-cleared OTC derivatives, as well as specify the criteria regarding intragroup exemptions and provide that the margin requirement will take effect on dates ranging, originally, from one month after the RTS enter into force (for certain entities with a non-cleared OTC derivative portfolio above €3 trillion) to 1 September 2020 (for certain entities with a non-cleared OTC derivative portfolio above €8 billion). The margin requirements apply to financial counterparties and non-financial counterparties above the clearing threshold and, depending on the counterparty, will require collection and posting of variation margin and, for the largest counterparties/groups, initial margin.

If the Issuer becomes subject to the clearing obligation or to the margin requirement, it is unlikely that it would be able to comply with such requirements, which would adversely affect the Issuer's ability to enter into Hedge Transactions or significantly increase the cost thereof, negatively affecting the Issuer's ability to acquire Non-Euro Obligations and/or hedge its interest rate risk. As a result of such increased costs, additional regulatory requirements and limitations on ability of the Issuer to hedge interest rate and currency risk, the amounts payable to Noteholders may be negatively affected as the Portfolio Manager may be precluded from executing its investment strategy in full.

The Hedge Agreements may also contain early termination events which are based on the application of EMIR and which may allow the relevant Hedge Counterparty to terminate a Hedge Transaction upon the occurrence of an adverse EMIR-related event. The termination of a Hedge Transaction in these circumstances may result in a termination payment being payable by the Issuer. See "*Hedging Arrangements*".The Conditions of the Notes allow the Issuer and oblige the Trustee, subject to the consent of the Class A Noteholders acting by Ordinary Resolution, to amend the Transaction Documents and/or the Conditions of the Notes to comply with the requirements of EMIR which may become applicable in future.

Prospective investors should be aware that the regulatory changes arising from EMIR may in due course significantly increase the cost of entering into derivative contracts (including the potential for non-financial counterparties such as the Issuer to become subject to marking to market and collateral posting requirements in respect of non-cleared OTC derivative contracts such as Currency Hedge Transactions and Interest Rate Hedge Transactions. These changes may adversely affect the Issuer's ability to enter the Currency Hedge Transactions and Interest Rate Hedge Transactions and therefore the Issuer's ability to acquire Non-Euro Obligations and/or manage interest rate risk. As a result of such increased costs and/or additional regulatory requirements, investors may receive significantly less or no interest or return, as the case may be, as the Portfolio Manager may not be able to execute its investment strategy as anticipated.

Investors should consult their own independent advisers and make their own assessment about the potential risks posed by EMIR in making any investment decision in respect of the Notes.

It should also be noted that further changes may be made to the EMIR framework in the context of the EMIR review process, including in respect of counterparty classification. In this regard, the European Commission has published legislative proposals providing for certain amendments to EMIR. If the proposals are adopted in their current form, the classification of certain counterparties under EMIR would change including with respect to certain securitisation vehicles such as the Issuer. It is not clear when, and in what form, the legislative proposals (and any corresponding technical standards) will be adopted and will become applicable. In addition, the compliance position under any adopted amended framework of swap transactions entered into prior to application is uncertain. No assurances can be given that any changes made to EMIR would not cause the status of the Issuer and/or Funding to change and lead to some or all of the potentially adverse consequences outlined above.

3.5 Retention Financing

The Retention Holder may enter into financing arrangements in respect of the Retention Notes that it is required to acquire in order to comply with the EU Retention Requirements and the U.S. Risk Retention Rules (any such arrangements, the "**Retention Financing Arrangements**") any such Retention Financing Arrangements to provide for full recourse to the Retention Holder and otherwise comply with the EU Retention Requirements and the U.S. Risk Retention Rules. In respect of any Retention Financing Arrangements, the Retention Holder may grant security over, or transfer title to, the Retention Notes in connection with such financing. If the collateral arrangements in respect of such Retention Financing Arrangements are by way of title transfer, the Retention Holder would retain the economic risk in the Retention Notes but not legal ownership of them. In particular, should the Retention Holder default in the performance of its obligations under the Retention Financing Arrangements, the lender or lenders thereunder would have the right to enforce the security granted by the Retention Holder, including effecting the sale or appropriation of some or all of the Retention Notes or, if the collateral arrangements in respect of such Retention Financing Arrangements are by way of title transfer, the Retention Holder would not be entitled to have the Retention Notes (or equivalent securities) returned to it. In exercising its rights pursuant to any Retention Financing Arrangements, any lender would not be required to have regard to the EU Retention Requirements and the U.S. Risk Retention Rules and any such sale or appropriation may therefore cause the transaction described in this Offering Circular to be non-compliant with the EU Retention Requirements or the Portfolio Manager to breach the U.S. Risk Retention Rules. None of the Portfolio Manager, the Retention Holder, any Agent, the Issuer, the Trustee, the Initial Purchaser or any of their respective Affiliates makes any representation, warranty or guarantee that any such Retention Financing Arrangements will comply with the EU Retention Requirements or the U.S. Risk Retention Rules. See "*Certain Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Initial Purchaser and its Affiliates*".

The term of any Retention Financing Arrangements may be considerably shorter than the effective term of the Notes, and separately, or as a result of other terms of the Retention Financing Arrangements may require the Retention Holder to repay or refinance the Retention Financing Arrangements whilst some or all Classes of Notes are Outstanding. If refinancing opportunities were limited at such time and the Retention Holder was unable to repay the retention financing from its own resources, the Retention Holder could be forced to sell some or all of the Retention Notes in order to obtain funds to repay the retention financing without regard to the Retention Requirements, and such sales may therefore cause the transaction described in this Offering Circular to be non-compliant with the EU Retention Requirements or cause Portfolio Manager to breach the U.S. Risk Retention Rules.

The Retention Holder does not intend to enter into any Retention Financing Arrangements on the Issue Date.

3.6 Alternative Investment Fund Managers Directive

EU Directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFMD**") introduced authorisation and regulatory requirements for managers of alternative investment funds ("**AIFs**"). If the Issuer were to be considered to be an AIF within the meaning in AIFMD, it would need to be managed by a manager authorised under AIFMD (an "**AIFM**"). The Portfolio Manager is not authorised under AIFMD but is authorised under MiFID II. As the Portfolio Manager is not permitted to be authorised under both AIFMD and under MiFID II, it will not be able to apply for an authorisation under AIFMD unless it gives up its authorisation under MiFID II (in which case it may not be able to hold the retention as a "sponsor" (subject to the terms of any EU Retention Cure Action which may be taken by the Portfolio Manager with the intention of enabling it to qualify as the Retention Holder other than as a "sponsor" for the purposes of the EU Retention Requirements) as required under the EU Retention Requirements (see "*Risk Retention and Due Diligence Requirements - EU Risk Retention and Due Diligence Requirements*") above).

There is an exemption from the definition of AIF in AIFMD for "securitisation special purpose entities" (the "**SSPE Exemption**"). The European Securities and Markets Authority ("**ESMA**") has not yet given any formal guidance on the application of the SSPE Exemption or whether a vehicle such as the Issuer would fall within it. If the SSPE Exemption does not apply and the Issuer is considered to be an AIF, the Portfolio Manager may not be able to continue to manage the Issuer's assets, or its ability to do so may be impaired. As a result, implementation of the AIFMD may affect the return investors receive from their investment.

If the Issuer is considered to be an AIF, managed by an authorised AIFM, the Issuer would also be classified as a "financial counterparty" under EMIR and may be required to comply with clearing obligations and/or other risk mitigation techniques (including obligations to post margin to any central clearing counterparty or market counterparty) with respect to Hedge Transactions. See also "*European Market Infrastructure Regulation (EMIR)*" above.

The Conditions of the Notes allow the Issuer and oblige the Trustee, with the consent of the Class A Noteholders acting by Ordinary Resolution, to concur with the Issuer in the making of modifications to the Transaction Documents and/or the Conditions of the Notes to comply with the requirements of AIFMD which may become applicable at a future date.

3.7 U.S. Dodd–Frank Act

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank Act**") was signed into law on 21 July 2010. The Dodd-Frank Act represents a comprehensive change to financial regulation in the United States, and affects virtually every area of the capital markets. Implementation of the Dodd-Frank Act has required, and will continue to require many lengthy rulemaking processes resulting in the adoption of a multitude of new regulations applicable to entities which transact business in the U.S. or with U.S. persons outside the U.S. The Dodd-Frank Act affects many aspects, in the U.S. and internationally, of the business of the Portfolio Manager, including securitisation, proprietary trading, investing, creation and management of investment funds, OTC derivatives and other activities. While many regulations implementing various provisions of the Dodd-Frank Act have been finalised and adopted, some implementing regulations currently exist only in draft form and are subject to comment and revision, and still other implementing regulations have not yet been proposed. It is therefore difficult to predict whether and to what extent the Issuer and the businesses of the Portfolio Manager and its subsidiaries and affiliates, will be affected by the Dodd-Frank Act as implementing regulations are finalised over time and come into effect and regulators provide further guidance with respect thereto.

The Securities and Exchange Commission (the "**SEC**") proposed changes to Regulation AB (as defined under the Securities Act) under the Securities Act which would have had the potential to impose new disclosure requirements on securities offerings pursuant to Rule 144A under the Securities Act or pursuant to other SEC regulatory exemptions from registration. Such rules, if adopted, could have restricted the use of this Offering Circular or require the publication of a new prospectus in connection with the issuance and sale of any additional Notes or any Refinancing. On 27 August 2014, the SEC adopted final rules amending Regulation AB that did not implement these proposals. However, the SEC has indicated that it is continuing to consider amendments that were proposed with respect to Regulation AB but not adopted, and that further amendments may be forthcoming in the future. If such amendments are made to Regulation AB in the future, they may place additional requirements and expenses on the Issuer in the event of the issuance and sale of any additional notes, which expenses may reduce the amounts available for distribution to the Noteholders.

None of the Issuer, the Portfolio Manager, or the Initial Purchaser makes any representation as to such matters. As such, investors should consult their own independent advisers and make their own assessment about the potential risks posed by the Dodd-Frank Act and the rules to be promulgated thereunder in making any investment decision in respect of the Notes.

3.8 CFTC Regulations

Pursuant to the Dodd–Frank Act, regulators in the United States have promulgated and continue to promulgate a range of new regulatory requirements (the "**CFTC Regulations**") that may affect the pricing, terms and compliance costs associated with the entry into any Hedge Transaction by the Issuer and the availability of such Hedge Transactions. Some or all of the Hedge Transactions that the Issuer may enter into may be affected by (a) the requirement that certain swaps be centrally cleared and in some cases traded on a designated contract market or swap execution facility, (b) initial or variation margin requirements of any central clearing organisation (with respect to cleared swaps) or initial or variation margin requirements with respect to uncleared swaps, (c) swap reporting and recordkeeping obligations, and other matters. These new requirements may (i) significantly increase the cost to the Issuer and/or the Portfolio Manager of entering into Hedge Transactions such that the Issuer may be unable to purchase certain types of Collateral Debt Obligations, (ii) have unforeseen legal consequences on the Issuer or the Portfolio Manager or (iii) have other material adverse effects on the Issuer or the Noteholders. Furthermore, regulations requiring the posting of variation margin on uncleared swaps entered into by entities such as the Issuer entered into effect in the United States on 1 March 2017. Hedge Transactions may be subject to such requirements, depending on the identity of the Hedge Counterparty. The Trust Deed does not permit the Issuer to post variation margin. Accordingly, the application of United States regulations to a Hedge Transaction or a proposed Hedge Transaction could have a material adverse effect on the Issuer's ability to hedge its interest or currency rate exposure, or on the cost of such hedging.

3.9 Commodity Pool Regulation

The Issuer's ability to enter into Hedge Transactions may cause the Issuer to be a "commodity pool" as defined in the United States Commodity Exchange Act, as amended ("**CEA**") and the Portfolio Manager to be a "commodity pool operator" ("**CPO**") and/or a "commodity trading advisor" (a "**CTA**"), each as defined in the CEA in respect of the Issuer. The CEA, as amended by the Dodd-Frank Act, defines a "commodity pool" to include certain investment vehicles operated for the purpose of trading in "commodity interests" which includes swaps. CPOs and CTAs are subject to regulation by the CFTC and must register with the CFTC unless an exemption from registration is available. Based on applicable CFTC interpretive guidance, the Issuer is not expected to fall within the definition of a "commodity pool" under the CEA and as such, the Issuer (or the Portfolio Manager on the Issuer's behalf) may enter into Hedge Agreements (or any other agreement that would fall within the definition of "swap" as set out in the CEA) following receipt of legal advice from reputable counsel to the effect that none of the Issuer, its directors or officers, the Portfolio Manager or any of its or their affiliates or any other person would be required to register as a CPO and/or a CTA with the CFTC with respect to the Issuer.

In the event that trading or entering into one or more Hedge Agreements would result in the Issuer's activities falling within the definition of a "commodity pool", the Portfolio Manager may cause the Issuer to be operated in compliance with the exemption set forth in CFTC Rule 4.13(a)(3) as in effect on the Issue Date. Utilising any such exemption from registration may impose additional costs on the Portfolio Manager and the Issuer and may significantly limit the Portfolio Manager's ability to engage in hedging activities on behalf of the Issuer. Additionally, unlike a registered CPO, the Portfolio Manager would not be required to deliver a CFTC disclosure document to prospective investors, nor would it be required to provide investors with certified annual reports that satisfy on-going compliance requirements under Part 4 of the CFTC Regulations, as would be the case for a registered CPO or CTA. In particular, the limits imposed by such exemptions may prevent the Issuer from entering into a Hedge Transaction that the Portfolio Manager believes would be advisable or result in the Issuer incurring financial risks that would have been hedged pursuant to swap transactions absent such limits. In addition, the costs of obtaining and maintaining such exemption will be passed on to the Issuer. Neither the CFTC nor the National Futures Association (the "**NFA**") pass upon the merits of participating in a pool or upon the adequacy or accuracy of offering memoranda. Consequently, neither the CFTC not the NFA has reviewed or approved this Offering Circular or any related subscription agreement.

Notwithstanding the above, in the event that the CFTC guidance referred to above changes or the Issuer engages in one or more activities that might cause it to fall within the definition of a "commodity pool" under the CEA and no exemption from registration is available, registration of the Portfolio Manager as a CPO or a CTA may be required before the Issuer (or the Portfolio Manager on the Issuer's behalf) may enter into any Hedge

Agreement. Registration of the Portfolio Manager as a CPO and/or a CTA could cause the Portfolio Manager to be subject to extensive compliance and reporting requirements that would involve material costs which may be passed on to the Issuer. The scope of such compliance costs is uncertain but could adversely affect the amount of funds available to make payments on the Notes.

Further, if the Portfolio Manager determines that additional Hedge Transactions should be entered into by the Issuer in excess of the trading limitations set forth in any applicable exemption from registration as a CPO and/or a CTA, the Portfolio Manager may elect to withdraw its exemption from registration and instead register with the CFTC as the Issuer's CPO and/or CTA. The costs of obtaining and maintaining these registrations and the related compliance obligations may be paid by the Issuer as Administrative Expenses. Such costs would reduce the amount of funds available to make payments on the Notes. These costs are uncertain and could be materially greater than the Portfolio Manager anticipated when deciding to enter into the transaction and register as a CPO and/or a CTA. In addition, it may not be possible or advisable for the Portfolio Manager to withdraw from registration as a CPO and/or a CTA after any relevant swap transactions terminate or expire. The costs of CPO and/or CTA registration and the ongoing CPO and/or CTA compliance obligations of the Portfolio Manager could exceed, perhaps significantly, the financial risks that are being hedged pursuant to any Hedge Transaction.

3.10 Volcker Rule

Section 619 of the Dodd-Frank Act (the "**Volcker Rule**") prevents "banking entities" (a term which includes affiliates of a U.S. banking organisation as well as affiliates of a foreign banking organisation that has a branch or agency office in the U.S., regardless where such affiliates are located) from (i) engaging in proprietary trading in financial instruments, (ii) acquiring or retaining any "ownership interest" in, or in "sponsoring", a "covered fund," subject to certain exemptions; or (iii) entering into certain transactions with a "covered fund" that is advised, managed, or sponsored by that banking entity or any of its affiliates. The Volcker Rule also prohibits material conflicts of interest between a banking entity and its clients, customers and counterparties with respect to the banking entity's covered fund activities.

An "ownership interest" is defined widely and may arise through a holder's exposure to the profits and losses of the "covered fund", as well as through certain rights of the holder to participate in the selection or removal of an investment advisor, investment manager, portfolio manager, or general partner, trustee, or member of the board of directors of the "covered fund". A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act 1940 (the "**ICA**") but for the exclusion contained in sections 3(c)(1) or 3(c)(7) of the ICA, subject to certain exemptions found in the Volcker Rule's implementing regulations. The Issuer anticipates that it will be a "covered fund" for the purposes of the Volcker Rule and the Portfolio Manager will be relying on the "asset management" exemption in the Volcker Rule to organise and offer, invest in, and serve as adviser to, the Issuer.

It should be noted that a commodity pool as defined in the CEA (see "*Commodity Pool Regulation"*, above) could, depending on which CEA exemption is used by such commodity pool or its commodity pool operator, also fall within the definition of a covered fund as described above.

The holders of any of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, Class E Notes or Class F Notes in the form of PM Non-Voting Exchangeable Notes or PM Non-Voting Notes are not counted for purposes of establishing a quorum, nor may they vote in respect of any PM Removal Resolution or PM Replacement Resolution. However, there can be no assurance that despite these limitations, the PM Non-Voting Exchangeable Notes and PM Non-Voting Notes will not be deemed to be or be characterised as "ownership interests" in the Issuer.

The provisions of the Volcker Rule and its related regulatory provisions may limit the ability of "banking entities" to hold an "ownership interest" in the Issuer. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in "ownership interests" of the Issuer should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of such investment.

No assurance can be made as to the effect of the Volcker Rule on the ability of certain investors subject thereto to acquire or retain an interest in the Notes. Each prospective investor in the Notes should independently consider the potential impact of the Volcker Rule in respect of any investment in the Notes.

The Volcker Rule contains a number of exemptions and exclusions. For example, the Volcker Rule permits a banking entity, such as Credit Suisse Asset Management Limited, to organise and offer a covered fund,

including serving as a general partner, managing member, trustee or commodity pool operator of the covered fund and in any manner selecting or controlling (or having employees, officers, directors or agents who constitute) a majority of the directors, trustees or management of the covered fund, if certain conditions are satisfied. Those conditions include, among other things, the requirements that (i) the banking entity does not acquire or retain an ownership interest in the covered fund except for a de minimis investment (generally an investment by a banking entity or its affiliates in a covered fund will be considered de minimis if (A) the investment is not more than three per cent. of the total amount or value of ownership interests of the covered fund (or such higher amount as is required under U.S. Risk Retention Rules), and (B) the aggregate of all of the ownership interests of the banking entity (or its affiliates) in all covered funds, does not exceed three per cent. of the Tier 1 capital of the banking entity); (ii) (A) neither the banking entity that serves, directly or indirectly, as the investment manager, portfolio manager, investment adviser, commodity trading advisor, or sponsor to a covered fund, or that organises and offers a covered fund, nor any affiliate of the banking entity, enters into a transaction with the covered fund or with any other covered fund that is controlled by such covered fund, that would be a "covered transaction," as defined in section 23A of the Federal Reserve Act, as if the banking entity and the affiliate thereof were a member bank and the covered fund were an affiliate thereof and (B) the banking entity that serves, directly or indirectly, as the investment manager, portfolio manager, investment adviser, commodity trading advisor, or sponsor to a covered fund or that organises and offers a covered fund complies with section 23B of the Federal Reserve Act, as if the banking entity were a member bank and such covered fund were an affiliate thereof; (iii) the banking entity and its affiliates do not, directly or indirectly, guarantee, assume, or otherwise insure the obligations or performance of the covered fund or of any fund in which the covered fund invests; (iv) the banking entity (or any affiliate or subsidiary of the banking entity) does not share with the covered fund the same name or a variation of the same name, and the covered fund does not use the word "bank" in its name; (v) no director or employee of the banking entity (or an affiliate thereof) takes or retains an ownership interest in the covered fund, except for a director or employee of the banking entity (or such affiliate) who is directly involved in providing investment advisory or other services to the covered fund; and (vi) the banking entity (1) provides to prospective and actual investors in the covered fund clearly and conspicuously and in writing, certain disclosures, including (a) that any losses in such covered fund are borne solely by investors in such covered fund and not by the banking entity (or its affiliates) and therefore the banking entity's losses in the covered fund will be limited to losses attributable to the ownership interests in the covered fund held by the banking entity (and any affiliate) in its capacity as an investor in the covered fund (if any) or as a beneficiary of a restricted profit interest held by the banking entity or its affiliate (if any), (b) that the investor should read the fund offering documents before investing in the covered fund, (c) that the ownership interests in the covered fund are not insured by the Federal Deposit Insurance Corporation (the "**FDIC**"), are not deposits, obligations of, or endorsed or guaranteed in any way, by any banking entity, and (d) the role of the banking entity and its affiliates in sponsoring or providing any services to the covered fund; and (2) complies with any additional rules designed to ensure that losses in such covered fund are borne solely by investors in such covered fund and not by the banking entity. In addition, no transaction, class of transactions or activity that is otherwise allowed under the Volcker Rule is permitted if the transaction or activity would involve or result in a material conflict of interest between the banking entity and its clients, customers or counterparties, unless such conflict of interest is subject to timely and effective disclosure (or, in certain instances, is the subject of an information barrier maintained by the banking entity).

The Volcker Rule limits any company within the Credit Suisse Group AG ("**CS Group**") and certain of its employees and their investment vehicles from investing in or co-investing with the Issuer. The Volcker Rule's prohibition on "covered transactions," as defined in section 23A of the Federal Reserve Act, between the Portfolio Manager (or any of its affiliates) and the Issuer, or any fund that is controlled by the Issuer, will restrict the activities of the Issuer. There may be certain investment opportunities, investment strategies or actions that the Portfolio Manager will not undertake on behalf of the Issuer in view of the CS Group's relationship to the Issuer or the CS Group's client or firm activities. Furthermore, the investment opportunities, investment strategies or actions of the Issuer may be limited in order to comply with the Volcker Rule's restriction on material conflicts of interest. A fund that is not advised or sponsored by the Portfolio Manager (or any other company within the CS Group) may not be subject to these considerations. For the avoidance of doubt, the activities and conflicts described in the section entitled "*Risk Factors - Certain Conflicts of Interest - Certain Conflicts of Interest Involving or Relating to the Initial Purchaser and its Affiliates*" are subject to the limits and restrictions imposed by the Volcker Rule described herein.

3.11 CRA

CRA Regulation in Europe

Regulation (EU) 462/2013 of the European Parliament and of the European Council amending Regulation EC 1060/2009 on credit rating agencies ("**CRA3**") came into force on 20 June 2013. Article 8(b) of CRA3 requires issuers, sponsors and originators of structured finance instruments such as the Notes to make detailed disclosures of information relating to those structured finance instruments. The European Commission has adopted a delegated regulation, detailing the scope and nature of the required disclosure which disclosure reporting requirements became effective on 1 January 2017. Such disclosures were intended to be made via a website to be set up by ESMA. On 27 April 2016, ESMA published a press release in which it acknowledged that it would not be in a position to set up the SFI website or receive the information related to the SFIs. The Securitisation Regulation and the technical regulatory standards to be adopted thereunder should provide clarity on the future obligations regarding reporting on SFIs although it is uncertain at this time what specific form those would take.

Additionally, Article 8(c) of CRA3 has introduced a requirement that where an issuer or a related third party intends to solicit a credit rating of a structured finance instruments, it shall obtain two independent ratings for such instruments. Article 8(d) of CRA3 has introduced a requirement that where an issuer or a related third party intends to appoint at least two credit rating agencies to rate the same instrument, the issuer or a related third party shall consider appointing at least one rating agency having less than a 10 per cent. market share among agencies capable of rating that instrument. The Issuer intends to have two rating agencies appointed, but does not make any representation as to market share of either agency, and any consequences for the Issuer, related third parties and investors if an agency does not have a less than 10 per cent. market share are not specified. Investors should consult their legal advisors as to the applicability of CRA3 and any consequence of non-compliance in respect of their investment in the Notes.

3.12 Reliance on Rating Agency Ratings

The Dodd–Frank Act requires that federal banking agencies amend their regulations to remove reference to or reliance on credit agency ratings, including but not limited to those found in the federal banking agencies' risk–based capital regulations. New regulations have been proposed but have not yet been fully implemented in all respects. When such regulations are fully implemented, investments in asset–backed securities like the Notes by such institutions may result in greater capital charges to financial institutions that own such securities, or otherwise adversely affect the treatment of such securities for regulatory capital purposes. Furthermore, all prospective investors in the Notes whose investment activities are subject to legal investment laws and regulations, regulatory capital requirements, or review by regulatory authorities should consult with their own legal, accounting and other advisors in determining whether, and to what extent, the Notes will constitute legal investments for them or are subject to investment or other regulatory restrictions, unfavourable accounting treatment, capital charges or reserve requirements.

3.13 EU Bank Recovery and Resolution Directive

The EU Bank Recovery and Resolution Directive (2014/59/EU) (collectively with secondary and implementing EU rules, and national implementing legislation, the "**BRRD**") equips national authorities in EU Member States (the "**Resolution Authorities**") with tools and powers for preparatory and preventive measures, early supervisory intervention and resolution of credit institutions and significant investment firms (collectively, "**relevant institutions**"). If a relevant institution enters into an arrangement with the Issuer and is deemed likely to fail in the circumstances identified in the BRRD, the relevant Resolution Authority may employ such tools and powers in order to intervene in the relevant institution's failure (including in the case of derivatives transactions, powers to close-out such transactions or suspend any rights to close-out such transactions). In particular, liabilities of relevant institutions arising out of the Transaction Documents or Underlying Instruments (for example, liabilities arising under Participations or provisions in Underlying Instruments requiring lenders to share amounts) not otherwise subject to an exception, could be subject to the exercise of "bail-in" powers of the relevant Resolution Authorities. It should be noted that certain secured liabilities of relevant institutions are excepted. If the relevant Resolution Authority decides to "bail-in" the liabilities of a relevant institution, then subject to certain exceptions set out in the BRRD, the liabilities of such relevant institution could, among other things, be reduced, converted or extinguished in full. As a result, the Issuer and ultimately, the Noteholders may not be able to recover any liabilities owed by such an entity to the Issuer. In addition, a relevant Resolution Authority may exercise its discretions in a manner that produces different outcomes amongst institutions

resolved in different EU Member States. It should also be noted that similar powers and provisions are being considered in the context of financial institutions of other jurisdictions.

The European Commission adopted a set of draft regulatory technical standards in respect of the valuation of derivatives for the purposes of the BRRD on 23 May 2016. They were published in the Official Journal on 8 July 2016 and entered into force on 28 July 2016 and provide, among other things, that the relevant Resolution Authorities will have the power to terminate swap agreements (as part of the bail-in process) and to value the position thereunder. This will therefore limit any control the Issuer or the Trustee may have in respect of the valuation process, which may be detrimental to the Issuer and consequently, the Noteholders.

Resolution Authorities also have the right to amend certain agreements, under applicable laws, regulations and guidance ("**Stay Regulations**"), to ensure stays or overrides of certain termination rights. Such special resolution regimes ("**SRRs**") vary from jurisdiction to jurisdiction, including differences in their respective implementation dates. In the UK, the Prudential Regulation Authority ("**PRA**") has implemented rules (Appendix 1 to the PRA's policy statement 25/15) which requires relevant institutions to ensure that the discretion of the PRA to temporarily suspend termination and security interests under the relevant SRR is respected by counterparties. Any applicable Stay Regulations may result in the Issuer not being able to immediately enforce liabilities owed by relevant institutions that are subject to "stays" under SRRs.

The resolution mechanisms under the BRRD correspond closely to those available to the Single Resolution Board (the "**SRB**") and the European Commission under the single resolution mechanism provided for in Regulation (EU) No 806/2014 (the "**SRM Regulation**"). The SRM Regulation applies to participating Member States (including Member States outside the Euro zone that voluntarily participate through a close co-operation agreement). In such jurisdictions, the SRB will take on many of the functions that would otherwise be assigned to national Resolution Authorities by the BRRD. If a Member State outside the Euro zone (such as the UK) has chosen not to participate in the bank single supervisory mechanism, relevant institutions established in such Member State will not be subject to the SRM Regulation, but to the application of the BRRD by the Resolution Authorities. It is possible, on the specific facts of a case, that resolution plans and resolution decisions made by the SRB may differ from the resolution schemes that would have been applied by the Resolution Authorities. Therefore, the way in which a relevant institution is resolved and ultimately, the effect of any such resolution on the Issuer and the Noteholders may vary depending on the authority applying the resolution framework.

3.14 S&P

On 21 January 2015, the United States Securities and Exchange Commission (the "**SEC**"). entered into administrative settlement agreements with S&P with respect to, among other things, multiple allegations of making misleading public statements with respect to its ratings methodology and certain misleading publications concerning criteria and research, in each case relating to commercial mortgage-backed securities transactions. S&P neither admitted nor denied the charges in these settlements. As a result of these settlement agreements, the SEC ordered S&P censured and enjoined S&P from violating the statutory provisions and rules related to the allegations described above. Additionally, S&P agreed to pay civil penalties and other disgorgements exceeding $76 million. Finally, S&P agreed to refrain from giving preliminary or final ratings for any new issue U.S. conduit commercial mortgage-backed securities transaction until 21 January 2016.

On 3 February 2015, S&P entered into a settlement agreement with the United States Justice Department, 19 States and the District of Columbia, to settle lawsuits relating to S&P's alleged inflation of ratings on subprime mortgage bonds. S&P did not admit to any wrongdoing in connection with such settlement. Also on 3 February 2015, S&P entered into a settlement agreement with the California Public Employees Retirement System to resolve claims over three structured investment vehicles. Under the 3 February 2015 settlement agreements, S&P agreed to pay approximately $1.5 billion in the aggregate to the related claimants. None of these settlement agreements involve S&P's collateralised loan obligation rating business.

3.15 Regulated Banking Activity

While non-bank lending is currently being promoted within the EU, in many jurisdictions, especially in continental Europe, engaging in lending activities "in" certain jurisdictions particularly via the original extension of credit granting a loan and in some cases including purchases of receivables, discounting of invoices, guarantee transactions or otherwise (collectively, "**Regulated Banking Activities**") is generally considered a regulated financial activity and, accordingly, must be conducted in compliance with applicable local banking laws (or the AIFMD, in the case of European long term investment funds). Although a number of jurisdictions have consulted and published guidance on non-banking lending, in many such jurisdictions, there is

comparatively little statutory, regulatory or interpretive guidance issued by the competent authorities or other authoritative guidance as to what constitutes the conduct of Regulated Banking Activities in such jurisdictions.

Collateral Debt Obligations subject to these local law requirements may restrict the Issuer's ability to purchase the relevant Collateral Debt Obligation or may require it to obtain exposure via a Participation. Moreover, these regulatory considerations may differ depending on the country in which each Obligor is located or domiciled, on the type of Obligor and other considerations. Therefore, at the time when Collateral Debt Obligations are acquired by the Issuer, there can be no assurance that, as a result of the application of regulatory law, rule or regulation or interpretation thereof by the relevant governmental body or agency, or change in such application or interpretation thereof by such governmental body or agency, payments on the Collateral Debt Obligations might not in the future be adversely affected as a result of such application of regulatory law or that the Issuer might become subject to proceedings or action by the relevant governmental body or agency, which if determined adversely to the Issuer, may adversely affect its ability to make payments in respect of the Notes.

4. RELATING TO THE NOTES

4.1 Limited Liquidity and Restrictions on Transfer

Neither the Initial Purchaser (or any of its respective affiliates) is under any obligation to make a market for the Notes. The Notes are illiquid investments. There can be no assurance that any secondary market for any of the Notes will develop or, if a secondary market does develop, that it will provide the Noteholders with liquidity of investment or that it will continue for the life of such Notes. Consequently, a purchaser must be prepared to hold such Notes for an indefinite period of time or until the Maturity Date. In addition, no sale, assignment, participation, pledge or transfer of the Notes may be effected if, among other things, it would require any of the Issuer or any of their officers or directors to register under, or otherwise be subject to the provisions of, the Investment Company Act or any other similar legislation or regulatory action. Furthermore, the Notes will not be registered under the Securities Act or any U.S. state securities laws, and the Issuer has no plans, and is under no obligation, to register the Notes under the Securities Act. The Notes are subject to certain transfer restrictions and can be transferred only to certain transferees. See "*Plan of Distribution*" and "*Transfer Restrictions*" sections of this Offering Circular. Such restrictions on the transfer of the Notes may further limit their liquidity.

In addition, PM Non-Voting Notes are not exchangeable at any time for Notes held in the form of PM Voting Notes or PM Non-Voting Exchangeable Notes and there are restrictions as to the circumstances in which Notes held in the form of PM Non-Voting Exchangeable Notes may be exchanged for Notes held in the form of PM Voting Notes. Such restrictions on exchange may limit the liquidity of PM Non-Voting Notes and PM Non-Voting Exchangeable Notes.

4.2 Optional Redemption and Market Volatility

The market value of the Collateral Debt Obligations may fluctuate, with, among other things, changes in prevailing interest rates, foreign exchange rates, general economic conditions, the conditions of financial markets (particularly the markets for senior, second lien and mezzanine loans and bonds and high yield bonds), European and international political events, events in the home countries of the issuers of the Collateral Debt Obligations or the countries in which their assets and operations are based, developments or trends in any particular industry and the financial condition of such issuers. The secondary market for senior, second lien and mezzanine loans and high yield bonds is still limited. A decrease in the market value of the Portfolio would adversely affect the amount of proceeds which could be realised upon liquidation of the Portfolio and ultimately the ability of the Issuer to redeem the Notes.

A form of liquidity for the Class M Subordinated Notes is the optional redemption provision set out in Condition 7(b) (*Optional Redemption*). There can be no assurance, however, that such optional redemption provision will be capable of being exercised in accordance with the conditions set out in Condition 7(b) (*Optional Redemption*) which may in some cases require a determination that the amount realisable from the Portfolio in such circumstances is greater than the aggregate of all amounts which would be due and payable on redemption of the Rated Notes and to the other creditors of the Issuer pursuant to Condition 11(b) (*Enforcement*) which rank in priority to payments in respect of the Class M Subordinated Notes in accordance with the Priorities of Payment.

Furthermore, prospective investors should note that, in certain circumstances, optional redemption is subject to the prior written consent of the Portfolio Manager, which consent may be withheld in the Portfolio Manager's sole discretion. See Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

4.3 The Notes are Subject to Optional Redemption in Whole or in Part by Class in relation to the Rated Notes

The Rated Notes may be redeemed in whole from Sale Proceeds and/or Refinancing Proceeds:

(a) on any Business Day after the expiry of the Non-Call Period, at the direction of the Class M Subordinated Noteholders acting by way of Ordinary Resolution;

(b) on any Business Day following the occurrence of a Collateral Tax Event, at the direction of the Class M Subordinated Noteholders acting by Ordinary Resolution; or

(c) on any Business Day following the occurrence of a Note Tax Event, at the direction of (i) the Controlling Class acting by way of Extraordinary Resolution, or (ii) the Class M Subordinated Noteholders acting by way of Ordinary Resolution,

in each case subject to certain requirements and conditions set out in the Conditions (including, where such Optional Redemption is effected through Refinancing, the consent of the Portfolio Manager). The Rated Notes may also be redeemed in part by Class on any Business Day after the expiry of the Non-Call Period at the direction of the Class M Subordinated Noteholders acting by way of Ordinary Resolution or at the written direction of the Portfolio Manager. See Condition 7 (*Redemption and Purchase*). Investors should carefully review the circumstances and requirements set out in Condition 7 (*Redemption and Purchase*).

As described above, any Refinancing (or issuance of Additional Notes) will require the consent of the Portfolio Manager. There can be no assurance that the Portfolio Manager will take any further steps that may be necessary to permit the Portfolio Manager to comply with the U.S. Risk Retention Rules, which may impair or limit the ability of the Issuer to effect a Refinancing (or issuance of Additional Notes).

As described in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) subject to certain conditions, Refinancing Proceeds may be used in connection with either a redemption in whole of the Rated Notes or a redemption in part of the Rated Notes by Class.

In the case of a Refinancing upon a redemption of the Rated Notes in whole but not in part, such Refinancing will only be effective if (among other things) the Refinancing Proceeds, all Sale Proceeds, if any, from the sale of Collateral Debt Obligations and Eligible Investments, and all other available funds will be at least sufficient to pay any Refinancing Costs and all amounts due and payable in respect of all Classes of Notes save for the Class M Subordinated Notes. See Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

A Refinancing upon a redemption of the Rated Notes in part by Class will only be effective if certain conditions are satisfied, including, but not limited to, the sum of (1) the Refinancing Proceeds and (2) the amount of Interest Proceeds standing to the credit of the Interest Account in excess of the aggregate amount of Interest Proceeds which would be applied in accordance with the Interest Proceeds Priority of Payments prior to paying any amount in respect of the Class M Subordinated Notes being at least sufficient to pay in full (x) the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption plus (y) all accrued and unpaid Trustee Fees and Expenses and Administrative Expenses in connection with such Refinancing. See Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

Following the expiry of the Non–Call Period, the Portfolio Manager may also cause the Issuer to redeem the Rated Notes in whole from Sale Proceeds on any Business Day if the Aggregate Collateral Balance is less than 15 per cent of the Target Par Amount.

The Class M Subordinated Notes may also be redeemed at their Redemption Price, in whole but not in part on any Business Day on or after the redemption or repayment in full of the Rated Notes at the direction of either of (I) the Class M Subordinated Noteholders (acting by Ordinary Resolution) or (II) the Portfolio Manager. See Condition 7(b)(viii) (*Optional Redemption of Class M Subordinated Notes*).

The Trust Deed provides that the holders of the Class M Subordinated Notes will not have any cause of action against any of the Issuer, the Portfolio Manager, the Collateral Administrator, the Initial Purchaser or the Trustee for any failure to obtain a Refinancing. If a Refinancing is obtained meeting the requirements of the Trust Deed, the Issuer may amend the Trust Deed and the Trustee shall concur with such amendments to the Trust Deed to the extent the Issuer certifies to the Trustee that such amendments are necessary to reflect the terms of the Refinancing and no further consent for such amendments shall be required from the holders of the

Class M Subordinated Notes. No assurance can be given that any such amendments to the Trust Deed or the terms of any Refinancing will not adversely affect the holders of any Class or Classes of Notes not subject to redemption (or, in the case of the Class M Subordinated Notes, the holders of the Class M Subordinated Notes who do not direct such redemption).

It should be noted that a Refinancing will trigger the U.S. Risk Retention Rules and as such, the ability of the Issuer to issue additional Notes or the Issuer and the Noteholders' respective abilities to enter into a Refinancing may be impacted if the Portfolio Manager elects not to acquire a retention interest with respect to such Refinancing. See "– *U.S. Risk Retention Rules*" above.

In the event of an early redemption, the holders of the Notes will be repaid prior to the Maturity Date. Where the Notes are to be redeemed by liquidation, there can be no assurance that the Sale Proceeds realised and other available funds would permit any distribution on the Class M Subordinated Notes after all required payments are made to the holders of the Rated Notes. In addition, an Optional Redemption could require the Portfolio Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realised value of the Collateral Debt Obligations sold.

Where the Rated Notes are redeemable at the discretion of a transaction party or a particular Class of Noteholders (or in certain circumstances, with the consent of the Portfolio Manager), there is no obligation to consider the interests of any other party or Class of Noteholders when exercising such discretion. Furthermore, where one or more Classes of Rated Notes are redeemed through a Refinancing, Noteholders should be aware that any such redemption would occur outside of the Note Payment Sequence and the Priorities of Payment. In addition Noteholders of a Class of Rated Notes that are redeemed through a Refinancing should be aware that the Applicable Margin of any new notes will be equal to or lower than the Applicable Margin of such Rated Notes immediately prior to such Refinancing.

4.4 The Notes are Subject to Special Redemption at the Option of the Portfolio Manager

The Notes will be subject to redemption in part by the Issuer on any Payment Date during the Reinvestment Period if the Portfolio Manager in its sole discretion notifies the Trustee that it has been unable, for a period of at least 20 consecutive Business Days, to identify additional Collateral Debt Obligations that are deemed appropriate by the Portfolio Manager in its sole discretion and which would meet the Eligibility Criteria and where acquisition by the Issuer would be in compliance with, to the extent applicable, the Reinvestment Criteria, in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Principal Account to be invested in additional Collateral Debt Obligations. On the Special Redemption Date, the Special Redemption Amount will be applied in accordance with the Priorities of Payment. The application of funds in that manner could result in an elimination, deferral or reduction of amounts available to make payments with respect to the Class M Subordinated Notes. See Condition 7(d) (*Special Redemption*).

4.5 Mandatory Redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes

Certain mandatory redemption arrangements may result in an elimination, deferral or reduction in the interest payments or principal repayments made to the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class F Noteholders or the level of the returns to the Class M Subordinated Noteholders, including the breach of any of the Coverage Tests or an Effective Date Rating Event. See Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*) and Condition 7(e) (*Redemption upon Effective Date Rating Event*).

4.6 The Reinvestment Period may Terminate Early

The Reinvestment Period may terminate early if any of the following occur: (a) acceleration of the Notes following an Event of Default or (b) the Portfolio Manager notifies the Issuer that it can no longer reinvest in additional Collateral Debt Obligations in accordance with the Reinvestment Criteria. Early termination of the Reinvestment Period could adversely affect returns to the Class M Subordinated Noteholders and may also cause the holders of Rated Notes to receive principal payments earlier than anticipated.

4.7 The Portfolio Manager May Reinvest After the End of the Reinvestment Period

After the end of the Reinvestment Period, the Portfolio Manager may continue to reinvest Unscheduled Principal Proceeds received with respect to the Collateral Debt Obligations and the Sale Proceeds from the sale of Credit Impaired Obligations, and Credit Improved Obligations subject to certain conditions set forth in the

Portfolio Management Agreement. See "*Risk Factors – Relating to the Collateral – Reinvestment Risk/Uninvested Cash Balances*" and "*The Portfolio – Management of the Portfolio – Following the Expiry of the Reinvestment Period*" below. Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Impaired Obligations and Credit Improved Obligations will likely have the effect of extending the Weighted Average Life of the Collateral Debt Obligations and the average lives of the Notes.

4.8 Certain Actions May Prevent the Failure of Coverage Tests and an Event of Default

Investors should note that, pursuant to the Transaction Documents:

(a) at any time, subject to certain conditions set out in Condition 17 (*Additional Issuances*) (including, but not limited to, the approval of the Class M Subordinated Noteholders (acting by Ordinary Resolution) and the Portfolio Manager) the Issuer may issue additional Notes and use the proceeds thereof to acquire Collateral Debt Obligations or (in the case of a further issuance of Class M Subordinated Notes) apply such proceeds to purchase Collateral Enhancement Obligations for other Permitted Uses (see Condition 17 (*Additional Issuances*));

(b) the Portfolio Manager may, pursuant to the Priorities of Payment, apply funds (by deferring or designating for reinvestment in Collateral Debt Obligations all or a portion of the Portfolio Management Fees that would otherwise be able to payable to it); and/or

(c) a Noteholder may, in certain circumstances, provide the Issuer with cash by way of a Contribution to be applied toward specified Permitted Use (see Condition 2(k) (*Contributions*).

Any of the above actions could result in satisfaction of a Coverage Test that would otherwise be failing and therefore potentially prevent the occurrence of principal prepayments of the highest ranking Class of Notes. Likewise, any such action could prevent an Event of Default which would otherwise have occurred and therefore potentially result in the Notes continuing to be outstanding in circumstances where the Controlling Class may otherwise have had the right to direct the Trustee to accelerate the Notes. Consequentially, the average life of the Notes may be longer than it would otherwise be (see "*Risk Factors – Relating to the Notes – Average Life and Prepayment Considerations*").

4.9 Limited Recourse Obligations

The Notes are limited recourse obligations of the Issuer and are payable solely from amounts received in respect of the Collateral securing the Notes. Payments on the Notes both prior to and following enforcement of the security over the Collateral are subordinated to the prior payment of certain fees and expenses of, or payable by, the Issuer and to payment of principal and interest on prior ranking Classes of Notes. See Condition 4(c) (*Limited Recourse*). None of the Trustee, the Managing Directors, the Initial Purchaser, the Portfolio Manager, any Hedge Counterparty, any Agent or any other person or entity (other than the Issuer) has any obligation to any Noteholder of any Class for payment of any amount by the Issuer in respect of the Notes of any Class. Consequently, Noteholders must rely solely on distributions on the Collateral Debt Obligations and other Collateral securing the Notes for the payment of principal, discount, interest and premium, if any, thereon. There can be no assurance that the distributions on the Collateral Debt Obligations and other Collateral securing the Notes will be sufficient to make payments on any Class of Notes after making payments on more senior Classes of Notes and certain other required amounts to other creditors ranking senior to or *pari passu* with such Class pursuant to the Priorities of Payments. In such circumstances, the other assets (including the amounts standing to the credit of the Issuer Irish Account and the Issuer's rights under the Corporate Services Agreement) of the Issuer will not be available for payment of such shortfall which shall be borne by the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class M Subordinated Noteholders and the other Secured Parties in accordance with the Priorities of Payment (applied in reverse order).

The rights of the Secured Parties to receive any further amounts in respect of such obligations shall be extinguished and none of the Noteholders of each Class or the other Secured Parties may take any further action to recover such amounts.

At any time while the Notes are Outstanding, none of the Noteholders of any Class, the Trustee or the other Secured Parties (nor any other person acting on behalf of any of them) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or

similar law in connection with any obligations of the Issuer relating to the Notes of any Class, the Trust Deed or otherwise owed to the Secured Parties, save for lodging a claim in the liquidation of the Issuer which is initiated by another non-Affiliated party or taking proceedings to obtain a declaration as to the obligations of the Issuer nor shall any of them have a claim arising in respect of the share capital of the Issuer.

4.10 Failure of a Court to Enforce Non–Petition Obligations will Adversely Affect Noteholders

Each Noteholder will agree, and each beneficial owner of Notes will be deemed to agree, pursuant to the Trust Deed, that it will be subject to non–petition covenants. If such provision failed to be enforceable under applicable bankruptcy laws, and a winding-up (or similar) petition was presented in respect of the Issuer, then the presentation of such a petition could (subject to certain conditions) result in one or more payments on the Notes made during the period prior to such presentation being deemed to be preferential transfers subject to avoidance by the bankruptcy trustee or similar official exercising authority with respect to the Issuer's bankruptcy estate. It could also result in the bankruptcy court, trustee or receiver liquidating the assets of the Issuer without regard to any votes or directions required for such liquidation pursuant to the Trust Deed and could result in any payments under the Notes made during the period prior to such presentation being deemed to be a fraudulent or improper disposition of the Issuer's assets.

4.11 Subordination of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class M Subordinated Notes

The Class B Notes are fully subordinated to the Class A Notes, the Class C Notes are fully subordinated to the Class A Notes and the Class B Notes, the Class D Notes are fully subordinated to the Class A Notes, the Class B Notes and the Class C Notes, the Class E Notes are fully subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the Class F Notes are fully subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, and the Class M Subordinated Notes are fully subordinated to the Rated Notes.

The payment of principal and interest on any other Classes of Notes may not be made until all payments of principal and interest due and payable on any Classes of Notes ranking in priority thereto pursuant to the Priorities of Payment have been made in full. Payments on the Class M Subordinated Notes will be made by the Issuer to the extent of available funds and no payments thereon will be made until the payment of certain fees and expenses have been made and until interest on the Rated Notes has been paid and, subject always to the right of the Portfolio Manager on behalf of the Issuer to transfer amounts which would have been payable on the Class M Subordinated Notes to the Supplemental Reserve Account to be applied in the acquisition of Substitute Collateral Debt Obligations or in the acquisition or exercise of rights under Collateral Enhancement Obligations and the requirement to transfer amounts to the Principal Account if the Reinvestment Overcollateralisation Test is not met during the Reinvestment Period.

Non–payment of any Interest Amount due and payable in respect of the Class A Notes or the Class B Notes on any Payment Date will constitute an Event of Default (where such non–payment continues for a period of at least five Business Days or seven Business Days in the case of an administrative error or omission). In such circumstances, the Controlling Class, which in these circumstances will be the Class A Noteholders, acting by Ordinary Resolution, may request the Trustee to accelerate the Notes pursuant to Condition 10 (*Events of Default*).

In the event of any redemption in whole pursuant to the Conditions (other than pursuant to a Refinancing) or upon acceleration of the Notes and enforcement of the Security) the Collateral will, in each case, be liquidated. Liquidation of the Collateral at such time or remedies pursued by the Trustee upon enforcement of the security over the Collateral could be adverse to the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders or the Class M Subordinated Noteholders, as the case may be. To the extent that any losses are incurred by the Issuer in respect of any Collateral, such losses will be borne first by the Class M Subordinated Noteholders, then by the Class F Noteholders, then by the Class E Noteholders, then by the Class D Noteholders, then by the Class C Noteholders, then by the Class B Noteholders, and, finally by the Class A Noteholders. Remedies pursued on behalf of the Class A Noteholders could be adverse to the interests of the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class M Subordinated Noteholders. Remedies pursued on behalf of the Class B Noteholders could be adverse to the interests of the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class M Subordinated Noteholders. Remedies pursued on behalf of the Class C Noteholders could be adverse to the interests of the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the

Class M Subordinated Noteholders. Remedies pursued on behalf of the Class D Noteholders could be adverse to the interests of the Class E Noteholders, the Class F Noteholders and the Class M Subordinated Noteholders. Remedies pursued on behalf of the Class E Noteholders could be adverse to the interests of the Class F Noteholders and the Class M Subordinated Noteholders. Remedies pursued on behalf of the Class F Noteholders could be adverse to the interests of the Class M Subordinated Noteholders.

The Trust Deed provides that in the event of any conflict of interest among or between the Noteholders, the interests of the Controlling Class will prevail. If the holders of the Controlling Class do not have an interest in the outcome of the conflict, the Trustee shall give priority to the interests of the most senior Class of Notes Outstanding. In the event that the Trustee shall receive conflicting or inconsistent requests from two or more groups of holders of the Controlling Class (or another Class is given priority as described in this paragraph), the Trustee shall give priority to the group which holds the greater amount of Notes Outstanding of such Class. The Trust Deed provides further that the Trustee will act upon the directions of the holders of the Controlling Class (or other Class given priority as described in this paragraph) in such circumstances, and shall not be obliged to consider the interests of the holders of any other Class of Notes. See Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*).

4.12 Calculation of Rate of Interest

The Floating Rate Notes pay interest by reference to a Floating Rate of Interest linked to EURIBOR. If the relevant EURIBOR screen rate does not appear, or the relevant page is unavailable, and there is no replacement for it in Condition 6(e) (*Interest on the Rated Notes*) the Issuer will be required to select four Reference Banks to provide quotations, in order to determine any Floating Rate of Interest in respect of the Notes. Certain financial institutions that have historically acted as Reference Banks have indicated that they will not currently provide quotations and there can be no assurance that they will agree to do so in the future. No Reference Banks have been selected as at the date of this Offering Circular.

In the circumstances where the Floating Rate of Interest is to be determined by reference to quotations provided by the Reference Banks and the Issuer is unable to select Reference Banks to provide quotations in the manner described in Condition 6(e)(i)(B) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class* E Notes and Class F Notes), the relevant Floating Rate of Interest in respect of such Payment Date shall be determined, pursuant to Condition 6(e)(i)(C) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class* E Notes and Class F Notes), as the Floating Rate of Interest in effect as at the immediately preceding Accrual Period that was determined by reference to a EURIBOR screen rate or through quotations provided by four Reference Banks provided that, in respect of any Accrual Period during which a Frequency Switch Event occurs, the relevant Floating Rate of Interest shall be calculated using the offered rate for six month Euro deposits using the rate available as at the previous Interest Determination Date. To the extent interest amounts in respect of the Notes are determined by reference to a previously calculated rate, Noteholders may be adversely affected. In such circumstances, neither the Calculation Agent nor the Trustee shall have any obligation to determine the Floating Rate of Interest on any other basis.

Investors in the Class C-2 Notes and/or the Class D-2 Notes should be aware that, if it is determined that, during the Non-Call Period, EURIBOR in respect of such Classes would yield a rate less than zero, no EURIBOR floor will be applicable and the rate will be negative for the purposes of determining the floating rate of interest payable on the Class C-2 Notes and/or the Class D-2 Notes (as applicable) pursuant to Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class E Notes and Class F Notes*).

4.13 Amount and Timing of Payments

To the extent that interest payments on the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes are not made on a relevant Payment Date, such unpaid interest amounts will be deferred and the amount thereof added to the Principal Amount Outstanding of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as the case may be, and earn interest at the interest rate applicable to such Notes. Any failure to pay scheduled interest on the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, or to pay interest and principal on the Class M Subordinated Notes at any time, due to there being insufficient funds available to pay such interest in accordance with the applicable Priorities of Payment, will not be an Event of Default. Payments of interest and principal on the Class M Subordinated Notes will only be made to the extent that there are Interest Proceeds and Principal Proceeds available for such purpose in accordance

with the Priorities of Payment. No interest or principal may therefore be payable on the Class M Subordinated Notes for an unlimited period of time, to maturity or at all.

Investment in the Notes of any Class involves a degree of risk arising from fluctuations in the amount and timing of receipt of the principal and interest on the Collateral Debt Obligations by or on behalf of the Issuer and the amounts of the claims of creditors of the Issuer ranking in priority to the holders of each Class of the Notes. In particular, prospective purchasers of such Notes should be aware that the amount and timing of payment of the principal and interest on the Collateral Debt Obligations will depend upon the detailed terms of the documentation relating to each of the Collateral Debt Obligations and on whether or not any Obligor thereunder defaults in its obligations.

4.14 Reports Provided by the Collateral Administrator Will Not Be Audited

The Monthly Reports, Effective Date Report and Payment Date Reports made available to Noteholders will be compiled by the Collateral Administrator, on behalf of the Issuer, in consultation with and based on certain information provided to it by the Portfolio Manager. Information in the reports will not be audited nor will reports include a review or opinion by a public accounting firm.

4.15 Ratings of the Notes Not Assured and Limited in Scope

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by any Rating Agency at any time. Credit ratings represent a rating agency's opinion regarding the credit quality of an asset but are not a guarantee of such quality. There is no assurance that a rating accorded to any of the Notes will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by a Rating Agency if, in its judgement, circumstances in the future so warrant. If a rating initially assigned to any of the Notes is subsequently lowered for any reason, no person or entity is required to provide any additional support or credit enhancement with respect to any such Notes and the market value of such Notes is likely to be adversely affected.

Prospective investors in the Notes should be aware that as a result of the recent economic events, Rating Agencies have undertaken extensive reviews of their rating methodology and criteria used to rate notes issued as part of CLO transactions. This could impact on the ratings assigned to the Notes after the Issue Date and potentially result in the downgrade or withdrawal thereof following the Issue Date.

The Rating Agencies may change their published ratings criteria or methodologies for securities such as the Rated Notes at any time in the future. Further, the Rating Agencies may retroactively apply any new standards to the ratings of the Rated Notes. Any such action could result in a substantial lowering (or even withdrawal) of any rating assigned to any Rated Note, despite the fact that such Rated Note might still be performing fully to the specifications set forth for such Rated Note in this Offering Circular and the Transaction Documents. The rating assigned to any Rated Note may also be lowered following the occurrence of an event or circumstance despite the fact that the relevant Rating Agency previously provided confirmation that such occurrence would not result in the rating of such Rated Note being lowered. Additionally, any Rating Agency may, at any time and without any change in its published ratings criteria or methodology, lower or withdraw any rating assigned by it to any Class of Rated Notes. If any rating initially assigned to any Note is subsequently lowered or withdrawn for any reason, holders of the Notes may not be able to resell their Notes without a substantial discount. Any reduction or withdrawal to the ratings on any Class of Rated Notes may significantly reduce the liquidity of the Notes and may adversely affect the Issuer's ability to make certain changes to the composition of the Collateral.

As at the date of this Offering Circular, each of the Rating Agencies is established in the European Union and is registered under CRA3. As such, each Rating Agency is included in the list of credit rating agencies published by ESMA on its website in accordance with CRA3. ESMA may determine that one or both of the Rating Agencies no longer qualifies for registration under CRA3 and that determination may also have an adverse effect on the market prices and liquidity of the Rated Notes.

Rating Agencies may refuse to give rating agency confirmations

Historically, many actions by issuers of collateralised loan obligation vehicles (including but not limited to issuing additional securities and amending relevant agreements) have been conditioned on receipt of confirmation from the applicable rating agencies that such action would not cause the ratings on the applicable securities to be reduced or withdrawn. Recently, certain rating agencies have changed the manner and the circumstances under which they are willing to provide such confirmation and have indicated reluctance to

provide confirmation in the future, regardless of the requirements of the Trust Deed and the other Transaction Documents. If the Transaction Documents require that written confirmation from a Rating Agency be obtained before certain actions may be taken and an applicable Rating Agency is unwilling to provide the required confirmation, it may be impossible to effect such action, which could result in losses being realised by the Issuer and, indirectly, by holders of the Notes.

If a Rating Agency announces or informs the Trustee, the Portfolio Manager or the Issuer that confirmation from such Rating Agency is not required for a certain action or that its practice is to not give such confirmations for certain types of actions, the requirement for confirmation from such Rating Agency will not apply. Further, in connection with the Effective Date, if an Effective Date Rating Event shall have occurred, the applicable Rated Notes will be subject to redemption in part in an amount and in the manner described under Condition 7(e) (*Redemption upon Effective Date Rating Event*). There can be no assurance that a Rating Agency will provide such rating confirmations upon request, regardless of the terms agreed to among transaction participants, or not subsequently withdraw or downgrade its ratings on one or more Classes of Rated Notes, which could materially adversely affect the value or liquidity of the Notes.

Requirements imposed on Rating Agencies could result in withdrawal of ratings if certain actions are not taken by the Issuer

On 2 June 2010, certain amendments to Rule 17g–5 under the Exchange Act promulgated by the SEC became effective. Amended Rule 17g–5 requires each rating agency providing a rating of a structured finance product (such as this transaction) paid for by the "arranger" (defined as the issuer, the underwriter or the sponsor) to obtain an undertaking from the arranger to (a) create a password protected website, (b) post on that website all information provided to the rating agency in connection with the initial rating of any Class of Rated Notes and all information provided to the rating agency in connection with the surveillance of such rating, in each case, contemporaneous with the provision of such information to the applicable rating agency and (c) provide access to such website to other rating agencies that have made certain certifications to the arranger regarding their use of the information. In this transaction, the "arranger" is the Issuer.

Each Rating Agency must be able to reasonably rely on the Issuer's certifications. If the Issuer does not comply with its undertakings to any Rating Agency with respect to this transaction, such Rating Agency may withdraw its ratings of the Rated Notes. In such case, the withdrawal of ratings by any Rating Agency may adversely affect the price or transferability of the Rated Notes and may adversely affect any beneficial owner that relies on ratings of securities for regulatory or other compliance purposes.

Under Rule 17g–5, rating agencies providing the requisite certifications described above may issue unsolicited ratings of the Rated Notes which may be lower and, in some cases, significantly lower than the ratings provided by the Rating Agencies. The unsolicited ratings may be issued prior to, on or after the Issue Date and will not be reflected herein. Issuance of any unsolicited rating will not affect the issuance of the Notes. A rating agency that has reviewed the transaction may have a fundamentally different methodology or approach to or opinion of the structure or the nature or quality of all or some of the underlying Collateral Debt Obligations which may result in a view or rating which differs significantly from the ratings assigned by the Rating Agencies. Such unsolicited ratings could have a material adverse effect on the price and liquidity of the Rated Notes and, for regulated entities, could adversely affect the value of the Rated Notes as an investment or the capital treatment of the Rated Notes.

The SEC may determine that one or both of the Rating Agencies no longer qualifies as a nationally recognised statistical rating organisation for purposes of the federal securities laws and that determination may also have an adverse effect on the market prices and/or market value and liquidity of the Rated Notes.

Actions of any Rating Agency can adversely affect the market value or liquidity of the Notes

The SEC adopted Rule 15Ga-2 and Rule 17g-10 to the United States Securities Exchange Act of 1934, on 27 August 2014, which require certain filings or certifications to be made in connection with the performance of "due diligence services" for rated asset-backed securities on or after 15 June 2015. Under Rule 17g-10, a provider of third-party due diligence services must provide to each nationally recognised statistical rating organisation that is rating the applicable transaction, a written certification in a prescribed form (which obligation may be satisfied if the Issuer posts such certification in the required form to the Rule 17g-5 website referred to above, maintained in connection with the transaction). In connection with the Effective Date, the Portfolio Management Agreement requires an accountant's agreed upon procedures report to be delivered to the Issuer and the Portfolio Manager, and portions of this report may constitute "due diligence services" under Rule

17g-10. Although the Issuer has agreed to post any certification in the required form that it receives in respect of such portion of such report to the Rule 17g-5 website, it is unclear what, if any, other services provided or to be provided by third parties to the Issuer in connection with the transaction described in this Offering Circular, would constitute "due diligence services" under Rule 17g-10. Consequently, no assurance can be given as to whether any certification will be posted by the Issuer or delivered by any applicable third party service provider to the Rating Agencies in circumstances where such certification is deemed to have been required under the rules. If the Issuer or any third party that provides due diligence services to the Issuer does not comply with its obligations under Rule 17g-10, the Rating Agencies may withdraw (or fail to confirm) their ratings of the Rated Notes. In such case, the price or transferability of the Notes (and any beneficial owner of Rated Notes that relies on ratings of securities for regulatory or other compliance purposes) may be adversely affected.

4.16 Average Life and Prepayment Considerations

The Maturity Date of the Notes is the Payment Date falling on or about 25 October 2030 (subject to adjustment for non–Business Days). However, the principal of the Notes of each Class is expected to be repaid in full prior to the Maturity Date. Average life refers to the average amount of time that will elapse from the date of the issuance of a Note until each Euro of the principal of such Note will be paid to the investor. The average lives of the Notes will be determined by the amount and frequency of principal payments, which are dependent upon, among other things, the amount of payments received at or in advance of the scheduled maturity of the Collateral Debt Obligations (whether through sale, maturity, redemption, default or other liquidation or disposition). The actual average lives and actual maturities of the Notes will be affected by the financial condition of the Obligors of the underlying Collateral Debt Obligations and the characteristics of such assets, including the existence and frequency of exercise of any optional or mandatory redemption features, the prevailing level of interest rates, the redemption price, any prepayment fees, the actual default rate, the actual level of recoveries on any Defaulted Obligations and the timing of defaults and recoveries, and the frequency of tender or exchange offers for such Collateral Debt Obligations. Collateral Debt Obligations may be subject to optional prepayment or redemption by the Obligor. Any disposition of a Collateral Debt Obligation may change the composition and characteristics of the remaining Portfolio and the rate of payment thereon and, accordingly, may affect the actual average lives of the Notes. The rate of and timing of future defaults and the amount and timing of any cash realisation from Defaulted Obligations also will affect the maturity and average lives of the Notes.

4.17 *Projections, forecasts and estimates are forward looking statements and are inherently uncertain*

Estimates of the average lives of the Notes, together with any projections, forecasts and estimates provided to prospective purchasers of the Notes, are forward–looking statements. Projections are necessarily speculative in nature, and it should be expected that some or all of the assumptions underlying the projections will not materialise or will vary significantly from actual results. Some important factors that could cause actual results to differ materially from those in any forward–looking statements include changes in interest rates, exchange rates and default and recovery rates; market, financial or legal uncertainties; the timing of acquisitions of Collateral Debt Obligations; differences in the actual allocation of Collateral Debt Obligations among asset categories from those assumed; mismatches between the time of accrual and receipt of Interest Proceeds from the Collateral Debt Obligations. None of the Issuer, the Portfolio Manager, any Portfolio Manager Related Person, the Trustee, the Initial Purchaser, the Collateral Administrator or any other party to this transaction or any of their respective Affiliates has any obligation to update or otherwise revise any projections, forecasts or estimates, including any revisions to reflect changes in economic conditions or other circumstances arising after the date of this Offering Circular or to reflect the occurrence of unanticipated events.

4.18 Volatility of the Class M Subordinated Notes

The Class M Subordinated Notes represent a leveraged investment in the underlying Collateral Debt Obligations. Accordingly, it is expected that changes in the market value of the Class M Subordinated Notes will be greater than changes in the market value of the underlying Collateral Debt Obligations, which themselves are subject to credit, liquidity, interest rate and other risks. Utilisation of leverage is a speculative investment technique and involves certain risks to investors and will generally magnify the Class M Subordinated Noteholders' opportunities for gain and risk of loss. In certain scenarios, the Notes may not be paid in full, and the Class M Subordinated Notes and one or more Classes of Rated Notes may be subject to a partial or a complete loss of invested capital. The Class M Subordinated Notes represent the most junior securities in a leveraged capital structure. As a result, any deterioration in performance of the asset portfolio, including defaults and losses, a reduction of realised yield or other factors, will be borne first by holders of the Class M Subordinated Notes, and then by the holders of the Rated Notes in reverse order of seniority.

In addition, the failure to meet certain Coverage Tests will result in cash flow that may have been otherwise available for distribution to the Class M Subordinated Notes, to pay interest on one or more subordinate Classes of Rated Notes or for reinvestment in Collateral Debt Obligations being applied on the next Payment Date to make principal payments on the more senior Classes of Rated Notes until such Coverage Tests have been satisfied. This feature will likely reduce the return on the Class M Subordinated Notes and/or one or more subordinate Classes of Rated Notes and cause temporary or permanent suspension of distributions to the Class M Subordinated Notes and/or one or more subordinate Classes of Rated Notes. See "*Risk Factors – Relating to the Notes – Mandatory Redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes*" above.

Issuer expenses (including management fees) are generally based on a percentage of the total asset portfolio of the Issuer, including the assets obtained through the use of leverage. Given the leveraged capital structure of the Issuer, expenses attributable to the Class M Subordinated Notes will be higher because such expenses will be based on total assets of the Issuer.

4.19 Net Proceeds less than Aggregate Amount of the Notes

It is anticipated that the net proceeds received by the Issuer on the Issue Date from the issuance of the Notes will be less than the aggregate Principal Amount Outstanding of the Notes. Consequently, it is anticipated that on the Issue Date the Collateral would be insufficient to redeem the Notes in full upon the occurrence of an Event of Default on or about that date.

4.20 Security

Clearing Systems: Collateral Debt Obligations or other assets forming part of the Collateral which are in the form of securities (if any) will be held by the Custodian on behalf of the Issuer pursuant to the Agency Agreement. The Custodian will hold such assets which can be cleared through Euroclear in an account with Euroclear unless the Trustee otherwise consents and the Custodian will hold the other securities comprising the Portfolio which cannot be so cleared (a) through its accounts with Clearstream, Luxembourg and The Depository Trust Company ("**DTC**"), as appropriate, and (b) through its sub–custodians who will in turn hold such assets which are securities both directly and through any appropriate clearing system. Those assets held in clearing systems will not be held in special purpose accounts and will be fungible with other securities from the same issue held in the same accounts on behalf of the other customers of the Custodian or its sub custodian, as the case may be. A first fixed charge over the Portfolio will be created under English law pursuant to the Trust Deed on the Issue Date which will, in relation to the Collateral Debt Obligations that are held through the Custodian take effect as a security interest over (i) the beneficial interest of the Issuer in its share of the pool of securities fungible with the relevant Collateral Debt Obligations held in the accounts of the Custodian for the benefit of the Issuer and (ii) the Issuer's ancillary contractual rights against the Custodian in accordance with the terms of the Agency Agreement which may expose the Secured Parties to the risk of loss in the case of a shortfall of such securities in the event of insolvency of the Custodian or its sub–custodian.

In addition, custody and clearance risks may be associated with Collateral Debt Obligations or other assets comprising the Portfolio which are securities that do not clear through DTC, Euroclear or Clearstream, Luxembourg. There is a risk, for example, that such securities could be counterfeit, or subject to a defect in title or claims to ownership by other parties, including custody liens imposed by standard custody terms at various stages in the chain of intermediary ownership of such Collateral Debt Obligations.

Any risk of loss arising from any insufficiency or ineffectiveness of the security for the Notes or the custody and clearance risks which may be associated with assets comprising the Portfolio will be borne by the Noteholders without recourse to the Issuer, the Initial Purchaser, the Trustee, the Portfolio Manager, the Collateral Administrator, the Custodian, the Hedge Counterparties or any other party.

Fixed Security: Although the security constituted by the Trust Deed over the Collateral held from time to time, including the security over the Accounts, is expressed to take effect as a fixed charge, it may (as a result of, among other things, the substitutions of Collateral Debt Obligations or Eligible Investments contemplated by the Portfolio Management Agreement and the payments to be made from the Accounts in accordance with the Conditions and the Trust Deed) take effect as a floating charge which, in particular, would rank after a subsequently created fixed charge. However, the Issuer has covenanted in the Trust Deed not to create any such subsequent security interests (other than those permitted under the Trust Deed) without the consent of the Trustee.

4.21 Resolutions, Amendments and Waivers

The Conditions and the Trust Deed contain detailed provisions governing modification of the Conditions and the Transaction Documents and the convening of meetings and passing of Resolutions by the Noteholders. Certain key risks relating to these provisions are summarised below.

Decisions may be taken by Noteholders by way of Ordinary Resolution or Extraordinary Resolution, in each case, either acting together or, to the extent specified in any applicable Transaction Document, as a Class of Noteholders acting independently. Such Resolutions can be effected either at a duly convened meeting of the applicable Noteholders or by the applicable Noteholders resolving in writing. Meetings of the Noteholders may be convened by the Issuer, the Trustee or by one or more Noteholders holding not less than 10 per cent. of the aggregate Principal Amount Outstanding of the Notes of a particular Class, subject to certain conditions including minimum notice periods.

The Trustee may, in its discretion, determine that any proposed Ordinary Resolution or Extraordinary Resolution affects only the holders of one or more Classes of Notes, in which event the required quorum and minimum percentage voting requirements of such Ordinary Resolution or Extraordinary Resolution may be determined by reference only to the holders of that Class or Classes of Notes.

A PM Removal Resolution (relating to the removal of the Portfolio Manager) may only be made by the holders of the Class M Subordinated Notes or the Controlling Class, and so the required quorum and minimum percentage voting requirements of such PM Removal Resolution shall be determined by reference only to the holders of the Class M Subordinated Notes or, separately, the holders of the Controlling Class and not the holders of any other Class of Notes or, in any case, any holders of any Rule 144A Notes. Any Notes held (a) in the form of PM Non-Voting Notes and (b) in the form of PM Non-Voting Exchangeable Notes shall be disregarded and deemed not to be outstanding for the purposes of determining a quorum and the result of voting on any PM Removal Resolution or PM Replacement Resolution. Further, any Rated Notes held by the Portfolio Manager or any Portfolio Manager Related Person shall not vote with respect to, and shall not be counted for the purposes of determining a quorum and the result of voting on, any PM Removal Resolution or, any PM Replacement Resolution upon removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement.

Notes in the form of PM Voting Notes may form a small percentage of the Controlling Class and/or be held by a concentrated group of Noteholders. Investors should be aware that such PM Voting Notes will be entitled to vote to pass a PM Removal Resolution or a PM Replacement Resolution and the remaining percentage of the Controlling Class (in the form of PM Non-Voting Notes and/or PM Non-Voting Exchangeable Notes) will be bound by such Resolution.

The Controlling Class for the purposes of a PM Removal Resolution or a PM Replacement Resolution shall be determined in accordance with the Principal Amount Outstanding of the relevant Class of Notes.

Investors in the Class A-1 Notes should be aware that for so long as the Class A-1 Notes have not been redeemed and paid in full, if no Class A-1 Notes are held in the form of PM Voting Notes, the Class A-1 Notes will not be entitled to vote in respect of such PM Removal Resolution or PM Replacement Resolution and such right shall pass to a more junior Class of Notes in accordance with the definition of Controlling Class.

Similarly, investors in the other Classes of Notes should be aware that if there are no Notes in their Class that would be entitled to vote and be counted in respect of a PM Removal Resolution or a PM Replacement Resolution, such Class of Notes will not be entitled to vote in respect of such PM Removal Resolution or PM Replacement Resolution and such right shall pass to a more junior Class of Notes.

Any Notes held by or on behalf of the Portfolio Manager or any Portfolio Manager Related Person at any time shall not vote with respect to, and shall not be counted for the purposes of determining a quorum and the results of voting on any PM Removal Resolution or any PM Replacement Resolution upon the removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement, but shall carry a right to vote and be so counted on all other matters in respect of which any such Class of Notes have a right to vote and be counted.

The Portfolio Manager and any Portfolio Manager Related Persons will hold any Notes in the form of PM Voting Notes (and not PM Non-Voting Notes or PM Non-Voting Exchangeable Notes).

If a meeting of Noteholders is called to consider a Resolution, determination as to whether the requisite number of Notes has been voted in favour of such Resolution will be determined by reference to the percentage which the Notes voted in favour represent of the total amount of Notes voted in respect of such Resolution and not the aggregate Principal Amount Outstanding of all such Notes held or represented by any person or persons entitled to vote at such meeting. This means that a lower percentage of Noteholders may pass a Resolution which is put to a meeting of Noteholders than would be required for a Written Resolution in respect of the same matter. There are however quorum provisions which provide that a minimum number of Noteholders representing a minimum amount of the aggregate Principal Amount Outstanding of the applicable Class or Classes of Notes be present at any meeting to consider an Extraordinary Resolution or an Ordinary Resolution. In the case of an Extraordinary Resolution, this is one or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of each class of the Notes (or the relevant Class or Classes only, if applicable), and in the case of an Ordinary Resolution this is one or more persons holding or representing not less than 10 per cent. of the aggregate Principal Amount Outstanding of each class of the Notes (or the relevant Class or Classes only, if applicable). Some quorum provisions still, however, require considerably lower thresholds than would be required for a Written Resolution. In addition, if a quorum requirement is not satisfied at any meeting, lower quorum thresholds will apply at any meeting previously adjourned for want of quorum as set out in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and in the Trust Deed. Any such Resolution may be adverse to any Class of Noteholders or to any group of Noteholders or individual Noteholders within any Class.

Certain decisions, including the removal of the Portfolio Manager by the Class M Subordinated Noteholders and instructing the Trustee to sell the Collateral following the acceleration of the Notes, require authorisation by the Noteholders of a Class or Classes (acting by Extraordinary Resolution).

Certain amendments and modifications may be made without the consent of Noteholders, see Condition 14(c) (*Modification and Waiver*). Such amendment or modification could be adverse to certain Noteholders. Without limitation to the foregoing, potential investors should note that the Issuer may amend the Transaction Documents to modify or amend the components of the Portfolio Profile Tests, the Eligibility Criteria, the Reinvestment Overcollateralisation Test, the Reinvestment Criteria or the Collateral Quality Tests and the related definitions, provided that Rating Agency Confirmation has been obtained and (to the extent provided in Condition 14(c) (*Modification and Waiver*) the Controlling Class has consented by way of Ordinary Resolution.

Certain entrenched rights relating to the Terms and Conditions of the Notes including the currency thereof, Payment Dates applicable thereto, the Priorities of Payment, the provisions relating to quorums and the percentages of votes required for the passing of an Extraordinary Resolution cannot be amended or waived by Ordinary Resolution but require an Extraordinary Resolution. It should however be noted that amendments may still be effected and waivers may still be granted in respect of such provisions in circumstances where not all Noteholders agree with the terms thereof and any amendments or waivers once passed in accordance with the provisions of the Terms and Conditions of the Notes and the provisions of the Trust Deed will be binding on all such dissenting Noteholders.

Each Hedge Counterparty may also need to be notified and its prior consent required to the extent provided for in the applicable Hedge Agreement in respect of a modification, amendment or supplement to any provision of a Transaction Document. The Hedge Agreements may allow a certain period for the relevant Hedge Counterparty to consider and respond to such a consent request. During such period and pending a response from the relevant Hedge Counterparty, the Issuer may not be able to make such modification, amendment or supplement, and therefore implementation thereof may be delayed. Further, any such consent, if withheld in accordance with the terms of the applicable Hedge Agreement, may prevent the Transaction Documents from being modified, amended or supplemented in a manner which may be beneficial to Noteholders.

In addition to the Trustee's right to agree to changes to the Transaction Documents to correct a manifest error, or to changes which, in its opinion, are not materially prejudicial to the interests of the Noteholders of any Class without the consent of the Noteholders, modifications may also be made and waivers granted in respect of certain other matters, which the Trustee is obliged to consent to without the consent of the Noteholders (save where otherwise specified in Condition 14(c) (*Modification and Waiver*)).

4.22 Concentrated Ownership of One or More Classes of Notes

If at any time one or more investors that are affiliated hold a majority of any Class of Notes, it may be more difficult for other investors to take certain actions that require consent of any such Classes of Notes without their consent. For example, optional redemption and the removal of the Portfolio Manager for cause and appointment

of a successor portfolio manager are at the direction of holders of specified percentages of Class M Subordinated Notes and/or the Controlling Class (as applicable).

4.23 Enforcement Rights Following an Event of Default

If an Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by way of Ordinary Resolution (subject, in each case, to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer and the Portfolio Manager that all the Notes are immediately due and repayable, provided that, following the occurrence of an Event of Default described in Condition 10(a)(vi) (*Insolvency Proceedings*), the occurrence of such notice shall be deemed to have been given and all the Notes shall automatically become immediately due and payable.

At any time after the Notes become due and repayable and the security under the Trust Deed becomes enforceable, the Trustee may, at its discretion, and shall, if so directed by the Controlling Class acting by Ordinary Resolution (subject, in each case, to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), take Enforcement Action (as defined in the Conditions) in respect of the security over the Collateral provided that no such Enforcement Action may be taken by the Trustee unless: (A) the Trustee (or any appointee or agent on its behalf) determines that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes other than the Class M Subordinated Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes), and all amounts payable in priority to the Class M Subordinated Notes pursuant to the Priorities of Payment; or (B) if the Enforcement Threshold will not have been met then the holders of the Controlling Class by way of Ordinary Resolution directs the Trustee to take Enforcement Action (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction).

The requirements described above could result in the Controlling Class being unable to direct enforcement of the security over the Collateral in circumstances in which they desire such enforcement and may also result in enforcement of such security in circumstances where the proceeds of liquidation thereof would be insufficient to ensure payment in full of all amounts due and payable in respect of the Notes in accordance with the Priorities of Payment and/or at a time when enforcement thereof may be adverse to the interests to certain Classes of Notes and, in particular, the Class M Subordinated Notes.

4.24 Certain ERISA Considerations

Under a regulation of the U.S. Department of Labor, if certain employee benefit plans or other retirement arrangements subject to the U.S. Employee Retirement Income Security Act of 1974, as amended, ("**ERISA**") or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, (the "**Code**") or entities whose underlying assets are treated as assets of such plans or arrangements (collectively, "**Plans**") invest in the Class E Notes, the Class F Notes or the Class M Subordinated Notes, the assets of the Issuer could be considered to be assets of such Plans and certain of the transactions contemplated by the Issuer could be considered "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code. See the section of this Offering Circular entitled "*Risk Factors – Relating to the Notes – Certain ERISA Considerations*" below.

4.25 Forced Transfer

Each initial purchaser of an interest in a Rule 144A Note and each transferee of an interest in a Rule l44A Note will be deemed to represent at the time of purchase that, amongst other things, the purchaser is both a QIB and a QP. In addition each Noteholder will be deemed or in some cases required to make certain representations in respect of ERISA and FATCA.

The Trust Deed provides that if, notwithstanding the restrictions on transfer contained therein, the Issuer determines that any holder of an interest in a Rule 144A Note is a U.S. person as defined under Regulation S under the Securities Act (a "**U.S. Person**") and is not both a QIB and a QP at the time it acquires an interest in a Rule l44A Note (any such person, a "**Non–Permitted Holder**"), the Issuer shall, promptly after determination that such person is a Non–Permitted Holder by the Issuer, send notice to such Non–Permitted Holder demanding that such holder transfer its interest outside the United States to a non-U.S. Person or to a person that is not a Non–Permitted Holder within 30 days of the date of such notice. If such holder fails to effect the transfer required within such 30–day period (a) upon direction from the Issuer or the Portfolio Manager on its behalf, a Transfer Agent (without liability therefor), on behalf of and at the expense of the Issuer, shall appoint an investment bank or other entity to cause such beneficial interest to be transferred in a commercially reasonable

sale (conducted by such investment bank or other entity) to a person or entity that certifies to such Transfer Agent and the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB and a QP and (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

In addition, the Trust Deed provides that:

(i) if any Noteholder is determined by the Issuer to be a Non-Permitted ERISA Holder, such Non-Permitted ERISA Holder may be required by the Issuer to sell or otherwise transfer its Notes to an eligible purchaser within 10 days of receipt of notice from the Issuer to such Non-Permitted ERISA Holder requiring such sale or transfer, at a price to be agreed between the Issuer and such eligible purchaser at the time of sale, subject to the transfer restrictions set out in the Trust Deed. None of the Issuer, the Trustee and the Registrar shall be liable to any Noteholder having an interest in the Notes sold or otherwise transferred as a result of any such sale or transfer. The Issuer shall be entitled to deduct from the sale or transfer price an amount equal to all the expenses and costs incurred and any loss suffered by the Issuer as a result of such forced transfer. The Non-Permitted ERISA Holder will receive the balance, if any; and

(ii) if a holder (other than the Retention Holder in relation to the Retention Notes) fails to provide the Issuer or any of its agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer, or if the holder's ownership of any Notes would otherwise cause the Issuer to be subject to tax under FATCA, the Issuer is authorised to withhold amounts otherwise distributable to the holder, to compel the holder to sell its Notes, and, if the holder (other than the Retention Holder with respect to the Retention Notes) does not sell its Notes within 10 Business Days after notice from the Issuer, to sell the holder's Notes on behalf of the holder. See also "*Risk Factors – Taxation –FATCA*" above.

5. RELATING TO THE COLLATERAL

5.1 The Portfolio

The decision by any prospective holder of Notes to invest in such Notes should be based, among other things (including, without limitation, the identity of the Portfolio Manager), on the Eligibility Criteria (and Reinvestment Criteria, when applicable) which each Collateral Debt Obligation is required to satisfy, as disclosed in this Offering Circular, and on the Portfolio Profile Tests, Collateral Quality Tests, Coverage Tests and Target Par Amount that the Portfolio is required to satisfy as at the Effective Date (other than in respect of the Interest Coverage Tests, which are required to be satisfied on and after the Determination Date immediately preceding the second Payment Date) and in each case (save as described herein) thereafter. This Offering Circular does not contain any information regarding the individual Collateral Debt Obligations on which the Notes will be secured from time to time. Purchasers of any of the Notes will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments to be made by the Issuer and, accordingly, will be dependent upon the judgement and ability of the Portfolio Manager in acquiring investments for purchase on behalf of the Issuer over time. No assurance can be given that the Issuer will be successful in obtaining suitable investments or that, if such investments are made, the objectives of the Issuer will be achieved.

Neither the Issuer nor the Initial Purchaser have made any investigation into the Obligors of the Collateral Debt Obligations. The value of the Portfolio may fluctuate from time to time (as a result of substitution or otherwise) and none of the Issuer, the Trustee, the Initial Purchaser, the Custodian, the Portfolio Manager, any Portfolio Manager Related Person, the Collateral Administrator, any Hedge Counterparty or any of their Affiliates are under any obligation to maintain the value of the Collateral Debt Obligations at any particular level. None of the Issuer, the Trustee, the Custodian, the Portfolio Manager, any Portfolio Manager Related Person, the Collateral Administrator, any Hedge Counterparty, the Agents, the Initial Purchaser or any of their Affiliates has any liability to the Noteholders as to the amount or value of, or any decrease in the value of, the Collateral Debt Obligations from time to time.

Furthermore, pursuant to the Portfolio Management Agreement, the Portfolio Manager is required to carry out certain due diligence as it considers reasonably appropriate in accordance with the Standard of Care specified in the Portfolio Management Agreement, to ensure that the Collateral Debt Obligation satisfies the Eligibility Criteria and the transferability thereof. Noteholders are reliant on the Portfolio Manager conducting such due

diligence in a manner which ensures that the Collateral Debt Obligations are properly and effectively transferred and satisfy each of the Eligibility Criteria.

5.2 Nature of Collateral; Defaults

The Issuer will invest in a portfolio of Collateral Debt Obligations which will secure the Notes which will be predominantly Secured Senior Obligations (which include Secured Senior Loans and Secured Senior Bonds), Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations, Corporate Rescue Loans and High Yield Bonds, as well as certain other investments, all of which will have greater credit and liquidity risk than investment grade sovereign or corporate bonds or loans. The Collateral is subject to credit, liquidity and interest rate risks.

The lower rating of below investment grade collateral reflects a greater possibility that adverse changes in the financial condition of an issuer or borrower or in general economic conditions or both may impair the ability of the relevant borrower or issuer, as the case may be, to make payments of principal or interest. Such investments may be speculative. See "*The Portfolio*" section of this Offering Circular.

Due to the fact that the Class M Subordinated Notes represent a leveraged investment in the underlying Collateral Debt Obligations, it is anticipated that changes in the market value of the Class M Subordinated Notes will be greater than changes in the market value of the underlying Collateral Debt Obligations. An investment in the Notes of any Class involves a degree of risk arising from fluctuations in the amount and timing of receipt of the principal and interest on the Collateral Debt Obligations by or on behalf of the Issuer and the amounts of the claims of creditors of the Issuer ranking in priority to the holders of each Class of Notes. In particular, prospective purchasers of such Notes should be aware that the amount and timing of payment of the principal and interest on the Collateral Debt Obligations will depend upon the detailed terms of the documentation relating to each of the Collateral Debt Obligations and on whether or not any Obligor thereunder defaults in its obligations.

The subordination levels of each Class of Notes will be established to withstand certain assumed deficiencies in payment caused by defaults on the underlying Collateral Debt Obligations. See the "*Ratings of the Notes*" section of this Offering Circular. There is no assurance that actual losses will not exceed such assumed losses. If any losses exceed such assumed levels, payments on the relevant Class of Notes could be adversely affected by such defaults. Whether and by how much defaults on the Collateral Debt Obligations adversely affect each Class of Notes will be directly related to the level of subordination thereof pursuant to the Priorities of Payments. The risk that payments on the Notes could be adversely affected by defaults on the related Collateral Debt Obligations is likely to be increased to the extent that the Portfolio of Collateral Debt Obligations is concentrated in any one issuer, industry, region or country as a result of the increased potential for correlated defaults in respect of a single issuer or within a single industry, region or country as a result of downturns relating generally to such industry, region or country. Subject to any confidentiality obligations binding on the Issuer, Noteholders will receive information through the Reports from time to time of the identity of Collateral Debt Obligations which are Defaulted Obligations.

To the extent that a default occurs with respect to any Collateral Debt Obligation securing the Notes and the Issuer sells or otherwise disposes of such Collateral Debt Obligation, it is likely that the proceeds of such sale or disposition will be less than the unpaid principal and interest thereon. The financial markets periodically experience substantial fluctuations in prices for obligations of the types that may be Collateral Debt Obligations and limited liquidity for such obligations. No assurance can be made that the conditions giving rise to such price fluctuations and limited liquidity will not occur, subsist or become more acute following the Issue Date. During periods of limited liquidity and higher price volatility, the ability of the Portfolio Manager (on behalf of the Issuer) to acquire or dispose of Collateral Debt Obligations at a price and time that the Portfolio Manager deems advantageous may be impaired. As a result, in periods of rising market prices, the Issuer may be unable to participate in price increases fully to the extent that it is either unable to dispose of Collateral Debt Obligations whose prices have risen or to acquire Collateral Debt Obligations whose prices are on the increase; the Portfolio Manager's inability to dispose fully and promptly of positions in declining markets will conversely cause the value of the Portfolio to decline as the value of unsold positions is marked to lower prices. A decrease in the Market Value of the Collateral Debt Obligations would also adversely affect the proceeds of sale that could be obtained upon the sale of the Collateral Debt Obligations and could ultimately affect the ability of the Issuer to pay in full or redeem the Notes. Accordingly, no assurance can be given as to the amount of proceeds of any sale or disposition of such Collateral Debt Obligations at any time, or that the proceeds of any such sale or disposition would be sufficient to repay a corresponding par amount of principal of and interest on the Notes after, in each case, paying all amounts payable prior thereto pursuant to the Priorities of Payment. Moreover,

there can be no assurance as to the amount or timing of any recoveries received in respect of Defaulted Obligations.

The composition of the Portfolio may be influenced by discussions that the Portfolio Manager and/or, prior to the Issue Date, the Initial Purchaser may have with investors, and there is no assurance that (a) any investor would have agreed with any views regarding the initial proposed portfolio that are expressed by another investor in such discussions, (b) the composition of the Portfolio was not at the Issue Date, and will not be, influenced more heavily by the views of certain investors, particularly if that investor's participation in the transaction is necessary for the transaction to occur, in which case the Portfolio Manager or the Initial Purchaser would not receive the benefits of its role in the transaction, and in order to preserve the possibility of future business opportunities between the Portfolio Manager, the Initial Purchaser and such investors, (c) those views, and any modifications made to the Portfolio as a result of those discussions, will not adversely affect the performance of a holder's Notes, or (d) the views of any particular investors that are expressed in such discussions will influence the composition of the collateral pool. For the avoidance of doubt, the Portfolio Manager will have the ultimate sole authority to select, and sole responsibility for selecting, the Collateral Debt Obligations within the parameters of the Portfolio Management Agreement and in accordance with the Eligibility Criteria and subject to the overall discretion and control of the Issuer and is under no obligation to follow any preferences of the investors or the Initial Purchaser. The Initial Purchaser have not and will not determine the composition of the collateral pool.

5.3 Acquisition of Collateral Debt Obligations Prior to the Issue Date

On behalf of the Issuer, the Portfolio Manager has acquired, and will continue to enter into binding commitments to acquire, Collateral Debt Obligations prior to the Issue Date pursuant to a financing arrangement (the "**Warehouse Arrangements**"). The period of the Warehouse Arrangements did not exceed two years and the Issuer prepared to issue securities (i.e. the Notes) during this period. The Warehousing Arrangements were provided to the Issuer by the Initial Purchaser as senior lender and senior mezzanine lender, and a number of junior creditors (including an Affiliate of the Portfolio Manager) (the "**Warehouse Providers**"). Some of the Collateral Debt Obligations may have been acquired from the Warehouse Providers. The Warehouse Arrangements must be terminated in all respects on the Issue Date, and all amounts owing to the Warehouse Providers in connection with such arrangements must be repaid by the Issue Date from the proceeds of the issuance of the Notes.

The Issuer (or the Portfolio Manager on behalf of the Issuer) has purchased or entered into certain agreements to purchase a substantial portion of the Portfolio on or prior to the Issue Date and will use the proceeds of the issuance of the Notes to settle any outstanding trades on the Issue Date and to repay the Warehouse Providers in respect of the Warehouse Arrangements which were used to finance the purchase of such Collateral Debt Obligations prior to the Issue Date.

The acquisition of Collateral Debt Obligations under the Warehouse Arrangements is subject to the consent of the Initial Purchaser as a Warehouse Provider and one other Warehouse Provider. Although the Initial Purchaser was involved in the Warehouse Arrangements, its involvement in such arrangement, and its approval of the purchase of any the Collateral Debt Obligations pursuant to the Warehouse Arrangements (the "**Warehoused Assets**"), was solely in its capacity as a Warehouse Provider and should not be viewed as a determination by the Initial Purchaser as to whether a particular Warehoused Asset is an appropriate investment by the Issuer or whether such asset satisfies the portfolio criteria applicable to the Issuer. The Initial Purchaser's determination to approve the acquisition of the Warehoused Assets was not based on any credit analysis undertaken by, or available to, it in relation to such Warehoused Asset, and the Initial Purchaser will not, or is not required to, monitor the value of such Warehoused Asset or the creditworthiness of the Obligor of any such asset.

If the Initial Purchaser did not approve the acquisition by the Issuer of a Warehoused Asset, the Issuer will have been unable to acquire such asset prior to the Issue Date, which may result in the Issuer either not being able to purchase such asset or delaying such purchase and, thereby, potentially resulting in the Issuer paying a higher price for such asset. The exercise of such approval rights by the Initial Purchaser may, more generally, have resulted in a reduction in the assets available for the Issuer to purchase prior to the Issue Date.

The prices paid for such Collateral Debt Obligations will be the market value thereof on the date the Issuer entered into the commitment to purchase, which may be greater or less than the market value thereof on the Issue Date. Events occurring between the date of the Issuer first acquiring a Collateral Debt Obligation and on or prior to the Issue Date, including changes in prevailing interest rates, prepayments of principal, developments or trends in any particular industry, changes in the financial condition of the Obligors of Collateral Debt

Obligations, the timing of purchases prior to the Issue Date and a number of other factors beyond the Issuer's control, including the condition of certain financial markets, general economic conditions and international political events, could adversely affect the market value of the Collateral Debt Obligations acquired prior to the Issue Date.

In addition, any interest or other amounts paid or accrued on such Collateral Debt Obligations during the period prior to the Issue Date (other than any accrued but unpaid delayed compensation) will be paid to the Warehouse Providers (or as they direct) on the Issue Date. Investors in the Notes will be assuming the risk of market value and credit quality changes in the Collateral Debt Obligations from the date such Collateral Debt Obligations are acquired during the period prior to the Issue Date and may, if such amounts are paid into the Principal Account or the Interest Account on the Issue Date at the election of a Warehouse Provider in accordance with the Warehouse Arrangements, receive the benefit of interest earned on the Collateral Debt Obligations during such period, provided that any risk in relation to any Collateral Debt Obligations which are ineligible collateral as at the Issue Date or which do not satisfy the Eligibility Criteria as at the Issue Date shall be borne by the Warehouse Providers.

The existence of the Warehouse Arrangements may give the Warehouse Providers the incentive to close the transaction in non-optimal conditions.

For reasons not necessarily attributable to any of the risks set forth herein (for example, supply/demand imbalances or other market forces), the prices of the Collateral Debt Obligations in which the Issuer invests may decline substantially. In particular, purchasing assets at what may appear to be "undervalued" levels is no guarantee that these assets will not be trading at even lower levels at a time of valuation or at the time of sale. It may not be possible to predict, or to hedge against, such risk.

Finally, a portion of the assets acquired by the Issuer prior to the Closing Date will consist of assets acquired from collateralised loan obligation vehicles for which the Portfolio Manager and/or its affiliates act as portfolio manager. Please also see "*Risk Factors – Certain Conflicts of Interest – Certain Conflicts of Interest Involving the Portfolio Manager and its Affiliates*".

5.4 Considerations Relating to the Initial Investment Period

During the Initial Investment Period, the Portfolio Manager on behalf of the Issuer, will seek to acquire additional Collateral Debt Obligations in order to satisfy, as at the Effective Date, the Target Par Amount and each of the Coverage Tests (other than the Interest Coverage Tests, which are required to be satisfied on and after Determination Date immediately preceding the second Payment Date), the Collateral Quality Tests and the Portfolio Profile Tests. See "*The Portfolio*" section of this Offering Circular. The ability to satisfy such tests and requirement will depend on a number of factors beyond the control of the Issuer and the Portfolio Manager, including the availability of obligations that satisfy the Eligibility Criteria and other Portfolio related requirements in the primary and secondary loan markets, the condition of the financial markets, general economic conditions and international political events. Therefore, there can be no assurance that such tests and requirements will be met. In addition, the ability of the Issuer to enter into Currency Hedge Transactions upon the acquisition of Non–Euro Obligations will depend upon a number of factors outside the control of the Portfolio Manager, including its ability to identify a suitable Currency Hedge Counterparty with whom the Issuer may enter into Currency Hedge Transactions. See also "*Risk Factors – Regulatory Initiatives – European Market Infrastructure Regulation (EMIR)*" above. To the extent it is not possible to purchase such additional Collateral Debt Obligations, the level of income receivable by the Issuer on the Collateral, and therefore its ability to meet its interest payment obligations under the Notes, may be adversely affected. Such inability to invest may also shorten the weighted average lives of the Notes as it may lead to early redemption of the Notes. To the extent such additional Collateral Debt Obligations are not purchased, the level of income receivable by the Issuer on the Collateral and therefore its ability to meet its interest payment obligations under the Notes, together with the weighted average lives of the Notes, may be adversely affected. Any failure by the Portfolio Manager (on behalf of the Issuer) to acquire such additional Collateral Debt Obligations and/or enter into required Currency Hedge Transactions during such period could result in the non–confirmation or downgrade or withdrawal by any Rating Agency of its Initial Rating of any Class of Notes. Such non–confirmation, downgrade or withdrawal may result in the redemption of the Notes, shortening their weighted average life and reducing the leverage ratio of the Class M Subordinated Notes to the other Classes of Notes which could adversely affect the level of returns to the holders of the Class M Subordinated Notes. Any such redemption of the Notes may also adversely affect the risk profile of Classes of Notes in addition to the Class M Subordinated Notes to the extent that the amount of excess spread capable of being generated in the transaction reduces as the

result of redemption of the most senior ranking Classes of Notes in accordance with the Note Payment Sequence which bear a lower rate of interest than the remaining Classes of Rated Notes.

Investors should note that, prior to the second Determination Date, the Portfolio Manager may apply some or all amounts standing to the credit of the Reserve Account, via the Unused Proceeds Account to be applied for the purchase of additional Collateral Debt Obligations. Such application may affect the amounts which would otherwise have been payable to Noteholders and, in particular, may reduce amounts available for distribution to the Class M Subordinated Noteholders.

5.5 Underlying Portfolio

The Collateral on which the Notes and the claims of the other Secured Parties are secured will be subject to credit, liquidity, interest rate and exchange rate risks. The Portfolio of Collateral Debt Obligations which will secure the Notes will be predominantly comprised of Secured Senior Obligations, Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations, Corporate Rescue Loans and High Yield Bonds lent to or issued by a variety of Obligors with a principal place of business in a Non–Emerging Market Country and which are primarily rated below investment grade.

An investment in the Notes of any Class involves a degree of risk arising from fluctuations in the amount and timing of receipt of the principal and interest on the Collateral Debt Obligations by or on behalf of the Issuer and the amounts of the claims of creditors of the Issuer ranking in priority to the holders of each Class of the Notes. In particular, prospective purchasers of such Notes should be aware that the amount and timing of payment of the principal and interest on the Collateral Debt Obligations will depend upon the detailed terms of the documentation relating to each of the Collateral Debt Obligations and on whether or not any Obligor thereunder defaults in its obligations.

The subordination levels of each of the Classes of Notes will be established to withstand certain assumed deficiencies in payment caused by defaults on the related Collateral Debt Obligations. If, however, actual payment deficiencies exceed such assumed levels, payments on the Notes could be adversely affected. Whether and by how much defaults on the Collateral Debt Obligations adversely affect each Class of Notes will be directly related to the level of subordination thereof pursuant to the Priorities of Payment. The risk that payments on the Notes could be adversely affected by defaults on the related Collateral Debt Obligations is likely to be increased to the extent that the Portfolio of Collateral Debt Obligations is concentrated in any one issuer, industry, region or country as a result of the increased potential for correlated defaults in respect of a single issuer or within a single industry, region or country as a result of downturns relating generally to such industry, region or country. Subject to any confidentiality obligations binding on the Issuer, Noteholders will receive information through the Reports from time to time of the identity of Collateral Debt Obligations which are "Defaulted Obligations".

To the extent that a default occurs with respect to any Collateral Debt Obligation and the Issuer or Trustee sells or otherwise disposes of such Collateral Debt Obligation, the proceeds of such sale or disposition are likely to be less than the unpaid principal and interest thereon. Even in the absence of a default with respect to any of the Collateral Debt Obligations, the potential volatility and illiquidity of the sub–investment grade high yield bond, secured senior bond and leveraged loan markets means that the market value of such Collateral Debt Obligations at any time will vary, and may vary substantially, from the price at which such Collateral Debt Obligations were initially purchased and from the principal amount of such Collateral Debt Obligations. Accordingly, no assurance can be given as to the amount of proceeds of any sale or disposition of such Collateral Debt Obligations at any time, or that the proceeds of any such sale or disposition would be sufficient to repay a corresponding par amount of principal of and interest on the Notes after, in each case, paying all amounts payable prior thereto pursuant to the Priorities of Payment.

Characteristics of Senior Obligations and Mezzanine Obligations

The Portfolio Profile Tests provide that as of the Effective Date, at least 90 per cent. of the Aggregate Collateral Balance must consist of Secured Senior Obligations in aggregate and 65 per cent. of the Aggregate Collateral Balance must consist of Secured Senior Loans (which shall comprise for this purpose the aggregate of the Aggregate Principal Balance of the Secured Senior Obligations or Secured Senior Loans (as applicable) and, in each case, the balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date). Secured Senior Obligations, Mezzanine Obligations and Second Lien Loans are of a type generally incurred by the Obligors thereunder in connection with highly leveraged transactions, often (although not exclusively) to finance internal growth, pay dividends or other

distributions to the equity holders in the Obligor, or finance acquisitions, mergers, and/or stock purchases. As a result of the additional debt incurred by the borrower in the course of such a transaction, the Obligor's creditworthiness is typically judged by the rating agencies to be below investment grade. Senior Loans and Senior Bonds are typically at the most senior level of the capital structure with Second Lien Loans and Mezzanine Obligations being subordinated to any Senior Obligations or to any other senior debt of the Obligor. Secured Senior Obligations are often secured by specific collateral, including but not limited to, trademarks, patents, accounts receivable, inventory, equipment, buildings, real estate, franchises and common and preferred stock of the Obligor and its subsidiaries and any applicable associated liens relating thereto. In continental Europe, security is often limited to shares in certain group companies, accounts receivable, bank account balances and intellectual property rights. Mezzanine Obligations and Second Lien Loans may have the benefit of a second priority charge over such assets. Unsecured Senior Obligations do not have the benefit of such security. Senior Obligations usually have shorter terms than more junior obligations and often require mandatory prepayments from excess cash flows, asset dispositions and offerings of debt and/or equity securities.

Senior Bonds typically contain bondholder collective action clauses permitting specified majorities of bondholders to approve matters which, in a typical Senior Loan, would require unanimous lender consent. The Obligor under a Senior Bond may therefore be able to amend the terms of the bond, including terms as to the amount and timing of payments, with the consent of a specified majority of bondholders, either voting by written resolution or as a majority of those attending and voting at a meeting, and the Issuer is unlikely to have a blocking minority position in respect of any such resolution. The Issuer may further be restricted by the Portfolio Management Agreement from voting on certain matters, particularly extensions of maturity, which may be considered at a bondholder meeting. Consequently, material terms of a Senior Bond may be varied without the consent of the Issuer.

Mezzanine Obligations generally take the form of medium term loans repayable shortly (perhaps six months or one year) after the senior loans of the obligor thereunder are repaid. Because Mezzanine Obligations are only repayable after the senior debt (and interest payments may be blocked to protect the position of senior debt interest in certain circumstances), they will carry a higher rate of interest to reflect the greater risk of it not being repaid. Due to the greater risk associated with Mezzanine Obligations as a result of their subordination below senior loans of the Obligor, mezzanine lenders may be granted share options, warrants or higher cash paying instruments or payment in kind in the Obligor which can be exercised in certain circumstances, principally being immediately prior to the Obligor's shares being sold or floated in an initial public offering.

Some Collateral Debt Obligations may bear interest at a fixed rate, for example high yield bonds. Risks associated with fixed rate obligations are discussed at "*Risk Factors – Relating to the Collateral – Interest Rate Risk*" below.

The majority of Senior Obligations and Mezzanine Obligations bear interest based on a floating rate index, for example EURIBOR, a certificate of deposit rate, a prime or base rate (each as defined in the applicable loan agreement) or other index, which may reset daily (as most prime or base rate indices do) or offer the borrower a choice of one, two, three, six, nine or twelve month interest and rate reset periods. The purchaser of an interest in a Senior Obligation or Mezzanine Obligation may receive certain syndication or participation fees in connection with its purchase. Other fees payable in respect of a Senior Loan or Mezzanine Obligation, which are separate from interest payments on such loan, may include facility, commitment, amendment and prepayment fees.

Senior Obligations and Mezzanine Obligations also generally provide for restrictive covenants designed to limit the activities of the Obligors thereunder in an effort to protect the rights of lenders to receive timely payments of interest on, and repayment of, principal of the loans or bonds. Such covenants may include restrictions on dividend payments, specific mandatory minimum financial ratios, limits on total debt and other financial tests. A breach of covenant (after giving effect to any cure period) under a Senior Obligation or Mezzanine Obligation which is not waived by the lending syndicate or bondholders normally is an event of acceleration which allows the syndicate to demand immediate repayment in full of the outstanding loan or bonds. However, although any particular Senior Obligation or Mezzanine Obligation may share many similar features with other loans and obligations of its type, the actual term of any Senior Obligation or Mezzanine Obligation will have been a matter of negotiation and will be unique. Any such particular loan may contain non–standard terms and may provide less protection for creditors than may be expected generally, including in respect of covenants, events of default, security or guarantees.

Limited Liquidity, Prepayment and Default Risk in relation to Senior Obligations and Mezzanine Obligations

In order to induce banks and institutional investors to invest in a Senior Obligation or a Mezzanine Obligation, and to obtain a favourable rate of interest, an Obligor under such an obligation often provides the investors therein with extensive information about its business, which is not generally available to the public. Because of the provision of confidential information, the unique and customised nature of the loan agreement relating to such Senior Loan, Mezzanine Obligation or Second Lien Loan, and the private syndication of the Senior Obligations and Mezzanine Obligations are not as easily purchased or sold as a publicly traded security, and historically the trading volume in the loan market has been small relative to, for example, the high yield bond market. Historically, investors in or lenders under European Senior Obligations and Mezzanine Obligations have been predominantly commercial banks and investment banks. The range of investors for such loans has broadened significantly to include money managers, insurance companies, arbitrageurs, bankruptcy investors and mutual funds seeking increased potential total returns and portfolio managers of trusts or special purpose companies issuing collateralised bond and loan obligations. As secondary market trading volumes increase, new loans are frequently adopting more standardised documentation to facilitate loan trading which should improve market liquidity. There can be no assurance, however, that future levels of supply and demand in loan trading will provide the degree of liquidity which currently exists in the market. This means that such assets will be subject to greater disposal risk if such assets are sold following enforcement of the security over the Collateral or otherwise. The European market for Mezzanine Obligations is also generally less liquid than that for Senior Obligations, resulting in increased disposal risk for such obligations.

Senior Bonds are generally freely transferrable negotiable instruments (subject to standard selling and transfer restrictions to ensure compliance with applicable law, and subject to minimum denominations) and may be listed and admitted to trading on a regulated or an exchange regulated market; however there is currently no liquid market for them to any materially greater extent than there is for Senior Loans. Additionally, as a consequence of the disclosure and transparency requirements associated with such listing, the information supplied by the Obligors to its debtholders may typically be less than would be provided on a Senior Loan.

Mezzanine Obligations are likely to be subject to intercreditor arrangements that may include restrictions on the ability of the holders of the relevant Mezzanine Obligations from taking independent enforcement action.

Increased Risks for Mezzanine Obligations

The fact that Mezzanine Obligations are generally subordinated to any Senior Obligations and potentially other indebtedness of the relevant Obligor thereunder, may have a longer maturity than such other indebtedness and will generally only have a second ranking security interest over any security granted in respect thereof, increases the risk of non–payment thereunder of such Mezzanine Obligations in an enforcement situation.

Mezzanine Obligations may provide that all or part of the interest accruing thereon will not be paid on a current basis but will be deferred. Mezzanine Obligations also generally involve greater credit and liquidity risks than those associated with investment grade corporate obligations and Senior Obligations. They are often entered into in connection with leveraged acquisitions or recapitalisations in which the Obligors thereunder incur a substantially higher amount of indebtedness than the level at which they previously operated and, as referred to above, sit at a subordinated level in the capital structure of such companies.

5.6 Prepayment Risk

Loans are generally prepayable in whole or in part at any time at the option of the obligor thereof at par plus accrued and unpaid interest thereon. Senior Bonds may include obligor call or prepayment features, with or without a premium or makewhole. Prepayments on loans and bonds may be caused by a variety of factors, which are difficult to predict. Accordingly, there exists a risk that loans or bonds purchased at a price greater than par may experience a capital loss as a result of such a prepayment. In addition, Principal Proceeds received upon such a prepayment are subject to reinvestment risk. Any inability of the Issuer to reinvest payments or other proceeds in Collateral Debt Obligations with comparable interest rates in compliance with the Reinvestment Criteria may adversely affect the timing and amount of payments and distributions received by the Noteholders and the yield to maturity of the Notes. There can be no assurance that the Issuer will be able to reinvest proceeds in Collateral Debt Obligations with comparable interest rates in compliance with the Reinvestment Criteria or (if it is able to make such reinvestments) as to the length of any delays before such investments are made.

5.7 Defaults and Recoveries

There is limited historical data available as to the levels of defaults and/or recoveries that may be experienced on Senior Obligations and Mezzanine Obligations and no assurance can be given as to the levels of default and/or recoveries that may apply to any Senior Obligations and Mezzanine Obligations purchased by the Issuer. As referred to above, although any particular Senior Obligations and Mezzanine Obligations often will share many similar features with other loans and obligations of its type, the actual terms of any particular Senior Obligations and Mezzanine Obligations will have been a matter of negotiation and will thus be unique. The types of protection afforded to creditors will therefore vary from investment to investment. Recoveries on Senior Obligations and Mezzanine Obligations may also be affected by the different bankruptcy regimes applicable in different jurisdictions, the availability of comprehensive security packages in different jurisdictions and the enforceability of claims against the Obligors thereunder.

The effect of an economic downturn on default rates and the ability of finance providers to protect their investment in a default situation are uncertain. Furthermore, the holders of Senior Obligations and Mezzanine Obligations are more diverse than ever before, including not only banks and specialist finance providers but also alternative investment managers, specialist debt and distressed debt investors and other financial institutions. The increasing diversification of the investor base has also been accompanied by an increase in the use of hedges, swaps and other derivative instruments to protect against or spread the economic risk of defaults. All of these developments may further increase the risk that historic recovery levels will not be realised. The returns on Senior Obligations and/or Mezzanine Obligations therefore may not adequately reflect the risk of future defaults and the ultimate recovery rates.

A non–investment grade loan or debt obligation or an interest in a non–investment grade loan is generally considered speculative in nature and may become a Defaulted Obligation for a variety of reasons. Upon any Collateral Debt Obligation becoming a Defaulted Obligation, such Defaulted Obligation may become subject to either substantial work–out negotiations or restructuring, which may entail, among other things, a substantial change in the interest rate, a substantial write–down of principal, a conversion of some or all of the principal debt into equity or an extension of its maturity, and a substantial change in the terms, conditions and covenants with respect to such Defaulted Obligation. Junior creditors may find that a restructuring leads to the total eradication of their debt whilst the borrower continues to service more senior tranches of debt on improved terms for the senior lenders. In addition, such negotiations or restructuring may be quite extensive and protracted over time, and therefore may result in uncertainty with respect to the ultimate recovery on such Defaulted Obligation. Forum shopping for a favourable legal regime for a restructuring is not uncommon, English law schemes of arrangement having become a popular tool for European incorporated companies, even for borrowers with little connection to the UK. In some European jurisdictions, obligors or lenders may seek a "scheme of arrangement". In such instance, a lender may be forced by a court to accept restructuring terms. The liquidity for Defaulted Obligations may be limited, and to the extent that Defaulted Obligations are sold, it is highly unlikely that the proceeds from such sale will be equal to the amount of unpaid principal and interest thereon. Furthermore, there can be no assurance that the ultimate recovery on any Defaulted Obligation will be at least equal either to the minimum recovery rate assumed by the Rating Agencies in rating the Notes or any recovery rate used in the analysis of the Notes by investors in determining whether to purchase the Notes.

Recoveries on Senior Obligations and Mezzanine Obligations will also be affected by the different bankruptcy regimes applicable in different European jurisdictions and the enforceability of claims against the Obligors thereunder. See "*Risk Factors – Relating to the Collateral – Insolvency Considerations relating to Collateral Debt Obligations*" below.

Characteristics of Unsecured Senior Obligations

The Collateral Debt Obligations may include Unsecured Senior Obligations. Such Collateral Debt Obligations generally have greater credit, insolvency and liquidity risk than is typically associated with secured obligations (such as Secured Senior Obligations). Unsecured Senior Obligations will generally have lower rates of recovery than secured obligations (such as Secured Senior Obligations) following a default. Also, if the insolvency of an Obligor of any Unsecured Senior Obligations occurs, the holders of such obligation will be considered general, unsecured creditors of the Obligor and will have fewer rights than secured creditors of the Obligor.

Investing in Cov-Lite Loans involves certain risks

The Issuer or the Portfolio Manager (acting on behalf of the Issuer) may purchase Collateral Debt Obligations which are Cov-Lite Loans. Cov-Lite Loans typically do not have Maintenance Covenants. Ownership of Cov-

Lite Loans may expose the Issuer to different risks, including with respect to liquidity, price volatility and ability to restructure loans, than is the case with loans that have Maintenance Covenants. In addition, the lack of Maintenance Covenants may make it more difficult for lenders to trigger a default in respect of such obligations. This may make it more likely that any default arising under a Cov-Lite Loans will arise at a time when the relevant Obligor is in a greater degree of financial stress. Such a delay may make a successful restructuring more difficult to achieve and/or result in a greater reduction in the value of the Cov-Lite Loans as a consequence of any restructuring effected in such circumstances.

Characteristics of High Yield Bonds

High Yield Bonds are generally unsecured, may be subordinated to other obligations of the applicable obligor and generally involve greater credit and liquidity risks than those associated with investment grade corporate obligations. They are often issued in connection with leveraged acquisitions or recapitalisations in which the obligors thereunder incur a substantially higher amount of indebtedness than the level at which they previously operated.

High Yield Bonds have historically experienced greater default rates than investment grade securities. Although several studies have been made of historical default rates in the U.S. high yield market, such studies do not necessarily provide a basis for drawing definitive conclusions with respect to default rates and, in any event, do not necessarily provide a basis for predicting future default rates in either the European or the U.S. high yield markets which may exceed the hypothetical default rates assumed by investors in determining whether to purchase the Notes or by the Rating Agencies in rating the Notes.

The lower rating of securities in the high yield sector reflects a greater possibility that adverse changes in the financial condition of an issuer thereof, or in general economic conditions (including a sustained period of rising interest rates or an economic downturn), or both, may affect the ability of such issuer to make payments of principal and interest on its debt. Many issuers of High Yield Bonds are highly leveraged, and specific developments affecting such issuers, including reduced cash flow from operations or inability to refinance debt at maturity, may also adversely affect such issuers' ability to meet their debt service obligations. There can be no assurance as to the levels of defaults and/or recoveries that may be experienced on the High Yield Bonds in the Portfolio.

European High Yield Bonds are generally subordinated structurally, as opposed to contractually, to senior secured debtholders. Structural subordination is when a high yield security investor lends to a holding company whose primary asset is ownership of a cash generating operating company or companies. The debt investment of the high yield investor is serviced by passing the revenues and tangible assets from the operating companies upstream through the holding company (which typically has no revenue generating capacity of its own) to the security holders. In the absence of upstream guarantees from operating or asset owning companies in the group, such a process leaves the High Yield Bond investors deeply subordinated to secured and unsecured creditors of the operating companies and means that investors therein will not necessarily have access to the same security package as the senior lenders (even on a second priority charge basis) or be able to participate directly in insolvency proceedings or pre–insolvency discussions relating to the operating companies within the group. This facet of the European high yield market differs from the U.S. high yield market, where structural subordination is markedly less prevalent.

In the case of High Yield Bonds issued by issuers with their principal place of business in Europe, structural subordination of High Yield Bonds, coupled with the relatively shallow depth of the European high yield market, leads European high yield defaults to realise lower average recoveries than their U.S. counterparts. Another factor affecting recovery rates for European high yield bonds is the bankruptcy regimes applicable in different European jurisdictions and the enforceability of claims against the high yield bond issuer. See "*Risk Factors –Relating to the Collateral— Insolvency Considerations relating to Collateral Debt Obligations*" below. It must be noted, however, that the overall probability of default (based on credit rating) remains similar for both U.S. and European credits; it is the severity of the effect of any default that differs between the two markets as a result of the aforementioned factors.

In addition to the characteristics described above, high yield securities frequently have call or redemption features that permit the issuer to redeem such obligations prior to their final maturity date. If such a call or redemption were exercised by an issuer during a period of declining interest rates, the Portfolio Manager, acting on behalf of the Issuer, may only be able to replace such called obligation with a lower yielding obligation, thus decreasing the net investment income from the Portfolio.

Investing in Second Lien Loans involves certain risks

The Collateral Debt Obligations may include Second Lien Loans, each of which will be secured by collateral, but which is subordinated (with respect to liquidation preferences with respect to pledged collateral) to other secured obligations of the Obligors secured by all or a portion of the collateral securing such secured loan. Second Lien Loans are typically subject to intercreditor arrangements, the provisions of which may prohibit or restrict the ability of the holder of a Second Lien Loan to (a) exercise remedies against the collateral with respect to their second liens; (b) challenge any exercise of remedies against the collateral by the first lien lenders with respect to their first liens; (c) challenge the enforceability or priority of the first liens on the collateral; and (d) exercise certain other secured creditor rights, both before and during a bankruptcy of the borrower. In addition, during a bankruptcy of the Obligor, the holder of a Second Lien Loan may be required to give advance consent to (i) any use of cash collateral approved by the first lien creditors; (ii) sales of collateral approved by the first lien lenders and the bankruptcy court, so long as the second liens continue to attach to the sale proceeds; and (iii) "debtor–in–possession" financings.

Liens arising by operation of law may take priority over the Issuer's liens on an Obligor's underlying collateral and impair the Issuer's recovery on a Collateral Debt Obligation if a default or foreclosure on that Collateral Debt Obligation occurs.

Liens on the collateral (if any) securing a Collateral Debt Obligation may arise at law that have priority over the Issuer's interest. An example of a lien arising under law is a tax or other government lien on property of an Obligor. A tax lien may have priority over the Issuer's lien on such collateral. To the extent a lien having priority over the Issuer's lien exists with respect to the collateral related to any Collateral Debt Obligation, the Issuer's interest in the asset will be subordinate to such lien. If the creditor holding such lien exercises its remedies, it is possible that, after such creditor is repaid, sufficient cash proceeds from the underlying collateral will not be available to pay the outstanding principal amount of such Collateral Debt Obligation.

5.8 Limited Control of Administration and Amendment of Collateral Debt Obligations

As a holder of an interest in a syndicated loan, the Issuer will have limited consent and control rights and such rights may not be effective in view of the expected proportion of such obligations held by the Issuer. The Portfolio Manager will exercise or enforce, or refrain from exercising or enforcing, any or all of the Issuer's rights in connection with the Collateral Debt Obligations or any related documents or will refuse amendments or waivers of the terms of any underlying asset and related documents in accordance with its portfolio management practices and the standard of care specified in the Portfolio Management Agreement. The Noteholders will not have any right to compel the Portfolio Manager to take or refrain from taking any actions other than in accordance with its portfolio management practices and the standard of care specified in the Portfolio Management Agreement.

The Portfolio Manager may, in accordance with its portfolio management practices and subject to the Trust Deed and the Portfolio Management Agreement, agree on behalf of the Issuer to extend or defer the maturity, or adjust the outstanding balance of any underlying asset, or otherwise amend, modify or waive the terms of any related loan agreement, including the payment terms thereunder. Any amendment, waiver or modification of an underlying asset could postpone the expected maturity of the Notes and/or reduce the likelihood of timely and complete payment of interest on or principal of the Notes.

5.9 Participations, Novations and Assignments

The Portfolio Manager, acting on behalf of the Issuer may acquire interests in Collateral Debt Obligations which are loans either directly (by way of novation or assignment) or indirectly (by way of sub participation). Each institution from which such an interest is taken by way of participation or acquired by way of assignment is referred to herein as a "**Selling Institution**". Interests in loans acquired directly by way of novation or assignment are referred to herein as "**Assignments**". Interests in loans taken indirectly by way of sub participation are referred to herein as "**Participations**".

The purchaser of an Assignment typically succeeds to all the rights of the assigning Selling Institution and becomes entitled to the benefit of the loans and the other rights of the lender under the loan agreement. The Issuer, as an assignee, will generally have the right to receive directly from the borrower all payments of principal and interest to which it is entitled, provided that notice of such Assignment has been given to the borrower. As a purchaser of an Assignment, the Issuer typically will have the same voting rights as other lenders under the applicable loan agreement and will have the right to vote to waive enforcement of breaches of

covenants. The Issuer will generally also have the same rights as other lenders to enforce compliance by the borrower with the terms of the loan agreement, to set off claims against the borrower and to have recourse to collateral supporting the loan. As a result, the Issuer will generally not bear the credit risk of the Selling Institution and the insolvency of the Selling Institution should have no effect on the ability of the Issuer to continue to receive payment of principal or interest from the borrower once the novation or assignment is complete. The Issuer will, however, assume the credit risk of the borrower. The purchaser of an Assignment also typically succeeds to and becomes entitled to the benefit of any other rights of the Selling Institution in respect of the loan agreement including the right to the benefit of any security granted in respect of the loan interest transferred. The loan agreement usually contains mechanisms for the transfer of the benefit of the loan and the security relating thereto. The efficacy of these mechanisms is rarely tested, if ever, and there is debate amongst counsel in continental jurisdictions over their effectiveness. With regard to some of the loan agreements, security will have been granted over assets in different jurisdictions. Some of the jurisdictions will require registrations, filings and/or other formalities to be carried out not only in relation to the transfer of the loan but, depending on the mechanism for transfer, also with respect to the transfer of the benefit of the security.

Participations by the Issuer in a Selling Institution's portion of the loan typically results in a contractual relationship only with such Selling Institution and not with the borrower under such loan. The Issuer would, in such case, only be entitled to receive payments of principal and interest to the extent that the Selling Institution has received such payments from the borrower. In purchasing Participations, the Issuer generally will have no right to enforce compliance by the borrower with the terms of the applicable loan agreement and the Issuer may not directly benefit from the collateral supporting the loan in respect of which it has purchased a Participation. As a result, the Issuer will assume the credit risk of both the borrower and the Selling Institution selling the Participation. In the event of the insolvency of the Selling Institution selling a Participation, the Issuer may be treated as a general creditor of the Selling Institution and may not benefit from any set off between the Selling Institution and the borrower and the Issuer may suffer a loss to the extent that the borrower sets off claims against the Selling Institution. The Issuer may purchase a Participation from a Selling Institution that does not itself retain any economic interest of the loan, and therefore, may have limited interest in monitoring the terms of the loan agreement and the continuing creditworthiness of the borrower. When the Issuer holds a Participation in a loan it generally will not have the right to participate directly in any vote to waive enforcement of any covenants breached by a borrower. A Selling Institution voting in connection with a potential waiver of a restrictive covenant may have interests which are different from those of the Issuer and such Selling Institutions may not be required to consider the interest of the Issuer in connection with the exercise of its votes. Participations expose the Issuer to the credit risk of the relevant Selling Institution - see further "*Risk Factors – Relating to the Collateral – Counterparty Risk*" below.

Transactions with counterparties that are relevant institutions for the purposes of the BRRD may be subject to the exercise of the "bail-in" powers attributed to Resolution Authorities under the BRRD or similar resolution mechanisms provided for in the SRM Regulation. See "*Risk Factors – Regulatory Initiatives – EU Bank Recovery and Resolution Directive*" above.

Additional risks are therefore associated with the purchase of Participations by the Issuer as opposed to Assignments. The Portfolio Profile Tests including the Bivariate Risk Table impose limits on the amount of Collateral Debt Obligations that may comprise Participations as a proportion of the Aggregate Collateral Balance.

Some Collateral Debt Obligations may be settled pursuant to a participation deed which may be entered into between the Portfolio Manager or its Affiliate and the Issuer (the "**CSAM Secured Participation Deed**") at any time prior to the Effective Date. It is anticipated that such CSAM Secured Participation Deed would require that the Issuer and Portfolio Manager or its Affiliate use commercially reasonable efforts to elevate the applicable Participation by transferring to the Issuer the legal and beneficial interest in such Collateral Debt Obligation as soon as reasonably practicable. However, certain circumstances may occur that could cause a delay in the elevation of any such Participation. For example, the related administrative agent may place the credit on hold and refuse to acknowledge assignment for a period of time, or the applicable Obligor, administrative agent or letter of credit provider may withhold a required consent. As a result, the Issuer will be subject to the same risks associated with Participations as described above. In order to mitigate this risk, the Portfolio Manager or its Affiliate shall grant to the Issuer security over the relevant Collateral Debt Obligation pending such transfer of legal and beneficial interest. The Portfolio Profile Tests limiting the proportion of the Portfolio constituting Participations to not more than 10 per cent. of the Aggregate Collateral Balance and the constraints provided in the Bivariate Risk Table shall not apply to the Participations under any CSAM Secured Participation Deed.

5.10 Voting Restrictions on Syndicated Loans for Minority Holders

The Issuer will generally purchase each underlying asset in the form of an assignment of, or participation interest in, a note or other obligation issued under a loan facility to which more than one lender is a party. These loan facilities are administered for the lenders by a lender or other agent acting as the lead administrator. The terms and conditions of these loan facilities may be amended, modified or waived only by the agreement of the lenders. Generally, any such agreement requires the consent of a majority or a super–majority (measured by outstanding loans or commitments) or, in certain circumstances, a unanimous vote of the lenders, and the Issuer may have a minority interest in such loan facilities. Consequently, the terms and conditions of an underlying asset issued or sold in connection with a loan facility could be modified, amended or waived in a manner contrary to the preferences of the Issuer if the amendment, modification or waiver of such term or condition does not require the unanimous vote of the lenders and a sufficient number of the other lenders concur with such modification, amendment or waiver. There can be no assurance that any Collateral Debt Obligations issued or sold in connection with any loan facility will maintain the terms and conditions to which the Issuer or a predecessor in interest to the Issuer originally agreed.

5.11 Corporate Rescue Loans

Corporate Rescue Loans are made to companies that have experienced, or are experiencing, significant financial or business difficulties such that they have become subject to bankruptcy or other reorganisation and liquidation proceedings and thus involves additional risks. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that the Issuer (or the Portfolio Manager acting on the Issuer's behalf) will correctly evaluate the value of the assets securing the Corporate Rescue Loan or the prospects for a successful reorganisation or similar action and accordingly the Issuer could suffer significant losses on its investments in such Corporate Rescue Loan. In any reorganisation or liquidation case relating to a company in which the Issuer invests, the Issuer may lose its entire investment, may be required to accept cash or securities with a value less than the Issuer's original investment and/or may be required to accept payment over an extended period of time.

Distressed company and other asset–based investments require active monitoring and may, at times, require participation by the Issuer in business strategy or bankruptcy proceedings. To the extent that the Issuer becomes involved in such proceedings, the Issuer's more active participation in the affairs of the bankruptcy debtor could result in the imposition of restrictions limiting the Issuer's ability to liquidate its position in the debtor.

Although a Corporate Rescue Loan is secured, where the Obligor is subject to U.S. bankruptcy law, it has a priority permitted by Section 364(c) or Section 364(d) under the United States Bankruptcy Code and at the time that it is acquired by the Issuer is required to be current with respect to scheduled payments of interest and principal (if any). This will not typically be the case for Obligors who are not subject to U.S. bankruptcy proceedings.

5.12 Bridge Loans

The Portfolio Profile Tests provide that not more than 5 per cent. of the Aggregate Collateral Balance may be comprised of Bridge Loans. Bridge Loans are generally a temporary financing instrument and as such the interest rate may increase after a short period of time in order to encourage an Obligor to refinance the Bridge Loan with more long-term financing. If an Obligor is unable to refinance a Bridge Loan, the interest rate may be subject to an increase and as such Bridge Loans may have greater credit and liquidity risk than other types of loans.

5.13 Collateral Enhancement Obligations

All funds required in respect of the purchase price of any Collateral Enhancement Obligations and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of Additional Subordinated Notes Proceeds, Contributions and the Balance standing to the credit of the Supplemental Reserve Account at the relevant time. Such Balance shall be comprised of all sums deposited therein from time to time which will comprise interest payable in respect of the Class M Subordinated Notes which the Portfolio Manager, acting on behalf of the Issuer, determines shall be paid into the Supplemental Reserve Account pursuant to the Priorities of Payment rather than being paid to the Class M Subordinated Noteholders.

The Portfolio Manager is under no obligation whatsoever to exercise its discretion (acting on behalf of the Issuer) to take any of the actions described above and there can be no assurance that the Balance standing to the

credit of the Supplemental Reserve Account will be sufficient to fund the exercise of any right or option under any Collateral Enhancement Obligation at any time. The ability of the Portfolio Manager (acting on behalf of the Issuer) to exercise any rights or options under any Collateral Enhancement Obligation will be dependent upon there being sufficient amounts standing to the credit of the Supplemental Reserve Account to pay the costs of any such exercise. Failure to exercise any such right or option may result in a reduction of the returns to the Class M Subordinated Noteholders (and, potentially, Noteholders of other Classes).

Collateral Enhancement Obligations and any income or return generated thereby are not taken into account for the purposes of determining satisfaction of, or required to satisfy, any of the Coverage Tests, the Portfolio Profile Tests, the Collateral Quality Tests or the Reinvestment Overcollateralisation Test.

5.14 Counterparty Risk

Assignments, Participations and Hedge Transactions involve the Issuer entering into contracts with counterparties. Pursuant to such contracts, the counterparties agree to make payments to the Issuer under certain circumstances as described therein. The Issuer will be exposed to the credit risk of the counterparty with respect of any such payments.

Such credit risk exposes the Issuer not just to insolvency risk but also potentially the risk of the effect of a special resolution regime where the counterparty is a regulated entity within the scope of such regime. A special resolution regime may consist of stabilisation options exercisable by the relevant competent supervisory authorities, including bail-in, and special insolvency procedures. In general terms, the purpose of the stabilisation options is to address the situation where all or part of a business of a relevant entity has encountered, or is likely to encounter, financial difficulties, giving rise to wider public interest concerns. Bail-in means that certain claims of creditors of the entity are reduced, written down to zero and/or converted to equity. The exact scope of the stabilisation options depends on particular special resolution regime that is applicable. Any such event in respect of a counterparty of the Issuer may result in a significant loss for the Issuer as a creditor of such counterparty – see further "*Risk Factors – Regulatory Initiatives – EU Bank Recovery and Resolution Directive*" above.

Counterparties in respect of Participations and Hedge Transactions are required to satisfy the applicable Rating Requirement, upon entry into the applicable contract or instrument.

If a Hedge Counterparty is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement, there will be a termination event under the applicable Hedge Agreement unless, within the applicable grace period following such rating withdrawal or a downgrade, such Hedge Counterparty either transfers its obligations under the applicable Hedge Agreement to a replacement counterparty with the requisite ratings, obtains a guarantee of its obligations by a guarantor with the requisite ratings, collateralises its obligations in a manner satisfactory to the Rating Agencies or employs some other such strategy as may be approved by the Rating Agencies.

Similarly, the Issuer will be exposed to the credit risk of the Account Bank and the Custodian to the extent of, respectively, all cash of the Issuer held in the Accounts and all Collateral of the Issuer held by the Custodian. If the Account Bank or the Custodian is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement, the Issuer shall use its reasonable endeavours to procure the appointment of a replacement Account Bank or Custodian, as the case may be, with the applicable Rating Requirement within the time limits prescribed for such action in the applicable Transaction Documents.

Transactions with counterparties that are relevant institutions for the purposes of the BRRD may be subject to the exercise of the "bail-in" powers attributed to Resolution Authorities under the BRRD or similar resolution mechanisms provided for in the SRM Regulation. See "*EU Bank Recovery and Resolution Directive*" above.

5.15 Concentration Risk

Although no significant concentration with respect to any particular Obligor, industry or country is expected to exist at the Effective Date, the concentration of the Portfolio in any one Obligor would subject the Notes to a greater degree of risk with respect to defaults by such Obligor, and the concentration of the Portfolio in any one industry would subject the Notes to a greater degree of risk with respect to economic downturns relating to such industry. The Portfolio Profile Tests and Collateral Quality Tests attempt to mitigate any concentration risk in the Portfolio. See "*The Portfolio – Portfolio Profile Tests and Collateral Quality Tests*" section of this Offering Circular.

5.16 Credit Risk

Risks applicable to Collateral Debt Obligations also include the possibility that earnings of the Obligor may be insufficient to meet its debt service obligations thereunder and the declining creditworthiness and potential for insolvency of the Obligor of such Collateral Debt Obligations during periods of rising interest rates and economic downturn. An economic downturn could severely disrupt the market for leveraged loans and adversely affect the value thereof and the ability of the Obligor thereunder to repay principal and interest.

5.17 Interest Rate Risk

The Class A-1 Notes, the Class B-1 Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes bear interest at floating rates based on EURIBOR. The Class A-2 Notes and the B-2 Notes bear a fixed rate of interest. It is possible that Collateral Debt Obligations (in particular Senior Bonds and High Yield Bonds) may bear interest at fixed rates and there is no requirement that the amount or portion of Collateral Debt Obligations securing the Notes must bear interest on a particular basis, save for the Portfolio Profile Test which requires that not more than 12.5 per cent. of the Aggregate Collateral Balance may comprise Fixed Rate Collateral Debt Obligations.

In addition, any payments of principal or interest received in respect of Collateral Debt Obligations and not otherwise reinvested during the Reinvestment Period in Substitute Collateral Debt Obligations will generally be invested in Eligible Investments until shortly before the next Payment Date. There is no requirement that such Eligible Investments bear interest on a particular basis, and the interest rates available for such Eligible Investments are inherently uncertain. As a result of these factors, it is expected that there will be a fixed/floating rate mismatch, a floating rate basis mismatch (including in the case of Collateral Debt Obligations or Eligible Investments which pay a floating rate based on a benchmark other than EURIBOR), maturity date mismatch and mismatch in timing of determination of the applicable floating rate benchmark between the Notes taken as a whole and the underlying Collateral Debt Obligations and Eligible Investments. Such mismatch may be material and may change from time to time as the composition of the related Collateral Debt Obligations and Eligible Investments change and as the liabilities of the Issuer accrue or are repaid. As a result of such mismatches, changes in the level of EURIBOR could adversely affect the ability to make payments on the Notes. In addition, pursuant to the Portfolio Management Agreement, the Portfolio Manager, acting on behalf of the Issuer, is authorised to enter into the Interest Rate Hedge Transactions in order to mitigate such interest rate mismatch from time to time, subject to receipt in each case of Rating Agency Confirmation in respect thereof (other than in respect of a Form Approved Interest Rate Hedge Agreement) and subject to certain regulatory considerations in relation to swaps, discussed in "*Risk Factors – Regulatory Initiatives – European Market Infrastructure Regulation (EMIR)*", and "*Risk Factors – Regulatory Initiatives – Commodity Pool Regulation*" above. However, the Issuer will depend on each Interest Rate Hedge Counterparty to perform its obligations under any Interest Rate Hedge Transaction to which it is a party, and if any Interest Rate Hedge Counterparty defaults or becomes unable to perform due to insolvency or otherwise, the Issuer may not receive payments it would otherwise be entitled to from such Hedge Counterparty to cover its interest rate risk exposure. Furthermore, the terms of the Hedge Agreements may provide for the ability of the Hedge Counterparty to terminate such Hedge Agreement upon the occurrence of certain events, including related to certain regulatory matters. Any such termination in the case of an Interest Rate Hedge Transaction would result in the Issuer's interest rate exposure increasing, and may result in the Issuer being required to pay a termination amount to the relevant Hedge Counterparty. See further "*Hedging Arrangements*" below.

In addition, some Collateral Debt Obligations permit the Obligor to re–set the interest period applicable to it from quarterly to semi–annually and vice versa. Interest Amounts are due and payable in respect of the Notes on a semi–annual basis following a Frequency Switch Event and on a quarterly basis at all other times. If a significant number of Collateral Debt Obligations re-set to semi-annual interest payments there may be insufficient interest received to make quarterly interest payments on the Notes. In order to mitigate the effects of any such timing mis-match, the Issuer will hold back a portion of the interest received on Collateral Debt Obligations which pay interest less frequently than quarterly in order to make quarterly payments of interest on the Notes ("**Interest Smoothing**"). In addition, to mitigate re-set risk, a Frequency Switch Event shall occur if (amongst other things) a sufficient portion of Collateral Debt Obligations re-set from quarterly to semi-annual pay, as more particularly described in the definition of "**Frequency Switch Event**".

There may be a timing mismatch between the Floating Rate Notes and the Floating Rate Collateral Debt Obligations as the interest rate on such Floating Rate Collateral Debt Obligations may adjust more frequently or less frequently, on different dates and based on different indices as compared to the interest rates on the Floating

Rate Notes. As a result of such mismatches, an increase in the level of EURIBOR could adversely impact the ability of the Issuer to make payments on the Floating Rate Notes.

The rate of EURIBOR for the purposes of calculation of the applicable Floating Rate of Interest of the Rated Notes (other than the Class C-2 Notes and the Class D-2 Notes during the Non-Call Period only) is, in each case, subject to a minimum of zero per cent. per annum. There can be no assurance that the Collateral Debt Obligations and Eligible Investments securing the Notes will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Notes or that any particular levels of return will be generated on the Class M Subordinated Notes. The impact of the EURIBOR floor of zero on the Rated Notes (other than the Class C-2 Notes and the Class D-2 Notes during the Non-Call Period only) may increase the amount of interest payable in respect of such Rated Notes (as compared to if such floor was not present) and, therefore, reduce the amount available for payment on the Class M Subordinated Notes.

On 5 June 2014, the European Central Bank announced that it would charge a negative rate of interest on bank deposits with the European Central Bank. To the extent the European Central Bank's or other central bank's deposit rate from time to time results in the Account Bank incurring negative deposit rates as a result of maintaining any accounts on the Issuer's behalf, the Issuer will be required to reimburse the Account Bank in an amount equal to the chargeable interest incurred on such accounts as a result of such negative deposit rates. Prospective investors should note that given recent levels of, and moves in respect of, deposit rates, it appears likely that the Issuer will be required to make such payments in reimbursement of the Account Bank. Any such payments shall be paid to the Account Bank from Interest Proceeds, without regard to the Priorities of Payment and shall not be subject to the Senior Expenses Cap and may, accordingly, have a negative impact on the amounts available to the Issuer to apply as payments on the Notes.

5.18 Currency Risk, Non–Euro Obligations, Currency Hedge Transactions and FX Forward Transactions

The Portfolio Profile Tests provide that, up to 20 per cent. of the Aggregate Collateral Balance may comprise Non-Euro Obligations, up to 2.5 per cent. of the Aggregate Collateral Balance may comprise Unhedged Collateral Debt Obligations, up to (x) 2.5 per cent. of the Aggregate Collateral Balance may comprise Principal Hedged Obligations or (y) if the Aggregate Collateral Balance is greater than or equal to the Reinvestment Target Par Balance, 4.0 per cent. of the Aggregate Collateral Balance may comprise Principal Hedged Obligations, and up to 4.0 per cent. of the Aggregate Collateral Balance may comprise Principal Hedged Obligations and Unhedged Collateral Debt Obligations in aggregate.

The Notes are obligations of the Issuer denominated in Euro. The Eligibility Criteria permit Collateral Debt Obligations to be (a) denominated in Euro, or (b) denominated in a Qualifying Currency and either (i) if such Collateral Debt Obligation is denominated in a Qualifying Unhedged Obligation Currency, and within 180 calendar days of the later of the settlement of the purchase by the Issuer of such Collateral Debt Obligation and the Issue Date, or otherwise (ii) no later than the settlement of the purchase by the Issuer of such Collateral Debt Obligation the Issuer (or the Portfolio Manager on its behalf) enters into a Currency Hedge Transaction with a notional amount in the relevant currency equal to the aggregate principal amount of such Collateral Debt Obligation and otherwise complies with the requirements set out in respect of Currency Hedge Obligations in the Portfolio Management Agreement (and such obligation is not convertible into or payable in any other currency).

The percentage of the Portfolio that is comprised of Unhedged Collateral Debt Obligations and Principal Hedged Obligations may increase or decrease over the life of the Notes within the limits set by the Portfolio Profile Tests. Although the Issuer intends to hedge against certain currency exposures pursuant to the Currency Hedge Transactions and the FX Forward Transactions, it is not a requirement that all Non-Euro Obligations must be Currency Hedge Obligations or Principal Hedged Obligations, and some may be Unhedged Collateral Debt Obligations. Accordingly, fluctuations in exchange rates may lead to the proceeds of the Collateral Debt Obligations being insufficient to pay all amounts due to the respective Classes of Noteholders or may result in a decrease in value of the Collateral for the purposes of sale hereof upon enforcement of the security over it. The Portfolio Manager (on behalf of the Issuer) shall be authorised to enter into spot exchange transactions, as necessary, to fund the Issuer's payment obligations under any Currency Hedge Transaction.

Furthermore, although the Issuer may enter into FX Forward Transactions in respect of Unhedged Collateral Debt Obligations, such FX Forward Transactions will not, among other things, hedge income and will not, in the case of credit losses, fully hedge principal risk. FX Forward Transactions may not hedge the entire principal amount of an Unhedged Collateral Debt Obligation, and may instead relate to a different amount of the currency

in which such obligation is denominated. The Issuer may only enter into one FX Forward Transaction with respect to each Unhedged Collateral Debt Obligation.

Notwithstanding that Non-Euro Obligations may have an associated Currency Hedge Transaction or FX Forward Transaction which will include currency protection provisions, losses may be incurred due to fluctuations in the Euro exchange rates and in the event of a default by the relevant Currency Hedge Counterparty under any such Currency Hedge Transaction or FX Forward Counterparty under any such FX Forward Transaction. In addition, fluctuations in Euro exchange rates may result in a decrease in value of the Portfolio for the purposes of sale thereof (including, but not limited to, a Non-Euro Obligation upon enforcement of the security over it). Furthermore, the terms of the Hedge Agreements may provide for the ability of the Hedge Counterparty to terminate such Hedge Agreement upon the occurrence of certain events, including related to certain regulatory matters. Any such termination in the case of a Currency Hedge Transaction or an FX Forward Transaction would result in the Issuer being exposed to currency risk in respect of the related Non–Euro Obligations for so long as the Issuer has not entered into a replacement Currency Hedge Transaction or FX-Forward Transaction, and may result in the Issuer being required to pay a termination amount to the relevant Hedge Counterparty. The Portfolio Manager may also be unable to find suitable Currency Hedge Counterparties or FX Forward Counterparties willing to provide Currency Hedge Transactions or FX Forward Transactions (as applicable). There are currently a number of regulatory initiatives which may make it difficult or impossible for the Issuer to enter into Currency Hedge Transactions, Interest Rate Hedge Transactions or FX Forward Transactions (as applicable). See "*Risk Factors – Regulatory Initiatives – European* Market Infrastructure Regulation (EMIR)", "*Risk Factors – Regulatory Initiatives – CFTC Regulations*" and "*Risk Factors – Regulatory Initiatives – Commodity Pool Regulation*". See further "*Hedging Arrangements*" below.

In addition, it may be necessary for the Issuer to make substantial up-front payments in order to enter into currency hedging arrangements on the terms required by the Portfolio Management Agreement and the Issuer's ongoing payment obligations under the Currency Hedge Transactions and FX Forward Transactions (including termination payments) may be significant. The payments associated with such hedging arrangements generally rank senior to payments on the Notes.

Defaults, prepayments, trading and other events may increase the risk of a mismatch between the Non–Euro Obligations and the Notes. This may cause losses. The Portfolio Manager may be limited at the time of reinvestment in its choice of Collateral Debt Obligations because of the cost of the foreign exchange hedging and due to restrictions in the Portfolio Management Agreement with respect to exercising such hedging. In addition, it may not be economically advantageous or feasible for the Issuer to exercise its hedging arrangements and such hedging arrangements may not be sufficient to protect the Issuer from fluctuations in exchange rates.

The Issuer will depend upon each Hedge Counterparty to perform its obligations under any hedges. If a Hedge Counterparty defaults or becomes unable to perform due to insolvency or otherwise, the Issuer may not receive payments it would otherwise be entitled to from such Hedge Counterparty to cover its foreign exchange exposure. See "*Counterparty Risk*" above.

5.19 Long-Dated Restructured Obligations

A Restructured Obligation may, as a result of its restructuring, have a Collateral Debt Obligation Stated Maturity falling on or after the Maturity Date. The Portfolio Management Agreement provides that not more than 5.0 per cent. of the Aggregate Collateral Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value) shall consist of such Long-Dated Restructured Obligations. If the Notes are not redeemed in full prior to the Maturity Date, the Issuer (or the Portfolio Manager acting on its behalf) will be required to sell any Long-Dated Restructured Obligations prior to the Maturity Date of the Notes at the then current market value. In such circumstances the Issuer (or the Portfolio Manager acting on its behalf) will not be able to delay the sale of such assets to obtain the best price. This could lead to less proceeds available to redeem the Notes on their Maturity Date.

5.20 Reinvestment Risk/Uninvested Cash Balances

To the extent the Portfolio Manager maintains cash balances invested in short–term investments instead of higher yielding loans or bonds, portfolio income will be reduced which will result in reduced amounts available for payment on the Notes. In general, the larger the amount and the longer the time period during which cash balances remain uninvested the greater the adverse impact on portfolio income which will reduce amounts

available for payment on the Notes, especially the Class M Subordinated Notes. The extent to which cash balances remain uninvested will be subject to a variety of factors, including future market conditions and is difficult to predict.

During the Reinvestment Period, subject to compliance with certain criteria and limitations described herein, the Portfolio Manager will have discretion to dispose of certain Collateral Debt Obligations on behalf of the Issuer and to reinvest the proceeds thereof in Substitute Collateral Debt Obligations in compliance with the Reinvestment Criteria. In addition, during the Reinvestment Period, to the extent that any Collateral Debt Obligations prepay or mature prior to the Maturity Date, the Portfolio Manager will seek, to invest the proceeds thereof in Substitute Collateral Debt Obligations, subject to the Reinvestment Criteria. In addition, following the expiry of the Reinvestment Period, the Portfolio Manager may reinvest some types of Principal Proceeds (see "– *The Portfolio Manager May Reinvest After the End of the Reinvestment Period*" above). The yield with respect to such Substitute Collateral Debt Obligations will depend, among other factors, on reinvestment rates available at the time, on the availability of investments which satisfy the Reinvestment Criteria and are acceptable to the Portfolio Manager, and on market conditions related to high yield securities and bank loans in general. The need to satisfy such Reinvestment Criteria and identify acceptable investments may require the purchase of Collateral Debt Obligations with a lower yield than those replaced, with different characteristics than those replaced (including, but not limited to, coupon, maturity, call features and/or credit quality) or require that such funds be maintained in cash or Eligible Investments pending reinvestment in Substitute Collateral Debt Obligations, which will further reduce the Adjusted Collateral Principal Amount. Any decrease in the Adjusted Collateral Principal Amount will have the effect of reducing the amounts available to make distributions of interest on the Notes which will adversely affect cash flows available to make payments on the Notes, especially the most junior Class or Classes of Notes. There can be no assurance that in the event Collateral Debt Obligations are sold, prepaid, or mature, yields on Collateral Debt Obligations that are eligible for purchase will be at the same levels as those replaced and there can be no assurance that the characteristics of any Substitute Collateral Debt Obligations purchased will be the same as those replaced and there can be no assurance as to the timing of the purchase of any Substitute Collateral Debt Obligations.

The timing of the initial investment of the net proceeds of issue of the Notes remaining after the payment of certain fees and expenses due and payable by the Issuer on the Issue Date and reinvestment of Sale Proceeds, Scheduled Principal Proceeds and Unscheduled Principal Proceeds, can affect the return to holders of, and cash flows available to make payments on, the Notes, especially the most junior Class or Classes of Notes. Loans and privately placed high yield securities are not as easily (or as quickly) purchased or sold as publicly traded securities for a variety of reasons, including confidentiality requirements with respect to Obligor information, the customised nature of loan agreements and private syndication. The reduced liquidity and lower volume of trading in loans, in addition to restrictions on investment represented by the Reinvestment Criteria, could result in periods of time during which the Issuer is not able to fully invest its cash in Collateral Debt Obligations. The longer the period between reinvestment of cash in Collateral Debt Obligations, the greater the adverse impact may be on the aggregate amount of the Interest Proceeds collected and distributed by the Issuer, including on the Notes, especially the most junior Class or Classes of Notes, thereby resulting in lower yields than could have been obtained if Principal Proceeds were immediately reinvested. In addition, loans are often prepayable by the borrowers thereof with no, or limited, penalty or premium. As a result, loans generally prepay more frequently than other corporate debt obligations of the issuers thereof. Senior Loans usually have shorter terms than more junior obligations and often require mandatory repayments from excess cash flow, asset dispositions and offerings of debt and/or equity securities. The increased levels of prepayments and amortisation of loans increase the associated reinvestment risk on the Collateral Debt Obligations which risk will first be borne by holders of the Class M Subordinated Notes and then by holders of the Rated Notes, beginning with the most junior Class.

In addition, the amount of Collateral Debt Obligations owned by the Issuer on the Issue Date, the timing of purchases of additional Collateral Debt Obligations on and after the Issue Date and the scheduled interest payment dates of those Collateral Debt Obligations may have a material impact on collections of Interest Proceeds during the first Due Period, which could affect interest payments on the Rated Notes and the payment of distributions to the Class M Subordinated Notes on the first Payment Date.

5.21 Ratings on Collateral Debt Obligations

The Collateral Quality Tests, the Portfolio Profile Tests, the Coverage Tests and the Reinvestment Overcollateralisation Test are sensitive to variations in the ratings applicable to the underlying Collateral Debt Obligations. Generally, deteriorations in the business environment or increases in the business risks facing any particular Obligor may result in downgrade of its obligations, which may result in such obligation becoming a

Credit Impaired Obligation, a CCC Obligation or Caa Obligation (and therefore potentially subject to haircuts in the determination of the Par Value Tests and the Reinvestment Overcollateralisation Test, and restriction in the Portfolio Profile Tests), or a Defaulted Obligation.

The Portfolio Management Agreement contains detailed provisions for determining the S&P Rating and the Moody's Rating. In most instances, the S&P Rating and the Moody's Rating will not be based on or derived from a public rating of the Obligor or the actual Collateral Debt Obligation. In some cases, the Moody's Rating and the S&P Rating in respect of a Collateral Debt Obligation will be based on a confidential credit estimate determined separately by S&P and Moody's, respectively. Such confidential credit estimates are private and therefore not capable of being disclosed to Noteholders. In addition, some ratings will be derived by the Portfolio Manager based on, among other things, Obligor group or affiliate ratings, comparable ratings provided by a different rating agency and, in certain circumstances, temporary ratings applied by the Portfolio Manager.

The Portfolio Profile Tests contain limitations on the proportions of the Aggregate Collateral Balance that may be made up of Collateral Debt Obligations where the Moody's Rating is derived from an S&P rating and where an S&P rating is derived from a Moody's Rating. Furthermore, such derived ratings will not reflect detailed credit analysis of the particular Collateral Debt Obligation and may reflect a more or less conservative view of the actual credit risk of such Collateral Debt Obligation than any such fundamental credit analysis might, if conducted, warrant; and model–derived variations in such ratings may occur (and have consequential effects on the Collateral Quality Tests, the Portfolio Profile Tests and the Coverage Tests) without necessarily reflecting comparable variation in the actual credit quality of the Collateral Debt Obligation in question. Please see "*Ratings of the Notes*" and "*The Portfolio*" sections of this Offering Circular.

In addition, the amount of Collateral Debt Obligations owned by the Issuer on the Issue Date, the timing of purchases of additional Collateral Debt Obligations on and after the Issue Date and the scheduled interest payment dates of those Collateral Debt Obligations may have a material impact on collections of Interest Proceeds during the first Due Period, which could affect the interest payments on the Rated Notes and the payment of distributions to the Class M Subordinated Notes on the first Payment Date.

There can be no assurance that rating agencies will continue to assign such ratings utilising the same methods and standards utilised today despite the fact that such Collateral Debt Obligation might still be performing fully to the specifications set forth in its Underlying Instrument. Any change in such methods and standards could result in a significant rise in the number of CCC Obligations and Caa Obligations or Defaulted Obligations in the Portfolio, which could cause the Issuer to fail to satisfy (i) the Par Value Tests on subsequent Determination Dates, which failure could lead to the early amortisation of some or all of one or more Classes of the Notes or restrict the Issuer (or the Portfolio Manager on its behalf) from reinvesting in substitute Collateral Debt Obligation (see Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*)) or (ii) the Reinvestment Overcollateralisation Test, which failure could cause a reduction in the amounts available for distribution to the Class M Subordinated Noteholders.

5.22 Insolvency Considerations relating to Collateral Debt Obligations

Collateral Debt Obligations may be subject to various laws enacted for the protection of creditors in the countries of the jurisdictions of incorporation of Obligors and, if different, in which the Obligors conduct business and in which they hold the assets, which may adversely affect such Obligors' abilities to make payment on a full or timely basis. These insolvency considerations will differ depending on the country in which each Obligor is located or domiciled and may differ depending on whether the Obligor is a non sovereign or a sovereign entity. In particular, it should be noted that a number of continental European jurisdictions operate "debtor friendly" insolvency regimes which would result in delays in payments under Collateral Debt Obligations where obligations thereunder are subject to such regimes, in the event of the insolvency of the relevant Obligor. If an Obligor is a regulated financial institution, the Issuer may be exposed to the credit risk of the relevant Obligor - see further "*Risk Factors – Relating to the Collaterals – Counterparty Risk*" above.

The different insolvency regimes applicable in the different European jurisdictions result in a corresponding variability of recovery rates for different types of Collateral Debt Obligations entered into by Obligors in such jurisdictions. No reliable historical data is available.

5.23 Lender Liability Considerations; Equitable Subordination

In recent years, a number of judicial decisions in the United States and other jurisdictions have upheld the right of borrowers to sue lenders or bondholders on the basis of various evolving legal theories (collectively, termed

"**lender liability**"). Generally, lender liability is founded upon the premise that an institutional lender or bondholder has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or issuer or has assumed a degree of control over the borrower or issuer resulting in the creation of a fiduciary duty owed to the borrower or issuer or its other creditors or shareholders. Although it would be a novel application of the lender liability theories, the Issuer may be subject to allegations of lender liability. However, the Issuer does not intend to engage in, and the Portfolio Manager does not intend to advise the Issuer with respect to any, conduct that would form the basis for a successful cause of action based upon lender liability.

In addition, under common law principles that in some cases form the basis for lender liability claims, if a lender or bondholder (a) intentionally takes an action that results in the under capitalisation of a borrower to the detriment of other creditors of such borrower, (b) engages in other inequitable conduct to the detriment of such other creditors, (c) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (d) uses its influence as a stockholder to dominate or control a borrower to the detriment of other creditors of such borrower, a court may elect to subordinate the claim of the offending lender or bondholder to the claims of the disadvantaged creditor or creditors, a remedy called "equitable subordination". Because of the nature of the Collateral Debt Obligations, the Issuer may be subject to claims from creditors of an Obligor that Collateral Debt Obligations issued by such Obligor that are held by the Issuer should be equitably subordinated. However, the Issuer does not anticipate engaging in, and the Portfolio Manager does not anticipate advising the Issuer with respect to, any conduct that would form the basis for a successful cause of action based upon the equitable subordination doctrine.

The preceding discussion is based upon principles of United States federal and state laws. Insofar as Collateral Debt Obligations that are obligations of non–United States Obligors are concerned, the laws of certain foreign jurisdictions may impose liability upon lenders or bondholders under factual circumstances similar to those described above, with consequences that may or may not be analogous to those described above under United States federal and state laws.

5.24 Loan Repricing

Leveraged loans may experience volatility in the spread that is paid on such leveraged loans. Such spreads will vary based on a variety of factors, including, but not limited to, the level of supply and demand in the leveraged loan market, general economic conditions, levels of relative liquidity for leveraged loans, the actual and perceived level of credit risk in the leveraged loan market, regulatory changes, changes in credit ratings, and the methodology used by credit rating agencies in assigning credit ratings, and such other factors that may affect pricing in the leveraged loan market. Since leveraged loans may generally be prepaid at any time without penalty, the Obligors of such leveraged loans would be expected to prepay or refinance such leveraged loans if alternative financing were available at a lower cost. For example, if the credit ratings of an Obligor were upgraded, the Obligor were recapitalised or if credit spreads were declining for leveraged loans, such Obligor would likely seek to refinance at a lower credit spread. Declining credit spreads in the leveraged loan market and increasing rates of prepayments and refinancings will likely result in a reduction of yield and interest collection on the Collateral Debt Obligations, which would have an adverse effect on the amount available for distributions on Notes, beginning with the Class M Subordinated Notes as the most junior Class of Notes.

5.25 Portfolio Manager

The Portfolio Manager is given authority in the Portfolio Management Agreement to act as Portfolio Manager to the Issuer in respect of the Portfolio pursuant to and in accordance with the parameters and criteria set out in the Portfolio Management Agreement. See "*The Portfolio*" and "*Description of the Portfolio Management Agreement*". The powers and duties of the Portfolio Manager in relation to the Portfolio include effecting, on behalf of the Issuer, in accordance with the provisions of the Portfolio Management Agreement: (a) the acquisition of Collateral Debt Obligations during the Reinvestment Period; (b) the sale of Collateral Debt Obligations during the Reinvestment Period (subject to certain limits) and, at any time, upon the occurrence of certain events (including a Collateral Debt Obligation becoming a Defaulted Obligation, a Credit Improved Obligation or a Credit Impaired Obligation); (c) following the expiry of the Reinvestment Period, the reinvestment of Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Impaired Obligations and Credit Improved Obligations, in one or more Substitute Collateral Debt Obligations (subject to certain criteria); and (d) the participation in restructuring and work–outs of Collateral Debt Obligations on behalf of the Issuer. See "*The Portfolio*". Any analysis by the Portfolio Manager (on behalf of the Issuer) of Obligors under Collateral Debt Obligations which it is purchasing (on behalf of the Issuer) or which are held in the Portfolio from time to time will, in respect of Collateral Debt Obligations which are publicly listed bonds, be limited to a review of readily available public information and in respect of Collateral Debt Obligations which are bonds

which are not publicly listed, any analysis by the Portfolio Manager (on behalf of the Issuer) will be in accordance with the standards and procedures as set out in the Portfolio Management Agreement for such type of bonds and, in respect of Collateral Debt Obligations which are Assignments or Participations of senior and mezzanine loans and in relation to which the Portfolio Manager has non–public information, such analysis will include due diligence of the kind common in relation to loans of such kind. Any analysis by the Portfolio Manager (on behalf of the Issuer) in respect of Collateral Enhancement Obligations will be in accordance with standards and procedures as set out in the Portfolio Management Agreement.

In addition, the Portfolio Management Agreement places significant restrictions on the Portfolio Manager's ability to buy and sell Collateral Debt Obligations. Accordingly, during certain periods or in certain specified circumstances, the Portfolio Manager may be unable to buy or sell Collateral Debt Obligations or to take other actions which it might consider in the best interest of the Issuer and the Noteholders, as a result of such restrictions.

The actual performance of the Issuer will depend on numerous factors which are difficult to predict and may be beyond the control of the Portfolio Manager. The nature of, and risks associated with, the Issuer's future investments may differ substantially from those investments and strategies undertaken historically by the Portfolio Manager and such persons. There can be no assurance that the Issuer's investments will perform as well as the past investments of any such persons or entities.

The performance of other collateralised debt obligation vehicles ("**CLO Vehicles**") or other similar investment funds ("**Other Funds**") managed or advised by the Portfolio Manager or Affiliates of the Portfolio Manager should not be relied upon as an indication or prediction of the performance of the Issuer. Such other CLO Vehicles and Other Funds may have significantly different characteristics, including, but not limited, to their structures, composition of the collateral pool, investment objectives, leverage, financing costs, fees and expenses, management personnel and other terms when compared to the Issuer and may have been formed and managed under significantly different market conditions than those which apply to the Issuer and its Portfolio.

The Issuer will be highly dependent on the financial and managerial experience of certain individuals associated with the Portfolio Manager in analysing, selecting and managing the Collateral Debt Obligations. There can be no assurance that such key personnel currently associated with the Portfolio Manager or any of its Affiliates will remain in such position throughout the life of the transaction. The loss of one or more of such individuals could have a material adverse effect on the performance of the Issuer.

In addition, the Portfolio Manager may resign or be removed in certain circumstances as described herein under "*Description of the Portfolio Management Agreement*". There can be no assurance that any successor portfolio manager would have the same level of skill in performing the obligations of the Portfolio Manager, in which event payments on the Notes could be reduced or delayed.

The Portfolio Manager is not required to devote all of its time to the performance of the Portfolio Management Agreement and will continue to advise and manage other investment funds in the future.

The Portfolio Manager's information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunications failures, infiltration by unauthorised persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Portfolio Manager may have implemented various measures to manage risks relating to these types of events, the failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Portfolio Manager's operations and result in a failure to maintain the security, confidentiality or privacy or sensitive data. Such a failure could impede the ability of the Portfolio Manager to perform its duties under the Transaction Documents.

5.26 No Initial Purchaser Role Post–Closing

The Initial Purchaser takes no responsibility for, and has no obligations in respect of, the Issuer and will have no obligation to monitor the performance of the Portfolio or the actions of the Portfolio Manager or the Issuer and no authority to advise the Portfolio Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Portfolio Manager and the Issuer. If the Initial Purchaser or any of its Affiliates owns Notes, they will have no responsibility to consider the interests of any other owner of Notes with respect to actions they take or refrain from taking in such capacity.

5.27 Acquisition and Disposition of Collateral Debt Obligations

The estimated net proceeds of the issue of the Notes after payment of fees and expenses payable on or about the Issue Date (including, without duplication amounts deposited into the Expense Reserve Account), are expected to be approximately €452,830,000.00. Such proceeds will be used by the Issuer for the repayment of any amounts borrowed by the Issuer (together with any interest thereon) and all other amounts due in order to finance the acquisition of warehoused Collateral Debt Obligations purchased by the Issuer prior to the Issue Date and to fund the Reserve Account on the Issue Date. The remaining proceeds shall be retained in the Unused Proceeds Account and used to purchase (or enter into agreements to purchase) additional Collateral Debt Obligations during the Initial Investment Period. The Portfolio Manager's decisions concerning purchases of Collateral Debt Obligations will be influenced by a number of factors, including market conditions and the availability of securities and loans satisfying the Eligibility Criteria, the Reinvestment Criteria and the other requirements of the Portfolio Management Agreement. The failure or inability of the Portfolio Manager to acquire Collateral Debt Obligations with the proceeds of the offering or to reinvest Sale Proceeds or payments and prepayments of principal in Substitute Collateral Debt Obligations in a timely manner will adversely affect the returns on the Notes, in particular with respect to the most junior Class or Classes.

The Portfolio Manager may, in its discretion, direct that up to 50 per cent. of Investment Gains which would have been deposited into the Principal Account and designated for reinvestment or used to redeem the Notes in accordance with the Principal Proceeds Priority of Payments are instead deposited into the Interest Account, subject to certain conditions. Such Investment Gains will then be distributed as Interest Proceeds in accordance with the Priorities of Payment. As a result, such Investment Gains would not be available to be reinvested in Collateral Debt Obligations and therefore the Aggregate Principal Balance of Collateral Debt Obligations securing the Notes may be less than what would have otherwise been the case if such amounts had been reinvested in Collateral Debt Obligations. See Condition 3(j)(i) (*Principal Account*).

Under the Portfolio Management Agreement and as described herein, the Portfolio Manager may only, on behalf of the Issuer, dispose of a limited percentage of Collateral Debt Obligations in any period of 12 calendar months as well as any Collateral Debt Obligation that meets the definition of a Defaulted Obligation, an Exchanged Security and, subject to the satisfaction of certain conditions, a Credit Impaired Obligation or Credit Improved Obligation. Notwithstanding such restrictions and subject to the satisfaction of the conditions set forth in the Portfolio Management Agreement, sales and purchases by the Portfolio Manager of Collateral Debt Obligations could result in losses by the Issuer, which will be borne in the first instance by the holders of the Class M Subordinated Notes and then by holders of the Rated Notes, beginning with the most junior Class.

In addition, circumstances may exist under which the Portfolio Manager may believe that it is in the best interests of the Issuer to dispose of a Collateral Debt Obligation, but will not be permitted to do so under the terms of the Portfolio Management Agreement.

5.28 Valuation Information; Limited Information

None of the Initial Purchaser, the Portfolio Manager or any other transaction party will be required to provide periodic pricing or valuation information to investors. Investors will receive limited information with regard to the Collateral Debt Obligations, and none of the transaction parties (including the Issuer, Trustee, or Portfolio Manager) will be required to provide any information other than what is required in the Trust Deed or the Portfolio Management Agreement. Furthermore, if any information is provided to the Noteholders (including required reports under the Trust Deed), such information may not be audited. Finally, the Portfolio Manager may be in possession of material, non–public information with regard to the Collateral Debt Obligations and will not be required to disclose such information to the Noteholders.

None of the holders or beneficial owners of the Notes will have any right to inspect any records relating to the Collateral Debt Obligations, and the Portfolio Manager will not be obligated to disclose any further information or evidence regarding the existence or terms of, or the identity of any Obligor of, any Collateral Debt Obligations, unless specifically required by the Portfolio Management Agreement or by any applicable law or regulation or any authorities in connection therewith. The Portfolio Manager shall maintain appropriate books of account and records relating to services performed under the Portfolio Management Agreement, and such books of account and records shall be accessible for inspection by, among others, a representative of the Trustee at any time during normal business hours and, prior to the occurrence of an Event of Default that is continuing, on not less than three Business Days' prior notice. The Portfolio Manager shall keep confidential any and all information obtained in connection with the services rendered under the Portfolio Management Agreement and

shall not disclose any such information to third parties which are not its Affiliates except as set out in and subject to the confidentiality provisions of the Portfolio Management Agreement.

The Portfolio Manager, on behalf of the Issuer, may from time to time make certain information relating to the Collateral Debt Obligations available to holders and beneficial owners of the Notes, their potential transferees or their respective agents. The Portfolio Manager is under no obligation to do so and may further condition any such person's access to such information on the provision of certain information by such person, including relating to such person's ownership or interest in the Notes, and the entry into certain agreements by such person, including with respect to maintaining confidentiality of any information received.

6. RELATING TO THE ISSUER

6.1 Not a Bank Deposit

Any investment in the Notes does not have the status of a bank deposit in Ireland and is not within the scope of the deposit protection scheme operated by the Central Bank of Ireland. The Issuer is not regulated by the Central Bank of Ireland by virtue of the issue of the Notes.

6.2 Preferred Creditors under Irish Law and Floating Charges

Under Irish law, upon an insolvency of an Irish company such as the Issuer, when applying the proceeds of assets subject to fixed security which may have been realised in the course of a liquidation or receivership, the claims of a limited category of preferential creditors will take priority over the claims of creditors holding the relevant fixed security. These preferred claims include the remuneration, costs and expenses properly incurred by any examiner of the company (which may include any borrowings made by an examiner to fund the company's requirements for the duration of his appointment) which have been approved by the Irish courts. (See "*Risk Factors – Relating to the Issuer – Examinership*" below).

The holder of a fixed security over the book debts of an Irish tax resident company (which would include the Issuer) may be required by the Irish Revenue Commissioners, by notice in writing from the Irish Revenue Commissioners, to pay to them sums equivalent to those which the holder received in payment of debts due to it by the company.

Where the holder of the security has given notice to the Irish Revenue Commissioners of the creation of the security within 21 days of its creation, the holder's liability is limited to the amount of certain outstanding Irish tax liabilities of the company (including liabilities in respect of value added tax) arising after the issuance of the Irish Revenue Commissioners' notice to the holder of fixed security.

The Irish Revenue Commissioners may also attach any debt due to an Irish tax resident company by another person in order to discharge any liabilities of the company in respect of outstanding tax whether the liabilities are due on its own account or as an agent or trustee. The scope of this right of the Irish Revenue Commissioners has not yet been considered by the Irish courts and it may override the rights of holders of security (whether fixed or floating) over the debt in question.

In relation to the disposal of assets of any Irish tax resident company which are subject to security, a person entitled to the benefit of the security may be liable for tax in relation to any capital gains made by the company on a disposal of those assets on exercise of the security.

The essence of a fixed charge is that the person creating the charge does not have liberty to deal with the assets which are the subject matter of the security in the sense of disposing of such assets or expending or appropriating the moneys or claims constituting such assets and accordingly, if and to the extent that such liberty is given to the Issuer any charge constituted by the Trust Deed may operate as a floating, rather than a fixed charge.

In particular, the Irish courts have held that in order to create a fixed charge on receivables it is necessary to oblige the chargor to pay the proceeds of collection of the receivables into a designated bank account and to prohibit the chargor from withdrawing or otherwise dealing with the monies standing to the credit of such account without the consent of the chargee.

Depending upon the level of control actually exercised by the chargor, there is therefore a possibility that the fixed security over the Accounts and the Collateral would be regarded by the Irish courts as a floating charge.

Floating charges have certain weaknesses, including the following:

(a) they have weak priority against purchasers (who are not on notice of any negative pledge contained in the floating charge) and the chargees of the assets concerned and against lien holders, execution creditors and creditors with rights of set-off;

(b) as discussed above, they rank after certain preferential creditors, such as claims of employees and certain taxes on winding-up even if it crystallised prior to the commencement of the winding-up;

(c) they rank after certain insolvency remuneration expenses and liabilities;

(d) the examiner of a company has certain rights to deal with the property covered by the floating charge; and

(e) they rank after fixed charges.

6.3 Examinership

Examinership is a court procedure available under the Irish Companies Act 2014 to facilitate the survival of Irish companies in financial difficulties.

The Issuer, the directors of the Issuer, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Issuer are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to set aside contracts and arrangements entered into by the company after this appointment and, in certain circumstances, can avoid a negative pledge given by the company prior to this appointment. Furthermore, the examiner may sell assets, the subject of a fixed charge. However, if such power is exercised the examiner must account to the holders of the fixed charge for the amount realised and discharge the amount due to the holders of the fixed charge out of the proceeds of the sale.

During the period of protection, the examiner will formulate proposals for a compromise or scheme of arrangement to assist the survival of the company or the whole or any part of its undertaking as a going concern. A scheme of arrangement may be approved by the Irish High Court when at least one class of creditors has voted in favour of the proposals and the Irish High Court is satisfied that such proposals are fair and equitable in relation to any class of members or creditors who have not accepted the proposals and whose interests would be impaired by implementation of the scheme of arrangement.

In considering proposals by the examiner, it is likely that secured and unsecured creditors would form separate classes of creditors. In the case of the Issuer, if the Trustee represented the majority in number and value of claims within the secured creditor class (which would be likely given the restrictions agreed to by the Issuer in the Conditions), the Trustee would be in a position to reject any proposal not in favour of the Noteholders. The Trustee would also be entitled to argue at the Irish High Court hearing at which the proposed scheme of arrangement is considered that the proposals are unfair and inequitable in relation to the Noteholders, especially if such proposals included a writing down to the value of amounts due by the Issuer to the Noteholders. The primary risks to the holders of Notes if an examiner were appointed to the Issuer are as follows:

(a) the potential for a compromise or scheme of arrangement being approved involving the writing down or rescheduling of the debt due by the Issuer to the Noteholders as secured by the Trust Deed;

(b) the potential for the examiner to seek to set aside any negative pledge in the Notes prohibiting the creation of security or the incurring of borrowings by the Issuer to enable the examiner to borrow to fund the Issuer during the protection period; and

(c) in the event that a scheme of arrangement is not approved and the Issuer subsequently goes into liquidation, the examiner's remuneration and expenses (including certain borrowings incurred by the examiner on behalf of the Issuer and approved by the Irish High Court) will take priority over the monies and liabilities which from time to time are or may become due, owing or payable by the Issuer to each of the Secured Parties under the Notes or the Transaction Documents.

6.4 Irish Taxation Position of the Issuer

The Issuer has been advised that it should fall within the Irish regime for the taxation of qualifying companies as set out in Section 110 of the TCA, and as such should be taxed only on the amount of its retained profit after deducting all amounts of interest and other revenue expenses due to be paid by the Issuer. If, for any reason, the Issuer is not or ceases to be entitled to the benefits of Section 110 of the TCA, then profits or losses could arise in the Issuer which could have tax effects not contemplated in the cashflows for the transaction and as such adversely affect the tax treatment of the Issuer and consequently the payments on the Notes.

7. CERTAIN CONFLICTS OF INTEREST

The Initial Purchaser and its Affiliates and the Portfolio Manager, its clients and its Affiliates, are acting in a number of capacities in connection with the transaction described herein, which may give rise to certain conflicts of interest. The following briefly summarises some of these conflicts but is not intended to be an exhaustive list of all such conflicts.

Past performance of Portfolio Manager not indicative

The past performance of the Portfolio Manager and principals or Affiliates thereof in managing other portfolios or investment vehicles may not be indicative of the results that the Portfolio Manager may be able to achieve with the Collateral Debt Obligations. Similarly, the past performance of the Portfolio Manager and principals or Affiliates thereof over a particular period may not be indicative of the results that may occur in future periods. Furthermore, the nature of, and risks associated with, the Issuer's investments may differ from those investments and strategies undertaken historically by the Portfolio Manager and principals and Affiliates thereof. There can be no assurance that the Issuer's investments will perform as well as past investments of the Portfolio Manager or principals or Affiliates thereof, that the Issuer will be able to avoid losses or that the Issuer will be able to make investments similar to such past investment. In addition, such past investments may have been made utilising a leveraged capital structure and an asset mix and fee arrangements that are different from the anticipated capital structure, asset mix and fee arrangements of the Issuer. Moreover, because the Eligibility Criteria that govern investments in the Collateral Debt Obligations do not govern the principals' investments and investment strategies generally, such investments conducted in accordance with such criteria, and the results they yield, are not directly comparable with, and may differ substantially from, other investments undertaken by the Portfolio Manager and principals and Affiliates thereof.

The Issuer will depend on the managerial expertise available to the Portfolio Manager, its Affiliates and its key personnel

The Issuer's investment activities as regards the management of the Portfolio will generally be directed by the Portfolio Manager. The Noteholders will generally not make decisions with respect to the management, disposition or other realisation of any Collateral Debt Obligation, or other decisions regarding the business and affairs of the Issuer. Consequently, the performance of the Portfolio will depend, in large part, on the financial and managerial expertise of the Portfolio Manager's investment professionals from time to time. There can be no assurance that such investment professionals will continue to serve in their current positions or continue to be employed by the Portfolio Manager. If one or more of the investment professionals of the Portfolio Manager were to leave the Portfolio Manager, the Portfolio Manager would have to reassign responsibilities internally and/or hire one or more replacement employees, and the foregoing could have a material adverse effect on the performance of the Issuer. See "*The Portfolio Manager*" and "*Description of the Portfolio Management Agreement*".

Certain Conflicts of Interest Involving the Portfolio Manager and its Affiliates

Various potential and actual conflicts of interest may exist from the overall advisory, investment, capital markets, lending and other activities of the Portfolio Manager, its officers, agents, and affiliates and their employees, investing for their own accounts or for the accounts of others. The Portfolio Manager and its affiliates may invest, on behalf of themselves and other clients, in securities or obligations that would be appropriate as Collateral Debt Obligations, as well as in securities that are senior to, or have interests different from or adverse to, the loans or other investments that are pledged to secure the Notes. The Portfolio Manager and its affiliates may also be buyers or sellers of credit protection that reference Collateral Debt Obligations owned by the Issuer. The Portfolio Manager and its affiliates may also currently serve as and may expect to serve as portfolio manager or investment advisor for, act as a general partner, managing member, adviser, officer, director, sponsor or manager to, or invest in or be affiliated with other entities which invest in,

underwrite, place, structure, originate, make markets in and trade high yield bonds and loans, including those organized to issue collateral debt obligations similar to those issued by the Issuer. The Portfolio Manager, including members of the Credit Investments Group ("**CIG**") of CSAM or its affiliates, may make investment decisions for its clients and affiliates that may be different from those made by such persons on behalf of the Issuer, even where the investment objectives are the same or similar to those of the Issuer, The Portfolio Manager and its affiliates may at certain times be simultaneously seeking to purchase or sell the same or similar investments for the Issuer and another client for which any of them serves as investment adviser or portfolio manager, or for themselves. Likewise, the Portfolio Manager may on behalf of the Issuer make an investment (or advise that such investment should be made) in an issuer or obligor in which another account, client or affiliate is already invested or has co-invested. The Portfolio Manager, including members of the CIG team, may, in their discretion, give priority over the Issuer in the allocation of investment opportunities to certain accounts or clients designated by the Portfolio Manager in its discretion and to other accounts or clients of the Portfolio Manager or its affiliates to the extent obligated; provided that all such allocations will be made in accordance with applicable regulatory requirements, internal policies and client guidelines and principles of fiduciary duty.

Although the Portfolio Manager expects to allocate its investment opportunities among the clients of the Portfolio Manager and of its affiliates in a manner which it believes to be fair and equitable over time, neither the Portfolio Manager nor any of its affiliates has any obligation to obtain for the Issuer any particular investment opportunity, and the Portfolio Manager may be precluded from offering to the Issuer particular securities in certain situations including, without limitation, where the Portfolio Manager or its affiliates may have a prior contractual commitment with other accounts or clients or as to which the Portfolio Manager or any of its affiliates possesses material, non-public information. There is no assurance that the Issuer will hold the same investments or perform in a substantially similar manner as other funds with similar strategies under the management of the Portfolio Manager. There is also a possibility that the Issuer will invest in opportunities declined by the Portfolio Manager or its affiliates for the accounts of others or for their own accounts. When it is determined that it would be appropriate for the Issuer and one or more other investment accounts managed by the Portfolio Manager or its affiliates to participate in an investment opportunity, the Portfolio Manager will seek to execute orders for all of the participating investment accounts, including the Issuer, on an equitable basis, taking into account such factors as the relative amounts of capital available for new investments, relative exposure to short-term market trends and the investment programs and portfolio positions of the Issuer and the affiliated entities for which participation is appropriate; provided, however, that the Portfolio Manager has no obligation to obtain for the Issuer a particular investment opportunity and the Portfolio Manager may be precluded from offering to the Issuer particular securities in certain situations including, without limitation, where the Portfolio Manager or its affiliates have a prior contractual commitment with other accounts or clients or the seller of such security. Orders may be combined for all such accounts, and if any order is not filled at the same price, they may be allocated on an average price basis. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, securities may be allocated among the different accounts on a basis which the Portfolio Manager or its affiliates consider equitable. In making investments on the behalf of accounts or clients that the Portfolio Manager or its affiliates manage or advise either now or in the future, the Portfolio Manager in its discretion may, but is not required to, aggregate orders for the Issuer with orders for such other accounts, notwithstanding that depending upon market conditions, aggregated orders can result in a higher or lower average price. See "*The Portfolio Manager*".

The Portfolio Manager and its Affiliates may from time to time incur expenses jointly on behalf of the Issuer, other accounts managed by the Portfolio Manager and one or more subsequent entities established or advised by the Portfolio Manager. Although the Portfolio Manager and its Affiliates will attempt to allocate such expenses on a basis that they reasonably believe to be equitable, there can be no assurance that such expenses will, in all cases, be allocated equitably among such parties.

Affiliates of the Portfolio Manager may act as a placement agent and/or initial purchaser in other transactions involving issues of collateralised debt obligations and other similar portfolios managed by other investment managers, and may provide financing for the accumulation of leveraged loans as collateral for such transactions. Such activities may have an adverse effect on the availability of Collateral for the Issuer.

The Portfolio Manager and its Affiliates may also have ongoing relationships with the issuers of Collateral Debt Obligations and they or their clients may own equity or other securities or obligations issued by issuers of Collateral Debt Obligations. The Portfolio Manager and its affiliates may own as principals and/or may have structured and originated an initial issuance of the bank loans purchased by the Issuer and/or have investments (including equity investments) in the obligors thereof. The Portfolio Manager and its Affiliates are active participants in the market for underwriting, placement, structuring, originating, market making in and trading of

high yield bonds and loans and also may, for a negotiated fee, perform advisory or other services or may engage in a variety of other transactions with companies who are current or prospective obligors or issuers of Collateral. The Portfolio Management Agreement sets forth certain restrictions on the Portfolio Manager's ability to purchase for the Issuer certain securities and other obligations owned or originated by the Portfolio Manager or its Affiliates, and any purchases of any such securities or other obligations, when permitted, must be on arm's-length terms, and are subject to the consent from the Conflicts Review Board described below. Accordingly, there may be circumstances when the Issuer may be prevented from purchasing loans when the Portfolio Manager or an Affiliate thereof has been involved in the underwriting or placement of, or has provided advisory services in connection with, the related transaction.

The Portfolio Manager and its officers, agents and affiliates, and their employees, may serve on creditor or equity committees or advise companies, potentially including companies that have issued securities or obligations owned by the Issuer, subject to bankruptcy or insolvency proceedings or otherwise be engaged in financial restructuring activities in a variety of capacities. Such activities may result in the Portfolio Manager receiving confidential information and may reduce the Portfolio Manager's flexibility in purchasing or selling securities or other obligations on behalf of the Issuer. At times, the Portfolio Manager, including the members of the CIG team, in an effort to avoid restrictions for the Issuer and its other clients, may, but is under no obligation to, elect not to receive information that other market participants or counterparties are eligible to receive or have received.

Affiliates of the Portfolio Manager may act as a Hedge Counterparty or Selling Institution which may create conflicts of interest. Affiliates of the Portfolio Manager, maintain research departments with professional staffs of portfolio managers and/or securities analysts who may provide research services and other administrative or reporting services for the Portfolio Manager as well as for other funds and investment advisory clients advised by the Portfolio Manager and its affiliates.

Under the Portfolio Management Agreement, the Portfolio Manager is permitted to effect or recommend transactions between the Issuer and any of the Portfolio Manager, its affiliates and any fund or account managed by the Portfolio Manager or its affiliate, acting as principal, only upon disclosure to and with the prior consent of an institution that is not affiliated with the Portfolio Manager and has been appointed from time to time by the Issuer as its agent for such purpose (the "**Conflicts Review Board**"). The Conflicts Review Board will also be authorised by the Issuer to approve or decline to approve on the Issuer's behalf matters that the Portfolio Manager has determined should be presented to the Issuer for its approval either for the purpose of compliance with the Investment Advisers Act of 1940, as amended (the "**Investment Advisers Act**"), or otherwise where a potential conflict of interest may arise by reason of the involvement of an affiliate of the Portfolio Manager (including, without limitation, in the case of a purchase or sale of assets between the Issuer and another account or portfolio for which the Portfolio Manager or an affiliate thereof serves as investment advisor).

A portion of the assets acquired by the Issuer prior to the Closing Date will consist of assets acquired from collateralised loan obligation vehicles for which the Portfolio Manager and/or its affiliates act as portfolio manager. Because such assets were so acquired from such collateralised loan obligations vehicles, the interests of the Issuer (with respect to which the Portfolio Manager is advising the Issuer) may conflict with those of the Portfolio Manager as the portfolio manager of such vehicles.

In addition, the Portfolio Manager and its affiliates are authorized in the Portfolio Management Agreement by the Issuer to engage in cross transactions, including "agency cross" transactions (i.e., transactions in which one of its affiliates or another person acts as a broker for both the Issuer and another person on the other side of the same transaction, which person may be an account or client for which the Portfolio Manager or any affiliate serves as investment adviser). The Issuer has agreed to permit cross transactions; provided that such consent can be revoked at any time by the Issuer or the Conflicts Review Board, and to the extent that the Issuer's consent with respect to any particular cross transaction is required by law, such cross transaction will be reviewed by and subject to the consent of the Conflicts Review Board. By purchasing any Notes, a Holder is deemed to have consented to the procedures described herein relating to cross transactions and principal transactions and to the general authorisation of the Conflicts Review Board described above. Affiliates have a potentially conflicting division of loyalties and responsibilities regarding, both parties to any such principal transaction or cross transactions or other matter presented to the Conflicts Review Board for its approval on the Issuer's behalf.

Prior to the Issue Date, the Issuer appointed MaplesFS Limited to be the Conflicts Review Board. The fees and expenses of the Conflicts Review Board will be payable by the Issuer as part of its expenses in accordance with the Priority of Payments. The Conflicts Review Board is also entitled to indemnification from the Issuer in

relation to its performance of its services, which will be payable as part of the Issuer's expenses in accordance with the Priority of Payments. The Conflicts Review Board and/or its affiliates may purchase Notes, creating potential and/or actual conflicts of interest. The Issuer in its sole discretion may at any time and from time to time, review the appointment of MaplesFS Limited as the Conflicts Review Board, may revoke such appointment, may appoint a successor Conflicts Review Board for the purposes set forth in the Portfolio Management Agreement and may establish new or different procedures to comply with the requirements of the Investment Advisers Act.

Each order for the acquisition or sale of a security or other obligation will be placed with a specific broker-dealer (which can include an affiliate of the Portfolio Manager) selected by the Portfolio Manager with the goal of receiving "best execution." "Best execution" means that the trading process employed seeks to maximise value of the client's portfolio. In seeking best execution, the Portfolio Manager considers the full range and quality of a counterparty's services including, among other things, the value of research provided, execution and operational capability, transaction support, capital introduction capabilities, ongoing diligence, integrity and sound financial practices within stated objectives and constraints. Determining the quality of trade execution requires the evaluation, over time, of subjective, objective and complex qualitative and quantitative factors. In making this determination the Portfolio Manager examines whether a client's assets would be exposed to non-operational counterparty related risk, whether value would be added by reducing trading cost and whether operational risk would be incurred. When selecting a counterparty, it is not the Portfolio Manager's practice to negotiate "execution only" commission rates. The determinative factor is not necessarily the lowest possible commission or best possible price, but whether the transaction represents the best qualitative and quantitative execution for the client. The Portfolio Manager may receive some brokerage or research services in connection with the acquisition or sale of a security or other obligation that are consistent with the "safe harbor" provisions of Section 28(e) of the Exchange Act. While the Portfolio Manager generally seeks reasonably competitive pricing, markups, commissions and spread, the Issuer will not necessarily pay the lowest pricing, markup, commission or spread available with respect to any particular transaction. In the event the Portfolio Manager effects transactions through an affiliate of the Portfolio Manager, the Portfolio Manager may have a potentially conflicting division of loyalties and responsibilities regarding both parties to such transactions.

The Issuer may acquire Collateral Debt Obligations in connection with the optional redemption of collateralised loan obligation vehicles for which the Portfolio Manager acts as portfolio manager and/or an affiliate of the Portfolio Manager and/or certain employees of the Portfolio Manager may own a portion of the equity of such vehicles. Therefore, the interests of the Issuer (with respect to which the Portfolio Manager is advising the Issuer) may conflict with those of the Portfolio Manager, its affiliates and/or its employees as either (i) equity owners of a redeeming vehicle from which the Issuer is purchasing assets including the right of the Portfolio Manager, its affiliates and/or employees to cause an early redemption of its notes or (ii) the portfolio manager of a redeeming vehicle from which the Issuer is purchasing assets. Any such purchase will be subject to the consent of the Issuer's Conflicts Review Board.

Although certain personnel providing services to the Portfolio Manager will devote as much time to the management of the Collateral Debt Obligations of the Issuer as the Portfolio Manager deems appropriate, no personnel are expected to devote substantially all of their working time to the management of the investments of the Issuer and such personnel may have conflicts in allocating their time and service among the Issuer and the other accounts or clients now or hereafter advised by the Portfolio Manager including the CIG team.

On the Issue Date, the Portfolio Manager will be reimbursed by the Issuer for certain of its expenses incurred in connection with the offering of the Notes and the negotiation and documentation of the related Transaction Documents (including legal fees and expenses) and will be paid an upfront structuring fee, as well as the accrued management fees for managing the Warehouse Arrangements, which will incentivise the Portfolio Manager to cause the issuance of the Notes. The Portfolio Manager will receive Management Fees which may create incentives for it to make decisions that conflict with the interests of the Noteholders. The fee structure could also create an incentive for the Portfolio Manager to manage the Issuer's investments in a manner as to seek to maximise the yield on the Collateral Debt Obligations relative to investments of higher creditworthiness, thereby possibly resulting in an increase in defaults or volatility and a possible decline in the aggregate market value of the Collateral Debt Obligations. In particular, the Incentive Management Fee (in addition to ownership of Notes) may cause the Portfolio Manager's interests not to be aligned with the interests of certain classes and/or may cause the Portfolio Manager to invest more aggressively to maximise returns to the Class M Subordinated Notes.

CSAM (as the "**Retention Holder**") has informed the Issuer that it intends to satisfy the U.S. Risk Retention Rules by (i) purchasing an "eligible vertical interest" on the Issue Date in an amount of not less than 5% of the

principal amount of each Class of Notes issued by the Issuer, (the "**U.S. Retention Interest**") and (ii) holding the U.S. Retention Interest in the manner and for so long as required under the U.S. Risk Retention Rules. The Portfolio Manager, the Retention Holder, their affiliates and/or funds advised by the Portfolio Manager, the Retention Holder and/or their affiliates (including CSAM employees) may purchase any other Notes at any time, creating potential and/or actual conflicts of interest between the Portfolio Manager, the Retention Holder, their affiliates, funds advised by the Portfolio Manager and/or such employees that hold Notes on the one hand and other investors in Notes on the other hand. Such purchases may be as part of the primary distribution, as well as in the secondary market and may occur a significant amount of time after the Issue Date. As of the date of this Offering Circular, a fund advised by an affiliate of the Portfolio Manager agreed to purchase Class M Subordinated Notes in an aggregate principal amount representing approximately 3.8% of the total principal amount of the Class M Subordinated Notes as at the Issue Date. Resulting conflicts of interest in connection with any such purchase referred to above could include (a) divergent economic interests between the Portfolio Manager, the Retention Holder, their affiliates, funds advised by the Portfolio Manager, the Retention Holder and/or their affiliates and/or such employees, on the one hand, and other investors in the Notes, on the other hand, and (b) voting of Notes held by the Portfolio Manager, or a recommendation to vote by the same, to cause, among other things, an early redemption of the Notes and/or an amendment of the transaction documents relating to the Notes.

Any Notes held by or on behalf of the Portfolio Manager or any Portfolio Manager Related Person at any time shall not vote with respect to, and shall not be counted for the purposes of determining a quorum and the results of voting on any PM Removal Resolution or any PM Replacement Resolution upon the removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement, but shall carry a right to vote and be so counted on all other matters in respect of which any such Class of Notes have a right to vote and be counted.

The Portfolio Manager and any Portfolio Manager Related Person will hold any Notes in the form of PM Voting Notes (and not PM Non-Voting Notes or PM Non-Voting Exchangeable Notes).

Other than the U.S. Retention Interest and as necessary to comply with the Retention Holder's undertaking pursuant to the Transaction Documents in connection with the EU Retention Requirements, none of the Portfolio Manager, the Retention Holder, their affiliates, funds advised by the Portfolio Manager, the Retention Holder and/or their affiliates (including CSAM employees) will have any obligation to retain any Notes and may, in the future transfer all or a portion of such Notes to any permitted transferee, which may include, without limitation, a fund or account managed by the Portfolio Manager.

The Portfolio Manager may, on occasion, experience errors with respect to trades executed on behalf of the Issuer. Trade errors can result from a variety of situations, including, for example, when the wrong financial instrument is purchased or sold, when the correct financial instrument is purchased or sold but for the wrong account, when the wrong quantity is purchased or sold or an ineligible investment is acquired. The Portfolio Manager endeavours to detect trade errors prior to settlement and correct and/or mitigate them in an expeditious manner. To the extent an error is caused by a counterparty, such as a broker, the Portfolio Manager (as applicable) will strive to recover any loss associated with such error from such counterparty (which may be an Affiliate of the Portfolio Manager). The Portfolio Manager will determine whether any trade error has resulted from gross negligence, wilful misconduct, a breach of a duty or a knowing violation of applicable law on its part and, unless it finds that to be the case, any losses will be borne by (and any gains will benefit) the Issuer. Trade errors frequently result in losses but may, occasionally, result in gains. It is possible that the cost of a trade error made by the Portfolio Manager will be paid for directly by the Issuer to the extent it is affected by any such error. The Portfolio Manager may also offset any errors resulting in a gain to the Issuer with errors resulting in a loss to the Issuer. The Portfolio Manager may establish internal guidelines regarding the manner in which such determinations are to be made, but investors should be aware that, in making such determinations, the Portfolio Manager will have a conflict of interest. Given the large volume, diversity and complexity of transactions executed by the Portfolio Manager on behalf of the Issuer, investors should assume that trading errors (and similar errors) may occur.

The Portfolio Manager or its affiliates may own positions in and will likely have placed or underwritten certain of the Collateral Debt Obligations (or other obligations of the issuers of Collateral Debt Obligations) when they were originally issued and may have provided or be providing investment banking services and other services to issuers of certain Collateral Debt Obligations. It is expected that from time to time the Portfolio Manager will purchase from or sell Collateral Debt Obligations through or to affiliates and that one or more affiliates of the Portfolio Manager may act as the selling institution with respect to participations and/or a counterparty under a Hedge Agreement (if any). Affiliates may act as placement agent and/or initial purchaser in other transactions

involving issues of collateralised debt obligations or other investment funds with assets similar to those of the Issuer, which may have an adverse effect on the availability of collateral for the Issuer.

The Trust Deed places significant restrictions on the Portfolio Manager's ability to invest in and dispose of Collateral Debt Obligations. Accordingly, during certain periods or in certain circumstances, the Portfolio Manager may be unable as a result of such restrictions to invest in or dispose of Collateral Debt Obligations or to take other actions that it might consider to be in the best interests of the Issuer and the Noteholders.

In addition, the Portfolio Manager has had communications with holders and other parties interested in the transaction and may have communications with other holders and/or other parties interested in the transaction during the term of the transaction, in each case, relating to the composition of the Issuer's investments and/or other matters relating to the Issuer. There can be no assurance that such communications have not influenced and will not influence the Portfolio Manager's decisions relating to the Issuer's assets or other matters with respect to which the Portfolio Manager has discretion. The Portfolio Manager will have sole authority to select and sole responsibility for selecting the assets, subject to the Trust Deed and the Portfolio Management Agreement.

Rating Agencies

S&P and Moody's have been engaged by the Issuer to provide their ratings on the Rated Notes. Either Rating Agency may have a conflict of interest where the issuer of a security pays the fee charged by such Rating Agency for its rating services, as is the case with the rating of the Rated Notes (with the exception of unsolicited ratings).

Certain Conflicts of Interest Involving or Relating to the Initial Purchaser and its Affiliates

Each of the Initial Purchaser and its Affiliates (the "**Barclays Parties**") will play various roles in relation to the offering, including acting as the structurer of the transaction and in other roles described below.

The Barclays Parties have been involved (together with the Portfolio Manager) in the formulation of the Portfolio Profile Tests, Coverage Tests, Collateral Quality Tests, Reinvestment Overcollateralisation Test, Priorities of Payment and other criteria in and provisions of the Trust Deed and the Portfolio Management Agreement. These may be influenced by discussions that the Initial Purchaser may have or have had with investors and there is no assurance that investors would agree with the views of one another or that the resulting modifications will not adversely affect the performance of the Notes or any particular Class of Notes. The Initial Purchaser was also a Warehouse Provider under the Warehouse Arrangements. See further "*Acquisition of Collateral Debt Obligations Prior to the Issue Date*" above.

The Initial Purchaser will purchase the Note from the Issuer on the Issue Date and resell them in individually negotiated transactions at varying prices, which may result in a higher or lower fee being paid to the Initial Purchaser in respect of those Notes. The Initial Purchaser may elect in its sole discretion to rebate a portion of its fees in respect of the Notes to certain investors, including the Retention Holder. The Initial Purchaser may assist clients and counterparties in transactions related to the Notes (including assisting clients in future purchases and sales of the Notes and hedging transactions). The Initial Purchaser expects to earn fees and other revenues from these transactions.

The Barclays Parties may retain a certain proportion of the Notes in their portfolios with an intention to hold to maturity or to trade. The holding or any sale of the Notes by these parties may adversely affect the liquidity of the Notes and may also affect the prices of the Notes in the primary or secondary market. The Barclays Parties are part of a global banking, investment banking and securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. As such, they actively make markets in and trade financial instruments for their own account and for the accounts of customers in the ordinary course of their business. The financial services that the Barclays Parties provide also include financing and, as such, the Barclays Parties intend to provide financing to the Portfolio Manager and/or any of its Affiliates and such financing will directly or indirectly involve financing of the Retention Notes. In the case of such financing, the Barclays Parties will receive security over assets of the Portfolio Manager and/or its Affiliates, including security over the Retention Notes, resulting in the Barclays Parties having enforcement rights and remedies which will include the right to appropriate or sell the Retention Notes. When exercising its rights in connection with such financing, the relevant Barclays Party may seek to enforce its security over all or some of the Retention Notes and take possession or sell such Retention Notes to a third party. In such circumstances, the

Portfolio Manager may not be able to comply with its undertakings related to the EU Retention Requirements or may not be able to comply with any U.S. Credit Risk Retention Requirements, which may (i) have adverse implications for investors who are subject to the EU Retention Requirements including, without limitation, the imposition of penal capital charges on the Notes held by such investors and (ii) negatively affect the liquidity and, correspondingly, the value of the Notes (see further "*Risk Factors - Regulatory Initiatives – Retention Financing*" above). In addition, the Barclays Parties may derive fees and other revenues from the arrangement and provision of such financing. The Barclays Parties may have positions in and will likely have placed, underwritten or syndicated certain of the Collateral Debt Obligations (or other obligations of the obligors of Collateral Debt Obligations) when they were originally issued and may have provided or may be providing investment banking services and other services to obligors of certain Collateral Debt Obligations. In addition, the Barclays Parties and their clients may invest in debt obligations and securities that are senior to, or have interests different from or adverse to, Collateral Debt Obligations. Each of the Barclays Parties will act in its own commercial interest in its various capacities without regard to whether its interests conflict with those of the holders of the Notes or any other party including, without limitation, in deciding whether to enforce its security granted in connection with any financing. Moreover, the Issuer may invest in loans of obligors Affiliated with the Barclays Parties or in which one or more Barclays Parties hold an equity, participation or other interest. The purchase, holding or sale of such Collateral Debt Obligations by the Issuer may increase the profitability of the Barclays Party own investments in such obligors.

From time to time the Portfolio Manager (pursuant to the terms of the Portfolio Management Agreement and on behalf of the Issuer) will purchase from or sell Collateral Debt Obligations through or to the Barclays Parties (including a portion of the Collateral Debt Obligations to be purchased on or prior to the Issue Date) and one or more Barclays Parties may act as the selling institution with respect to participation interests and/or as a counterparty under a Hedge Agreement. The Barclays Parties may act as placement agent and/or initial purchaser or investment manager in other transactions involving issues of collateralised loan obligations or other investment funds with assets similar to those of the Issuer, which may have an adverse effect on the availability of collateral for the Issuer and/or on the price of the Notes.

The Barclays Parties do not disclose specific trading positions or their hedging strategies, including whether they are in long or short positions in any Notes or obligations referred to in this Offering Circular except where required in accordance with the applicable law. Nonetheless, in the ordinary course of business, Barclays Parties and employees or customers of the Barclays Parties may actively trade in and/or otherwise hold long or short positions in the Notes, Collateral Debt Obligations and Eligible Investments or enter into transactions similar to referencing the Notes, Collateral Debt Obligations and Eligible Investments or the Obligors thereof for their own accounts and for the accounts of their customers. If a Barclays Party becomes an owner of any of the Notes, through market-making activity or otherwise, any actions that it takes in its capacity as owner, including voting, providing consents or otherwise will not necessarily be aligned with the interests of other owners of the same Class or other Classes of the Notes. To the extent a Barclays Party makes a market in the Notes (which it is under no obligation to do), it would expect to receive income from the spreads between its bid and offer prices for the Notes. In connection with any such activity, it will have no obligation to take, refrain from taking or cease taking any action with respect to these transactions and activities based on the potential effect on an investor in the Notes. The price at which a Barclays Party may be willing to purchase Notes, if it makes a market, will depend on market conditions and other relevant factors and may be significantly lower than the issue price for the Notes and significantly lower than the price at which it may be willing to sell the Notes.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of each of the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D-1 Notes, the Class D-2 Notes the Class E Notes, the Class F Notes and the Class M Subordinated Notes, substantially in the form in which they will be endorsed on such Notes if issued in definitive certificated form, which will be incorporated by reference into the Global Certificates of each Class representing the Notes, subject to the provisions of such Global Certificates, some of which will modify the effect of these terms and conditions of the Notes.

The issue of the €253,500,000 Class A-1 Senior Secured Floating Rate Notes due 2030 (the "**Class A-1 Notes**"), €21,000,000 Class A-2 Senior Secured Fixed Rate Notes due 2030 (the "**Class A-2 Notes**" and together with the Class A-1 Notes, the "**Class A Notes**"), €22,000,000 Class B-1 Senior Secured Floating Rate Notes due 2030 (the "**Class B-1 Notes**"), €32,000,000 Class B-2 Senior Secured Fixed Rate Notes due 2030 (the "**Class B-2 Notes**" and together with the Class B-1 Notes, the "**Class B Notes**"), €17,820,000 Class C-1 Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class C-1 Notes**"), €10,530,000 Class C-2 Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class C-2 Notes**"), €16,030,000 Class D-1 Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class D-1 Notes**"), €7,370,000 Class D-2 Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class D-2 Notes**"), €24,750,000 Class E Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class E Notes**"), €12,150,000 Class F Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class F Notes**" and, the Class F Notes together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the "**Rated Notes**") and €49,550,000 Class M Subordinated Notes due 2030 (the "**Class M Subordinated Notes**" and, the Class M Subordinated Notes together with the Rated Notes, the "**Notes**") of Cadogan Square CLO X D.A.C. (the "**Issuer**") was authorised by resolution of the board of Directors of the Issuer dated on or about 12 January 2018. The Notes are constituted and secured by a trust deed (together with any other security document entered into from time to time in respect of the Notes, the "**Trust Deed**") to be dated on or about 17 January 2018 between (amongst others) the Issuer and BNY Mellon Corporate Trustee Services Limited, in its capacity as trustee for the Noteholders and as security trustee for the Secured Parties (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed).

These terms and conditions of the Notes (the "**Conditions of the Notes**" or the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed (which includes the forms of the certificates representing the Notes). The following agreements have been entered into in relation to the Notes: (a) an agency agreement dated on or about 17 January 2018 (the "**Agency Agreement**") between, amongst others, the Issuer, The Bank of New York Mellon S.A./N.V., Luxembourg Branch as registrar and transfer agent (respectively, the "**Registrar**" and the "**Transfer Agent**", and together, the "**Transfer Agents**" and each a "**Transfer Agent**", which terms shall include any successor or substitute registrar or transfer agent appointed pursuant to the terms of the Agency Agreement), The Bank of New York Mellon, London Branch as principal paying agent, account bank, calculation agent and custodian (respectively, the "**Principal Paying Agent**", the "**Account Bank**", the "**Calculation Agent**" and the "**Custodian**", which terms shall include any successor or substitute principal paying agent, account bank, calculation agent or custodian, appointed pursuant to the terms of the Agency Agreement) and the Trustee; (b) a portfolio management agreement to be dated on or about 17 January 2018 (the "**Portfolio Management Agreement**") between Credit Suisse Asset Management Limited as portfolio manager in respect of the Portfolio (the "**Portfolio Manager**", which term shall also include any successor or substitute portfolio manager appointed pursuant to the terms of the Portfolio Management Agreement), the Issuer, The Bank of New York Mellon SA/NV, Dublin Branch as collateral administrator and information agent (respectively, the "**Collateral Administrator**" and "**Information Agent**", which terms shall include any successor or substitute collateral administrator and information agent appointed pursuant to the terms of the Portfolio Management Agreement), the Custodian and the Trustee; and (c) a corporate services agreement dated 6 September 2017 between the Issuer and TMF Administration Services Limited ("**Corporate Services Provider**") which term shall include any subsequent corporate services agreement entered into between the Issuer and any such successor or replacement corporate services provider. Copies of the Trust Deed, the Agency Agreement and the Portfolio Management Agreement are available for inspection by any Noteholder during usual business hours at the principal office of the Issuer (presently at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland) and at the specified offices of the Transfer Agents for the time being. The holders of each Class of Notes are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Trust Deed, and are deemed to have notice of all the provisions of each other Transaction Document.

1. Definitions

"**Acceleration Notice**" has the meaning given to it in Condition 10(b) (*Acceleration*).

"**Accountants' Effective Date Recalculation AUP Report**" means an accountants' report recalculating and comparing the Effective Date Determination Requirements together with a statement specifying the procedures performed at the request of the Issuer relating to such accountants' report.

"**Accounts**" means the Principal Account, the Interest Account, the Unused Proceeds Account, the Payment Account, the Expense Reserve Account, the Supplemental Reserve Account, the Counterparty Downgrade Collateral Account, the Semi-Annual Interest Smoothing Account, the Annual Interest Smoothing Account, the Hedge Termination Account, the Currency Account, the Unfunded Revolver Reserve Account, the Reserve Account, the Custody Account and the Contribution Account, the books and records of all of which shall be held in the United Kingdom.

"**Accrual Period**" means, in respect of each Class of Notes, the period from and including the Issue Date (or in the case of a Class that is subject to Refinancing, the Business Day upon which the Refinancing occurs) to, but excluding, the first Payment Date (or, in the case of a Class that is subject to Refinancing, the first Payment Date following the Refinancing) and each successive period from and including each Payment Date to, but excluding, the following Payment Date.

"**Additional Subordinated Notes Proceeds**" means the proceeds of an additional issuance pursuant to which only additional Class M Subordinated Notes were issued.

"**Adjusted Collateral Principal Amount**" means, as of any date of determination:

(a) the Aggregate Principal Balance of the Collateral Debt Obligations (other than Defaulted Obligations, Discount Obligations and Deferring Securities); *plus*

(b) unpaid accrued interest purchased with Principal Proceeds (other than with respect to Defaulted Obligations); *plus*

(c) without duplication, the amounts on deposit in the Principal Account and the Unused Proceeds Account (to the extent such amounts represent Principal Proceeds) (and any Eligible Investments which represent Principal Proceeds) (excluding, for the avoidance of doubt, any interest accrued on Eligible Investments); *plus*

(d) in relation to a Deferring Security or a Defaulted Obligation, the lesser of (i) its S&P Collateral Value; and (ii) its Moody's Collateral Value, *provided that* the Adjusted Collateral Principal Amount of a Defaulted Obligation that has been a Defaulted Obligation for more than three years after the date on which it became a Defaulted Obligation and continues to be a Defaulted Obligation on such date, the amount to be determined under this paragraph (d) shall be zero; *plus*

(e) the aggregate, for each Discount Obligation, of the product of the (x) purchase price (expressed as a percentage of par and excluding accrued interest) and (y) Principal Balance of such Discount Obligation; *minus*

(f) the Excess CCC/Caa Adjustment Amount;

provided that:

(i) with respect to any Collateral Debt Obligation that satisfies more than one of the definitions of Defaulted Obligation and Discount Obligation or that falls into the Excess CCC/Caa Adjustment Amount, such Collateral Debt Obligation shall, for the purposes of this definition, be treated as belonging only to the category of Collateral Debt Obligations which results in the lowest Adjusted Collateral Principal Amount on any date of determination;

(ii) in respect of each of (b) and (c) above, any non-Euro amounts will be converted into Euro at the Applicable FX Rate; and

(iii) in respect of (c) above:

(A) Principal Proceeds to be used to purchase Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to acquire but which are yet to settle shall be excluded; and

(B) Principal Proceeds to be received in respect of any sale of Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell but is yet to settle shall be included,

in each case, for the purposes of calculating the Adjusted Collateral Principal Amount.

"**Administrative Expenses**" means amounts due and payable by the Issuer in the following order of priority (in each case, other than where expressly set out below, together with any VAT thereon (and to the extent such amounts relate to costs and expenses, such VAT shall be limited to irrecoverable VAT) whether payable to that party or to the relevant tax authority):

(a) in the following order of priority, (i) on a *pro-rata* and *pari passu* basis, to the Agents pursuant to the Agency Agreement (including by way of indemnity and any Negative Interest charged to the Accounts held by the Custodian and/or the Account Bank (as applicable)); (ii) on a *pro-rata* and *pari passu* basis, to the Collateral Administrator and the Information Agent, pursuant to the Portfolio Management Agreement (including by way of indemnity); and (iii) to the Corporate Services Provider pursuant to the Corporate Services Agreement;

(b) on a *pro-rata* and *pari passu* basis, to each Reporting Delegate pursuant to any Reporting Delegation Agreement;

(c) on a *pro-rata* and *pari passu* basis:

(i) to any Rating Agency which may from time to time be requested to assign (i) a rating to each of the Rated Notes, or (ii) a confidential credit estimate to any of the Collateral Debt Obligations, for fees and expenses (including surveillance fees) in connection with any such rating or confidential credit estimate including, in each case, the ongoing monitoring thereof and any other amounts due and payable to any Rating Agency under the terms of the Issuer's engagement with such Rating Agency;

(ii) to the independent certified public accountants, auditors, agents and counsel of the Issuer (other than amounts payable to the Agents pursuant to paragraph (a) above and to the Directors in respect of payments under paragraph (a) above);

(iii) to the Portfolio Manager pursuant to the Portfolio Management Agreement (including indemnities provided for therein), but excluding any Portfolio Management Fees or any VAT payable thereon;

(iv) the Conflicts Review Board for fees, indemnities and expenses incurred under the terms of its appointment;

(v) to any other Person in respect of any governmental fee or charge (for the avoidance of doubt excluding any taxes) or any statutory indemnity;

(vi) to the Irish Stock Exchange, or such other stock exchange or exchanges upon which any of the Notes are listed from time to time;

(vii) on a *pro rata* basis to any other Person in respect of any other fees or expenses contemplated in the Conditions of the Notes and in the Transaction Documents or any other documents delivered pursuant to or in connection with the issue and sale of the Notes which are not provided for elsewhere in this definition or in the Priorities of Payment, including, without limitation, an amount up to €10,000 per annum in respect of fees and expenses incurred by the Issuer (in its sole and absolute discretion) in assisting in the preparation, provision or validation of data for purposes of Noteholder tax jurisdictions;

(viii) to the Initial Purchaser pursuant to the Subscription Agreement in respect of any indemnity or other amounts payable to it thereunder;

(ix) to the payment on a *pro rata* basis of any fees, expenses or indemnity payments in relation to the restructuring of a Collateral Debt Obligation, including but not limited to a steering committee relating thereto;

(x) on a *pro rata* basis to any Selling Institution pursuant to any Participation Agreement after the date of entry into any Participation (excluding, for avoidance of doubt, any payments on account of any Unfunded Amounts);

(xi) to any person in connection with satisfying the requirements of Rule 17g-5 of the Exchange Act; and

(xii) to the payment of any amounts necessary to ensure the orderly dissolution of the Issuer;

(d) on a *pro rata* and *pari passu* basis:

(i) on a *pro rata* basis to any other Person (including the Portfolio Manager) in connection with satisfying the requirements of Rule 17g-5, EMIR, CRA3, Securitisation Regulation, AIFMD or the Dodd-Frank Act;

(ii) on a *pro rata* basis to any Person (including the Portfolio Manager) in connection with satisfying the EU Retention Requirements and/or the U.S. Risk Retention Rules, including any costs or fees related to additional due diligence or reporting requirements or in respect of taking any EU Retention Cure Action;

(iii) any costs of complying with FATCA, including the fees and expenses of any person appointed by or on behalf of the Issuer to help ensure the Issuer's compliance with FATCA (and any other international automatic exchange of tax information regime such as the CRS and Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation as may be amended from time to time); and

(iv) reasonable fees, costs and expense of the Issuer and Portfolio Manager including reasonable attorneys' fees of compliance by the Issuer and the Portfolio Manager with the United States Commodity Exchange Act of 1936, as amended (including rules and regulations promulgated thereunder);

(e) any Refinancing Costs (to the extent not already provided for above); and

(f) except to the extent already provided for above, on a *pro rata* basis payment of any indemnities payable to any Person as contemplated in these Conditions or the Transaction Documents,

provided that:

(x) the Portfolio Manager may direct the payment of any Rating Agency fees set out in (c)(i) above other than in the order required by paragraph (c) above if the Portfolio Manager, Trustee or Issuer has been advised by a Rating Agency that non-payment of its fees will immediately result in the withdrawal of any ratings on any Class of Rated Notes so long as no such payments are made in priority to any payments due and payable under paragraphs (a) and (b) above; and

(y) the Portfolio Manager may direct payment other than in the order required by paragraphs (c) to (f) above is required to ensure the delivery of certain accounting services and reports, so long as no such payments are made in priority to any payments due and payable under paragraphs (a) and (b) above.

"**Affiliate**" or "**Affiliated**" means with respect to a Person:

(a) any other Person who, directly or indirectly, is in control of, or controlled by, or is under common control with, such Person; or

(b) any other Person who is a director, officer or employee:

(i) of such Person;

(ii) of any subsidiary or parent company of such Person; or

(iii) of any Person described in paragraph (a) above.

For the purposes of this definition, control of a Person shall mean the power, direct or indirect, (A) to vote more than 50 per cent. of the securities having ordinary voting power for the election of directors of such Person, or (B) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

"**Agent**" means each of the Registrar, the Principal Paying Agent, each additional or further paying agent appointed under the Agency Agreement, the Transfer Agent, the Calculation Agent, the Account Bank, the Collateral Administrator, the Information Agent and the Custodian, and, in each case, each of their permitted successors or assigns appointed as agents of the Issuer pursuant to the Agency Agreement or, as the case may be, the Portfolio Management Agreement and "**Agents**" shall be construed accordingly.

"**Aggregate Collateral Balance**" means, as at any Measurement Date, the amount equal to the aggregate of the following amounts, as at such Measurement Date:

(a) the Aggregate Principal Balance of all Collateral Debt Obligations, save that for the purpose of calculating the Aggregate Principal Balance for the purposes of:

(i) the Collateral Quality Tests (other than the S&P CDO Monitor Test), the Principal Balance of each Defaulted Obligation shall be excluded;

(ii) the Portfolio Profile Tests, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value;

(iii) comparing the Aggregate Collateral Balance to the Reinvestment Target Par Balance, the Principal Balance of each Defaulted Obligation shall be equal to its S&P Collateral Value; and and

(iv) determining whether an Event of Default has occurred in accordance with Condition 10(a)(iv) (*Collateral Debt Obligations*), the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value; and

(b) the Balances standing to the credit of the Principal Account and the Unused Proceeds Account (to the extent such amounts represent Principal Proceeds) and any Eligible Investments which represent Principal Proceeds (excluding, for the avoidance of doubt, any interest accrued on Eligible Investments), *provided that*:

(i) Principal Proceeds to be used to purchase Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to acquire, which are yet to settle shall be excluded; and

(ii) Principal Proceeds to be received in respect of any sale of Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell and which is yet to settle shall be included,

in each case, for the purposes of calculating the Aggregate Collateral Balance.

"**Aggregate Principal Balance**" means the aggregate of the Principal Balances of all the Collateral Debt Obligations and when used with respect to some portion of the Collateral Debt Obligations, means the aggregate of the Principal Balances of such portion of the Collateral Debt Obligations, in each case, as at the date of determination.

"**AIFMD**" means European Union Commission Delegated Regulation (EU) No 231/2013 (the "**AIFM Regulation**") as amended from time to time and EU Directive 2011/61/EU on Alternative Investment Fund Managers (as amended from time to time and as implemented by Member States of the European Union) together with any implemented or delegated regulation, technical standards and guidance related thereto as may be amended, replaced or supplemented from time to time.

"**AIFMD Retention Requirements**" means Article 17 of the AIFMD, as implemented by Section 5 of the AIFM Regulation, including any guidance published in relation thereto and any implementing laws or regulations in force in any Member State of the European Union, *provided that* references to AIFMD Retention Requirements shall be deemed to include any successor or replacement provisions of Section 5 of the AIFM Regulation included in any European Union directive or regulation subsequent to AIFMD.

"**Alternative Base Rate**" means, at the reasonable discretion of the Portfolio Manager:

(a) any rate (and, if applicable, the methodology for calculating such rate) formally proposed, recommended or recognised as an industry standard rate (whether by letter, protocol, publication of standard terms or otherwise) by, in each case, the most applicable of the Loan Markets Association, the Association for Financial Markets in Europe, or the Loan Syndications & Trading Association (or, in each case, any successor organization thereto) as a replacement reference rate for the calculation of the relevant reference rate (or the most appropriate such rate for the context in the Portfolio Manager's reasonable judgement in the event that multiple valid replacement rates are proposed, recommended or recognised);

(b) if at least 50% of the Floating Rate Collateral Debt Obligations (by principal balance) in the Portfolio Obligations pay interest based on a Base Rate other than EURIBOR, then the Base Rate applicable to the greatest percentage of such Floating Rate Collateral Debt Obligations;

(c) the most common reference rate, other than EURIBOR, used to determine the floating rate of interest on securities issued by collateralised loan obligations whose collateral consists primarily of broadly syndicated Secured Senior Loans denominated in Euro within the prior six months (the determination of which may be based, in the Portfolio Manager's reasonable judgement, on information provided by any of the Rating Agencies, the Initial Purchaser, or other, similarly situated, nationally recognised firms); or

(d) any other rate consented to by the Controlling Class (acting by Ordinary Resolution), provided that, if the Issuer requests consent for an Alternative Base Rate from the Controlling Class, any Noteholder of the Controlling Class who does not object to such request within fifteen (15) Business Days shall be deemed to have consented to such Alternative Base Rate.

"**Annual Interest Smoothing Account**" means the account described as such in the name of the Issuer with the Account Bank to which the Issuer will procure amounts are deposited in accordance with Condition 3(j)(viii) (*Annual Interest Smoothing Account*).

"**Annual Interest Smoothing Amounts**" means, in respect of any Determination Date for so long as any Rated Notes are Outstanding, an amount equal to the excess, if any, of:

(a) the sum of all payments of interest received during the related Due Period in respect of each Annual Obligation (that was an Annual Obligation at all times during such Due Period); over

(b) the sum of:

(i) the aggregate of the products, in respect of each Annual Obligation that was an Annual Obligation at all times during the related Due Period and which is a Floating Rate Collateral Debt Obligation, excluding any Annual Obligations that are Defaulted Obligations or Deferring Securities, of:

(A) prior to the occurrence of a Frequency Switch Event, 0.25 (or at the discretion of the Portfolio Manager, 0.5) and following the occurrence of a Frequency Switch Event, 0.5; multiplied by

(B) the sum of:

(1) EURIBOR or such other index in respect of which interest is calculated in respect of such Annual Obligation (as of the relevant Determination Date); plus

(2) the Weighted Average Floating Spread *provided that*, for the purpose of calculating the Weighted Average Floating Spread, such calculation shall

only include Floating Rate Collateral Debt Obligations which are Annual Obligations and that were Annual Obligations at all times during the related Due Period and such calculation shall exclude any Floating Rate Collateral Debt Obligations that are Defaulted Obligations or Deferring Securities; multiplied by

(C) the Principal Balance of such Annual Obligation; and

(ii) the product of:

(A) prior to the occurrence of a Frequency Switch Event, 0.25 (or at the discretion of the Portfolio Manager, 0.5) and following the occurrence of a Frequency Switch Event, 0.5; multiplied by

(B) the Weighted Average Fixed Coupon, *provided that*, for purposes of calculating the Weighted Average Fixed Coupon, such calculation shall only include Fixed Rate Collateral Debt Obligations which are Annual Obligations and that were Annual Obligations at all times during the related Due Period and such calculation shall exclude any Fixed Rate Collateral Debt Obligations that are Defaulted Obligations or Deferring Securities; multiplied by

(C) the Aggregate Principal Balance of all Annual Obligations that were Annual Obligations at all times during the related Due Period and which are Fixed Rate Collateral Debt Obligations, excluding the Aggregate Principal Balance of any Annual Obligations that are Defaulted Obligations or Deferring Securities,

in each case, determined in Euro, *provided that* (x) such amount may not be less than zero and (y) following redemption in full of the Rated Notes or if the Aggregate Principal Balance of the Annual Obligations and Semi-Annual Obligations (as at the last day of the related Due Period) are, together, less than or equal to 5 per cent. of the Aggregate Collateral Balance (for the purposes of determining the Aggregate Collateral Balance, the Principal Balance of all Defaulted Obligations shall be their S&P Collateral Value), such amount shall be deemed to be zero.

"**Annual Obligations**" means Collateral Debt Obligations which, at the relevant date of measurement, pay interest less frequently than semi-annually.

"**Applicable FX Rate**" means:

(a) in relation to any Principal Hedged Obligation denominated in a Qualifying Unhedged Obligation Currency:

(i) with respect to any calculations or determinations of any principal amounts relating thereto to be made under the Transaction Documents or these Conditions:

(A) prior to the settlement of the purchase of such Principal Hedged Obligation by the Issuer, the Spot Rate; and

(B) following the settlement of the purchase of such Principal Hedged Obligation by the Issuer, the relevant Currency Hedge Transaction Exchange Rate; and

(ii) with respect to any calculations or determinations of any interest amounts relating thereto to be made at any time under the Transaction Documents or these Conditions, the Spot Rate;

(b) with respect to any calculations or determinations to be made under the Transaction Documents or these Conditions in relation to any Unhedged Collateral Debt Obligation, the Spot Rate;

(c) with respect to any calculations or determinations to be made under the Transaction Documents or these Conditions in relation to any Currency Hedge Obligation, the relevant Currency Hedge Transaction Exchange Rate;

(d) in relation to amounts standing to the credit of the Accounts (including Eligible Investments standing to the credit thereto):

(i) with respect to any amounts standing to the credit of the Currency Accounts, to the extent that the Hedging Condition has been satisfied and a relevant Currency Hedge Agreement or FX Forward Agreement is in place, the relevant Currency Hedge Transaction Exchange Rate; and

(ii) with respect to any other calculations or determinations not covered by paragraph (d)(i) above, the Spot Rate; and

(e) with respect to any other calculations or determinations not covered by paragraphs (a) to (d) above and unless otherwise specified in these Conditions or the Transaction Documents, the Spot Rate.

"**Applicable Margin**" has the meaning given thereto in Condition 6 (*Interest*).

"**Appointee**" means any attorney, manager, agent, delegate or other person appointed by the Trustee under the terms of the Trust Deed to, discharge any of its functions or to advise it in relation thereto.

"**Assignment**" means an interest in a loan acquired directly by way of novation or assignment.

"**Authorised Denomination**" means, in respect of any Note, the Minimum Denomination thereof and any denomination equal to a multiple of the Authorised Integral Amount in excess of the Minimum Denomination thereof.

"**Authorised Integral Amount**" means, in respect of the Rated Notes, €500, and in respect of the Class M Subordinated Notes, €500.

"**Authorised Officer**" means with respect to the Issuer, any Directors of the Issuer or other person as notified by or on behalf of the Issuer to the Trustee who is authorised to act for the Issuer in matters relating to, and binding upon, the Issuer.

"**Balance**" means on any date, with respect to any cash or Eligible Investments standing to the credit of an Account (or any subaccount thereof), the aggregate of the:

(a) current balance of cash, demand deposits, time deposits, certificates of deposit, government guaranteed funds and other investment funds;

(b) outstanding principal amount of interest bearing corporate and government obligations and money market accounts and repurchase obligations; and

(c) purchase price, up to an amount not exceeding the face amount, of non interest bearing government and corporate obligations, commercial paper and certificates of deposit,

provided that (i) any balance which is denominated in a currency other than Euro shall be converted into Euro at the Applicable FX Rate and (ii) in the event that a default as to payment of principal and/or interest has occurred and is continuing (disregarding any grace periods provided for pursuant to the terms thereof) in respect of any Eligible Investment or any material obligation of the obligor thereunder which is senior or equal in right of payment to such Eligible Investment such Eligible Investment shall have a value equal to the lesser of its S&P Collateral Value and its Moody's Collateral Value (determined as if such Eligible Investment were a Collateral Debt Obligation).

"**Benefit Plan Investor**" means:

(a) an employee benefit plan (as defined in Section 3(3) of ERISA), subject to the provisions of part 4 of Subtitle B of Title I of ERISA;

(b) a plan to which Section 4975 of the Code applies; or

(c) any entity whose underlying assets include plan assets by reason of such an employee benefit plan's or plan's investment in such entity.

"**Bivariate Risk Table**" means the table set forth in the Portfolio Management Agreement.

"**Bridge Loan**" shall mean any Collateral Debt Obligation that: (a) is incurred in connection with a merger, acquisition, consolidation, sale of all or substantially all of the assets of a person, restructuring or similar transaction; and (b) by its terms, is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancings (*provided, however*, that any additional borrowing or refinancing having a term of more than one year may be included as a Bridge Loan if one or more financial institutions shall have provided the Obligor with a binding written commitment to provide the same).

"**Business Day**" means (save to the extent otherwise defined) a day:

(a) on which TARGET2 is open for settlement of payments in Euro;

(b) on which commercial banks and foreign exchange markets settle payments in London (other than a Saturday or a Sunday); and

(c) for the purposes of the definition of Presentation Date, in relation to the place of presentation, on which commercial banks and foreign exchange markets settle payments in that place.

"**Caa Obligations**" means all Collateral Debt Obligations with a Moody's Rating of "Caa1" or lower, excluding Defaulted Obligations, Deferring Securities and each Collateral Debt Obligation with a market value above par.

"**CCC/Caa Excess**" means, on any date of determination, the amount equal to the greater of:

(a) the excess of the Principal Balance of all CCC Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance (calculated for this purpose on the basis that the Principal Balance of each Defaulted Obligation is its S&P Collateral Value) as of such date of determination; and

(b) the excess of the Principal Balance of all Caa Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance as of such date of determination,

provided that, in determining which of the CCC Obligations or Caa Obligations, as applicable, shall be included under part (a) or (b) above, the CCC Obligations or Caa Obligations, as applicable, with the lowest Market Value (assuming that such Market Value is expressed as a percentage of the principal balance of such Collateral Debt Obligations as of such date of determination) shall be deemed to constitute the CCC/Caa Excess.

"**CCC Obligations**" means all Collateral Debt Obligations with a S&P Rating of "CCC+" or lower, excluding Defaulted Obligations and Deferring Securities.

"**Class of Notes**" means each of the Classes of Notes being:

(a) the Class A-1 Notes;

(b) the Class A-2 Notes;

(c) the Class B-1 Notes;

(d) the Class B-2 Notes;

(e) the Class C-1 Notes;

(f) the Class C-2 Notes;

(g) the Class D-1 Notes;

(h) the Class D-2 Notes;

(i) the Class E Notes;

(j) the Class F Notes; and

(k) the Class M Subordinated Notes,

and "**Class of Noteholders**" and "**Class**" shall be construed accordingly, *provided notwithstanding* that:

(i) the Class A-1 PM Voting Notes, Class A-1 PM Non-Voting Exchangeable Notes and the Class A-1 PM Non-Voting Notes are in the same Class;

(ii) the Class A-2 PM Voting Notes, Class A-2 PM Non-Voting Exchangeable Notes and the Class A-2 PM Non-Voting Notes are in the same Class;

(iii) the Class B-1 PM Voting Notes, Class B-1 PM Non-Voting Exchangeable Notes and the Class B-1 PM Non-Voting Notes are in the same Class;

(iv) the Class B-2 PM Voting Notes, Class B-2 PM Non-Voting Exchangeable Notes and the Class B-2 PM Non-Voting Notes are in the same Class;

(v) the Class C-1 PM Voting Notes, Class C-1 PM Non-Voting Exchangeable Notes and the Class C-1 PM Non-Voting Notes are in the same Class;

(vi) the Class C-2 PM Voting Notes, Class C-2 PM Non-Voting Exchangeable Notes and the Class C-2 PM Non-Voting Notes are in the same Class;

(vii) the Class D-1 PM Voting Notes, Class D-1 PM Non-Voting Exchangeable Notes and the Class D-1 PM Non-Voting Notes are in the same Class;

(viii) the Class D-2 PM Voting Notes, Class D-2 PM Non-Voting Exchangeable Notes and the Class D-2 PM Non-Voting Notes are in the same Class;

(ix) the Class E PM Voting Notes, Class E PM Non-Voting Exchangeable Notes and the Class E PM Non-Voting Notes are in the same Class; and

(x) the Class F PM Voting Notes, Class F PM Non-Voting Exchangeable Notes and the Class F PM Non-Voting Notes are in the same Class,

in each case, they shall not be treated as a single Class in respect of any vote or determination of quorum under the Trust Deed or these Conditions in connection with any PM Removal Resolution or PM Replacement Resolution and, instead, the PM Voting Notes shall be treated as the relevant Class solely for such purpose, and references to "**Class**" shall be construed accordingly. For the avoidance of doubt, each Class of Notes described in paragraphs (a) through (j) above shall be treated as a single Class for all other purposes.

"**Class A Noteholders**" means the holders of any Class A-1 Notes or Class A-2 Notes from time to time.

"**Class A Notes**" means the Class A-1 Notes and the Class A-2 Notes.

"**Class A-1 Floating Rate of Interest**" has the meaning ascribed to it in Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class* E Notes and Class F Notes).

"**Class A-1 PM Non-Voting Exchangeable Notes**" means the Class A-1 Notes in the form of PM Non-Voting Exchangeable Notes.

"**Class A-1 PM Non-Voting Notes**" means the Class A-1 Notes in the form of PM Non-Voting Notes.

"**Class A-1 PM Voting Notes**" means the Class A-1 Notes in the form of PM Voting Notes.

"**Class A-2 PM Non-Voting Exchangeable Notes**" means the Class A-2 Notes in the form of PM Non-Voting Exchangeable Notes.

"**Class A-2 PM Non-Voting Notes**" means the Class A-2 Notes in the form of PM Non-Voting Notes.

"**Class A-2 PM Voting Notes**" means the Class A-2 Notes in the form of PM Voting Notes.

"**Class A/B Coverage Tests**" means the Class A/B Interest Coverage Test and the Class A/B Par Value Test.

"**Class A/B Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the sum of the scheduled interest payments

due on the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes and the Class B-2 Notes on the next following Payment Date with any non-Euro amounts converted into Euro at the Applicable FX Rate. For the purposes of calculating the Class A/B Interest Coverage Ratio, the expected interest income on Collateral Debt Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes and the Class B-2 Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class A/B Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date and which will be satisfied on such Measurement Date if the Class A/B Interest Coverage Ratio is at least equal to 120.00 per cent.

"**Class A/B Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Collateral Principal Amount by (b) the sum of the Principal Amounts Outstanding of each of the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes and the Class B-2 Notes.

"**Class A/B Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class A/B Par Value Ratio is at least equal to 126.99 per cent.

"**Class B Noteholders**" means the holders of any Class B-1 Notes or Class B-2 Notes from time to time.

"**Class B Notes**" means the Class B-1 Notes and the Class B-2 Notes.

"**Class B-1 Floating Rate of Interest**" has the meaning ascribed to it in Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class* E Notes and Class F Notes).

"**Class B-1 PM Non-Voting Exchangeable Notes**" means the Class B-1 Notes in the form of PM Non-Voting Exchangeable Notes.

"**Class B-1 PM Non-Voting Notes**" means the Class B-1 Notes in the form of PM Non-Voting Notes.

"**Class B-1 PM Voting Notes**" means the Class B-1 Notes in the form of PM Voting Notes.

"**Class B-2 PM Non-Voting Exchangeable Notes**" means the Class B-2 Notes in the form of PM Non-Voting Exchangeable Notes.

"**Class B-2 PM Non-Voting Notes**" means the Class B-2 Notes in the form of PM Non-Voting Notes.

"**Class B-2 PM Voting Notes**" means the Class B-2 Notes in the form of PM Voting Notes.

"**Class C Coverage Tests**" means the Class C Interest Coverage Test and the Class C Par Value Test.

"**Class C Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the sum of the scheduled interest payments due on the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes and the Class C-2 Notes on the next following Payment Date (excluding Deferred Interest but including any interest on Deferred Interest and with any non-Euro amounts converted into Euro at the Applicable FX Rate). For the purposes of calculating the Class C Interest Coverage Ratio, the expected interest income on Collateral Debt Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes and the Class C-2 Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class C Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date and which will be satisfied on such Measurement Date if the Class C Interest Coverage Ratio is at least equal to 110.00 per cent.

"**Class C Noteholders**" means the holders of any Class C-1 Notes or Class C-2 Notes from time to time.

"**Class C Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Collateral Principal Amount by (b) the sum of the Principal Amounts Outstanding of each of the Class A Notes, the Class B Notes and the Class C Notes.

"**Class C Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class C Par Value Ratio is at least equal to 118.60 per cent.

"**Class C-1 Floating Rate of Interest**" has the meaning ascribed to it in Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class* E Notes and Class F Notes).

"**Class C-1 PM Non-Voting Exchangeable Notes**" means the Class C-1 Notes in the form of PM Non-Voting Exchangeable Notes.

"**Class C-1 PM Non-Voting Notes**" means the Class C-1 Notes in the form of PM Non-Voting Notes.

"**Class C-1 PM Voting Notes**" means the Class C-1 Notes in the form of PM Voting Notes.

"**Class C-2 Floating Rate of Interest**" has the meaning ascribed to it in Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class* E Notes and Class F Notes).

"**Class C-2 PM Non-Voting Exchangeable Notes**" means the Class C-2 Notes in the form of PM Non-Voting Exchangeable Notes.

"**Class C-2 PM Non-Voting Notes**" means the Class C-2 Notes in the form of PM Non-Voting Notes.

"**Class C-2 PM Voting Notes**" means the Class C-2 Notes in the form of PM Voting Notes.

"**Class D Coverage Test**" means the Class D Par Value Test.

"**Class D Noteholders**" means the holders of any Class D-1 Notes or Class D-2 Notes from time to time.

"**Class D Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Collateral Principal Amount by (b) the sum of the Principal Amounts Outstanding of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.

"**Class D Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class D Par Value Ratio is at least equal to 112.34 per cent.

"**Class D-1 Floating Rate of Interest**" has the meaning ascribed to it in Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class* E Notes and Class F Notes).

"**Class D-1 PM Non-Voting Exchangeable Notes**" means the Class D-1 Notes in the form of PM Non-Voting Exchangeable Notes.

"**Class D-1 PM Non-Voting Notes**" means the Class D-1 Notes in the form of PM Non-Voting Notes.

"**Class D-1 PM Voting Notes**" means the Class D-1 Notes in the form of PM Voting Notes.

"**Class D-2 Floating Rate of Interest**" has the meaning ascribed to it in Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class* E Notes and Class F Notes).

"**Class D-2 PM Non-Voting Exchangeable Notes**" means the Class D-2 Notes in the form of PM Non-Voting Exchangeable Notes.

"**Class D-2 PM Non-Voting Notes**" means the Class D-2 Notes in the form of PM Non-Voting Notes.

"**Class D-2 PM Voting Notes**" means the Class D-2 Notes in the form of PM Voting Notes.

"**Class E Coverage Test**" means the Class E Par Value Test.

"**Class E Floating Rate of Interest**" has the meaning ascribed to it in Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class* E Notes and Class F Notes).

"**Class E Noteholders**" means the holders of any Class E Notes from time to time.

"**Class E Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Collateral Principal Amount by (b) the sum of the Principal Amounts Outstanding of each of the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D-1 Notes, the Class D-2 Notes and the Class E Notes.

"**Class E Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class E Par Value Ratio is at least equal to 106.61 per cent.

"**Class E PM Non-Voting Exchangeable Notes**" means the Class E Notes in the form of PM Non-Voting Exchangeable Notes.

"**Class E PM Non-Voting Notes**" means the Class E Notes in the form of PM Non-Voting Notes.

"**Class E PM Voting Notes**" means the Class E Notes in the form of PM Voting Notes.

"**Class F Floating Rate of Interest**" has the meaning ascribed to it in Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class* E Notes and Class F Notes).

"**Class F Noteholders**" means the holders of any Class F Notes from time to time.

"**Class F PM Non-Voting Exchangeable Notes**" means the Class F Notes in the form of PM Non-Voting Exchangeable Notes.

"**Class F PM Non-Voting Notes**" means the Class F Notes in the form of PM Non-Voting Notes.

"**Class F PM Voting Notes**" means the Class F Notes in the form of PM Voting Notes.

"**Class M Subordinated Noteholders**" means the holders of any Class M Subordinated Notes from time to time.

"**Class M Subordinated Notes Issue Price**" means 90 per cent.

"**Clearing System Business Day**" means a day on which Euroclear and Clearstream, Luxembourg are open for business.

"**Clearstream, Luxembourg**" means Clearstream Banking, *société anonyme*.

"**Code**" means the United States Internal Revenue Code of 1986, as amended from time to time and the Treasury regulations promulgated thereunder.

"**Collateral**" means the property, assets and rights described in Condition 4(a) (*Security*) which are charged and/or assigned to the Trustee from time to time for the benefit of the Secured Parties pursuant to the Trust Deed.

"**Collateral Acquisition Agreements**" means each of the agreements entered into by the Issuer in relation to the purchase by the Issuer of Collateral Debt Obligations from time to time.

"**Collateral Debt Obligation**" means any debt obligation or debt security purchased (including by way of a Participation) by or on behalf of the Issuer from time to time (or, if the context so requires, to be purchased by or on behalf of the Issuer) and which the Portfolio Manager has determined in accordance with the Standard of

Care (as defined in the Portfolio Management Agreement) satisfies the Eligibility Criteria at the time that any commitment to purchase is entered into by or on behalf of the Issuer. References to Collateral Debt Obligations shall include Non-Euro Obligations but shall not include Collateral Enhancement Obligations, Eligible Investments or Exchanged Securities. Obligations which are to constitute Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to purchase but which have not yet settled shall be included as Collateral Debt Obligations in the calculation of the Collateral Quality Tests, the Coverage Tests, the Reinvestment Overcollateralisation Test and the Portfolio Profile Tests at any time as if such purchase had been completed and Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell but which have not yet settled shall be excluded as Collateral Debt Obligations solely for the purpose of the calculation of the Collateral Quality Tests, the Coverage Tests, the Reinvestment Overcollateralisation Test and the Portfolio Profile Tests at any time as if such sale had been completed. The failure of any obligation to satisfy the Eligibility Criteria at any time after the Issuer or the Portfolio Manager on behalf of the Issuer has entered into a binding agreement to purchase it, shall not cause such obligation to cease to constitute a Collateral Debt Obligation unless it is an Issue Date Collateral Debt Obligation which does not satisfy the Eligibility Criteria on the Issue Date. A Collateral Debt Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) shall only constitute a Collateral Debt Obligation if it satisfies the Restructured Obligation Criteria on the appropriate Restructuring Date.

"**Collateral Debt Obligation Stated Maturity**" means, with respect to any Collateral Debt Obligation or Eligible Investment, the date specified in such obligation as the fixed date on which the final payment or repayment of principal of such obligation is due and payable.

"**Collateral Enhancement Obligation**" means any warrant or equity security, excluding Exchanged Securities, but including without limitation, warrants relating to Mezzanine Obligations and any equity security received upon conversion or exchange of, or exercise of an option under, or otherwise in respect of a Collateral Debt Obligation; or any warrant or equity security purchased (or otherwise acquired) as part of a unit with a Collateral Debt Obligation (but in all cases, excluding, for the avoidance of doubt, the Collateral Debt Obligation), in each case, the acquisition of which will not result in the imposition of any present or future, actual or contingent liabilities or obligations on the Issuer other than those which may arise at its option or any securities or interests resulting from the exercise of an option, warrant, right of conversion, pre-emptive right, rights offering, credit bid or similar right in connection with the workout or restructuring of a Collateral Debt Obligation or an equity security or interest received in connection with the workout or restructuring of a Collateral Debt Obligation. The acquisition of Collateral Enhancement Obligations will not be required to satisfy the Eligibility Criteria.

"**Collateral Enhancement Obligation Proceeds**" means all Distributions and Sale Proceeds received in respect of any Collateral Enhancement Obligation.

"**Collateral Quality Tests**" means the Collateral Quality Tests set out in the Portfolio Management Agreement being each of the following,

(a) so long as any Notes rated by Moody's are Outstanding:

  (i) the Moody's Minimum Diversity Test;

  (ii) the Moody's Maximum Weighted Average Rating Factor Test;

  (iii) the Moody's Minimum Weighted Average Recovery Rate Test;

  (iv) the Minimum Weighted Average Spread Test;

  (v) the Minimum Weighted Average Fixed Coupon Test; and

  (vi) the Weighted Average Life Test; and

(b) so long as any Notes rated by S&P are Outstanding:

  (i) the S&P CDO Monitor Test;

  (ii) the Minimum Weighted Average Spread Test;

(iii) the Minimum Weighted Average Fixed Coupon Test;

(iv) the S&P Minimum Weighted Average Recovery Rate Test; and

(v) the Weighted Average Life Test,

each as defined in the Portfolio Management Agreement.

"**Collateral Tax Event**" means at any time as a result of: (i) FATCA or (ii) the introduction of a new, or any change in, any home jurisdiction or foreign tax statute, treaty, regulation, rule, ruling, practice, procedure or judicial decision or interpretation (whether proposed, temporary or final), interest payments, discount or premium due from the Obligors of any Collateral Debt Obligations (or from Selling Institutions in the case of Participations) in relation to any Due Period becoming properly subject to the imposition of home jurisdiction direct taxation or foreign withholding tax (other than where such withholding tax is compensated for by a "gross up" provision in the terms of the Collateral Debt Obligation or such requirement to withhold is eliminated pursuant to a double taxation treaty or otherwise so that the Issuer receives the same amount on an after tax basis that it would have received had no withholding tax been imposed) so that the aggregate amount of such withholding tax on all Collateral Debt Obligations in relation to such Due Period is equal to or in excess of 6 per cent. of the aggregate interest payments due (for the avoidance of doubt, excluding any additional interest arising as a result of the operation of any gross up provision) on all Collateral Debt Obligations in relation to such Due Period.

"**Commitment Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Obligation, the maximum aggregate outstanding principal amount (whether at the time funded or unfunded) of advances or other extensions of credit at any one time outstanding that the Issuer could be required to make to the Obligor under the Underlying Instruments relating thereto or to a funding bank in connection with any ancillary facilities related thereto.

"**Conflicts Review Agreement**" means the conflicts review agreement, dated as of 6 September 2017, by and among MaplesFS Limited and the Portfolio Manager and acceded to by the Issuer or any similar agreement with any successor Conflicts Review Board, in each case as amended or supplemented from time to time.

"**Conflicts Review Board**" means an institution that is not an Affiliate of the Portfolio Manager, appointed pursuant to the Conflicts Review Agreement by the Issuer from time to time for the purpose of reviewing any actual or potential conflict of interest that may arise in connection with the transactions set forth the Portfolio Management Agreement. At the Issue Date, the Conflicts Review Board is MaplesFS Limited.

"**Contribution**" has the meaning specified in Condition 2(k) (*Contributions*).

"**Contribution Account**" means the account described as such in the name of the Issuer with the Account Bank.

"**Contributor**" has the meaning specified in Condition 2(k) (*Contributions*).

"**Controlling Class**" means:

(a) the Class A Notes; or

(b) (i) following redemption and payment in full of the Class A Notes; or

(ii) prior to the redemption and payment in full of the Class A Notes and solely in connection with a PM Removal Resolution or a PM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A Notes is held in the form of PM Non-Voting Exchangeable Notes and/or PM Non-Voting Notes and/or Notes held by or on behalf of the Portfolio Manager or a Portfolio Manager Related Person, in respect of a PM Removal Resolution or a PM Replacement Resolution upon the removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement,

the Class B Notes; or

(c) (i) following redemption and payment in full of the Class A Notes and the Class B Notes; or

(ii) prior to the redemption and payment in full of the Class A Notes and the Class B Notes and solely in connection with a PM Removal Resolution or a PM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A Notes and the Class B Notes is held in the form of PM Non-Voting Exchangeable Notes and/or PM Non-Voting Notes and/or Notes held by or on behalf of the Portfolio Manager or a Portfolio Manager Related Person, in respect of a PM Removal Resolution or a PM Replacement Resolution upon the removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement,

the Class C Notes; or

(d) (i) following redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes; or

(ii) prior to the redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes and solely in connection with a PM Removal Resolution or a PM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A Notes, the Class B Notes and the Class C Notes is held in the form of PM Non-Voting Exchangeable Notes and/or PM Non-Voting Notes and/or Notes held by or on behalf of the Portfolio Manager or a Portfolio Manager Related Person, in respect of a PM Removal Resolution or a PM Replacement Resolution upon the removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement,

the Class D Notes; or

(e) (i) following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes; or

(ii) prior to the redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and solely in connection with a PM Removal Resolution or a PM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes is held in the form of PM Non-Voting Exchangeable Notes and/or PM Non-Voting Notes and/or Notes held by or on behalf of the Portfolio Manager or a Portfolio Manager Related Person, in respect of a PM Removal Resolution or a PM Replacement Resolution upon the removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement,

the Class E Notes; or

(f) (i) following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes; or

(ii) prior to the redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes and solely in connection with a PM Removal Resolution or a PM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes is held in the form of PM Non-Voting Exchangeable Notes and/or PM Non-Voting Notes and/or Notes held by or on behalf of the Portfolio Manager or a Portfolio Manager Related Person, in respect of a PM Removal Resolution or a PM Replacement Resolution upon the removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement,

the Class F Notes; or

(g) (i) following redemption and payment in full of all of the Rated Notes; or

(ii) prior to the redemption and payment in full of the Rated Notes and solely in connection with a PM Removal Resolution or a PM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Rated Notes is held in the form of PM Non-Voting Exchangeable Notes and/or PM Non-Voting Notes and/or Notes held by or on behalf of the Portfolio Manager or a Portfolio Manager Related Person, in respect of a PM Removal Resolution or a PM Replacement Resolution upon the removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement,

the Class M Subordinated Notes,

provided that, solely in connection with a PM Removal Resolution or a PM Replacement Resolution, no Notes held in the form of PM Non-Voting Exchangeable Notes and/or PM Non-Voting Notes and/or Notes held by or on behalf of the Portfolio Manager or a Portfolio Manager Related Person, in respect of a PM Removal Resolution or a PM Replacement Resolution upon the removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement, shall (A) constitute or form part of the Controlling Class, (B) be entitled to vote in respect of such PM Removal Resolution or PM Replacement Resolution or (C) be counted for the purposes of determining a quorum or the result of voting in respect of such PM Removal Resolution or PM Replacement Resolution.

"**Corporate Rescue Loan**" means a Collateral Debt Obligation that is an interest in a loan or financing facility that is acquired by way of assignment, novation or Participation which is paying interest and principal on a current basis, which has a Moody's Rating determined in accordance with paragraph (a) or (b) of the definition thereof of not less than "Caa3" and either:

(a) is an obligation of a debtor in possession as described in § 1107 of the United States Bankruptcy Code or a trustee (if appointment of such trustee has been ordered pursuant to § 1104 of the United States Bankruptcy Code) (a "**Debtor**") organised under the laws of the United States or any State therein, the terms of which have been approved by an order of the United States Bankruptcy Court, the United States District Court, or any other court of competent jurisdiction, the enforceability of which order is not subject to any pending contested matter or proceeding (as such terms are defined in the Federal Rules of Bankruptcy Procedure) and which order provides that (i) such Corporate Rescue Loan is secured by liens on the Debtor's otherwise unencumbered assets pursuant to § 364(c)(2) of the United States Bankruptcy Code; or (ii) such Corporate Rescue Loan is secured by liens of equal or senior priority on property of the Debtor's estate that is otherwise subject to a lien pursuant to § 364(d) of the United States Bankruptcy Code; or (iii) such Corporate Rescue Loan is secured by junior liens on the Debtor's unencumbered assets and such Corporate Rescue Loan is fully secured based upon a current valuation or appraisal report; or (aa) if the Corporate Rescue Loan or any portion thereof is unsecured, the repayment of such Corporate Rescue Loan retains priority over all other administrative expenses pursuant to § 364(c)(1) of the United States Bankruptcy Code; or

(b) is a credit facility or other advance made available to a company or group in a restructuring or insolvency process with main proceedings outside of the United States which (i) constitutes the most senior secured obligations of the entity which is the borrower thereof and either (ii) ranks *pari passu* in all respects with the other senior secured debt of the borrower, *provided that* such facility is entitled to recover proceeds of enforcement of security shared with the other senior secured indebtedness (e.g. bond) of the borrower and its subsidiaries in priority to all such other senior secured indebtedness, or (iii) achieves priority over other senior secured obligations of the borrower otherwise than through the grant of security, such as pursuant to the operation of applicable insolvency legislation (including as an expense of the restructuring or insolvency process) or other applicable law,

provided, in each case, if, at any time a Collateral Debt Obligation that is a Corporate Rescue Loan in accordance with the provisions above:

(i) has a Moody's Rating of not less than "Caa1" or a S&P Rating of not less than "CCC"; and

(ii) either:

(A) the relevant Obligor is no longer a Debtor as described in paragraph (a) above; or

(B) the restructuring or insolvency process referred to in paragraph (b) above pursuant to which such Collateral Debt Obligation was made available is complete and no further restructuring or insolvency process is outstanding in respect of the relevant Obligor,

such Collateral Debt Obligation shall no longer be a Corporate Rescue Loan.

"**Counterparty Downgrade Collateral**" means any cash and/or securities delivered to the Issuer as collateral for the obligations of a Hedge Counterparty under the applicable Hedge Transaction.

"**Counterparty Downgrade Collateral Account**" means, in respect of each Hedge Counterparty and a Hedge Agreement to which it is a party, the accounts of the Issuer with the Custodian into which all Counterparty

Downgrade Collateral (including cash) is to be deposited in respect of such Hedge Counterparty and such Hedge Agreement, each such account to be named including the name of the relevant Hedge Counterparty.

"**Coverage Test**" means each of the Class A/B Par Value Test, the Class A/B Interest Coverage Test, the Class C Par Value Test, the Class C Interest Coverage Test, the Class D Par Value Test and the Class E Par Value Test.

"**Cov-Lite Loan**" means a Secured Senior Loan that in the commercial judgment of the Portfolio Manager (a) does not contain any financial covenants; or (b) requires the Obligor to comply with an Incurrence Covenant, but does not require the Obligor to comply with a Maintenance Covenant; provided that for all purposes a loan which either contains a cross default provision to, or ranks pari passu with, another obligation of the Obligor or another member of the borrowing group of which the Obligor is a part that requires the Obligor or such other member of the borrowing group to comply with one or more Maintenance Covenants where such compliance is required either (i) at all times during the life of such other obligation or (ii) only while such other obligation is funded or upon the occurrence of a particular specified event, such loan shall not constitute a Cov-Lite Loan. A loan shall not constitute a Cov-Lite Loan only for so long as the relevant pari passu obligation or the relevant obligation to which such loan contains a cross default provision is outstanding or is capable of being drawn.

"**CRA3**" means the Regulation of the European Parliament and of the European Council amending Regulation EC 1060/2009 on credit rating agencies (as the same may be amended from time to time).

"**Credit Impaired Obligation**" means any Collateral Debt Obligation that in the Portfolio Manager's commercially reasonable business judgment has a significant risk of declining in credit quality or price and, with a lapse of time, becoming a Defaulted Obligation, or is subject to one of the following criteria:

(a) any Collateral Debt Obligation as to which one or more of the following criteria applies:

(i) such Collateral Debt Obligation has been downgraded or put on a watch list for possible downgrade or on negative outlook by S&P, Moody's, Fitch, Morningstar or other nationally recognised statistical rating organization since the date on which such Collateral Debt Obligation was acquired by the Issuer;

(ii) if such Collateral Debt Obligation is a Floating Rate Collateral Debt Obligation, the price of such Collateral Debt Obligation has changed during the period from the date on which it was acquired by the Issuer to the proposed sale date by a percentage at least (x) (in the case of Secured Senior Loans) 0.25 per cent., or (y) (in the case of Unsecured Senior Obligations which are loans, Second Lien Loans or Mezzanine Obligations) 0.50 per cent., in each case, less than the percentage change in the average price of an Eligible Loan Index over the same period;

(iii) if such Collateral Debt Obligation is a loan or bond, the Market Value (expressed as a percentage) of such Collateral Debt Obligation has decreased by at least 0.25 per cent. of the price paid by the Issuer for such Collateral Debt Obligation;

(iv) if such Collateral Debt Obligation is a loan, a bond or security, the Sale Proceeds (excluding Sale Proceeds that constitute Interest Proceeds) of such loan obligation, bond or security would be less than or equal to 99.75 per cent. of the purchase price paid by the Issuer at its date of acquisition;

(v) if such Collateral Debt Obligation is a Fixed Rate Collateral Debt Obligation, the Market Value (expressed as a percentage) of such Collateral Debt Obligation has changed since its date of acquisition by a percentage at least 1.00 per cent. less than the percentage change in the Eligible Bond Index over the same period, as determined by the Portfolio Manager; or

(vi) if such Collateral Debt Obligation is a loan or a Floating Rate Collateral Debt Obligation, the spread over the applicable reference rate for such Collateral Debt Obligation has been increased in accordance with its Underlying Instruments since the date of acquisition by (1) 0.25 per cent. or more (in the case of a loan or a Floating Rate Collateral Debt Obligation with a spread (prior to such increase) less than or equal to 2.00 per cent.), (2) 0.375 per cent. or more (in the case of a loan or a Floating Rate Collateral Debt Obligation with a spread (prior to such increase) greater than 2.00 per cent. but less than or equal to 4.00 per cent.) or (3) 0.50 per cent. or more (in the case of a loan or a Floating Rate Collateral Debt Obligation with a

spread (prior to such increase) greater than 4.00 per cent.) due, in each case, to a deterioration in the related Obligor's financial ratios or financial results; or

(b) with respect to which the Controlling Class acting by way of Ordinary Resolution consents to treat such Collateral Debt Obligation as a Credit Impaired Obligation.

"**Credit Estimate Obligation**" means any Collateral Debt Obligation for which the S&P Rating and/or Moody's Rating is based on a confidential credit estimate rather than a public or private rating from the relevant Rating Agency.

"**Credit Improved Obligation**" means:

(a) any Collateral Debt Obligation that in the Portfolio Manager's commercially reasonable business judgment has significantly improved in credit quality or price from the condition of its credit at the time of purchase which judgment may (but need not) be based on one or more of the following facts:

(i) such Collateral Debt Obligation has been upgraded or put on a watch list for possible upgrade by S&P, Moody's, Fitch, Morningstar or other nationally recognised statistical rating organization since the date on which such Collateral Debt Obligation was acquired by the Issuer;

(ii) if such Collateral Debt Obligation is a loan, a bond or security, the Sale Proceeds (excluding Sale Proceeds that constitute Interest Proceeds) of such loan, bond or security would be at least (i) 100.25 per cent. or (ii) if owned for less than 30 days, 100.5 per cent. of its purchase price paid by the Issuer at the time of its acquisition;

(iii) if such Collateral Debt Obligation is a Floating Rate Collateral Debt Obligation, the price of such Collateral Debt Obligation has changed during the period from the date on which it was acquired by the Issuer to the proposed sale date by a percentage either at least 0.25 per cent. more positive, or 0.25 per cent. less negative, as the case may be, than the percentage change in the average price of the applicable Eligible Loan Index over the same period;

(iv) if such Collateral Debt Obligation is a floating rate note, the price of such note changed during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either at least 0.5 per cent. more positive, or at least 0.5 per cent. less negative, as the case may be, than the percentage change in a recognised index selected by the Portfolio Manager over the same period;

(v) if such Collateral Debt Obligation is a Fixed Rate Collateral Debt Obligation, the Market Value (expressed as a percentage) of such bond has changed since the date of its acquisition by a percentage either at least 0.25 per cent. more positive or at least 0.25 per cent. less negative than the percentage change in the Eligible Bond Index over the same period, as determined by the Portfolio Manager;

(vi) if such Collateral Debt Obligation is a loan or a Floating Rate Collateral Debt Obligation, the spread over the applicable reference rate for such Collateral Debt Obligation has been decreased in accordance with its Underlying Instruments since the date of acquisition by (1) 0.25 per cent. or more (in the case of a loan or a Floating Rate Collateral Debt Obligation with a spread (prior to such decrease) less than or equal to 2.00 per cent.), (2) 0.375 per cent. or more (in the case of a loan or a Floating Rate Collateral Debt Obligation with a spread (prior to such decrease) greater than 2.00 per cent. but less than or equal to 4.00 per cent.) or (3) 0.50 per cent. or more (in the case of a loan or a Floating Rate Collateral Debt Obligation with a spread (prior to such decrease) greater than 4.00 per cent.) due, in each case, to an improvement in the related Obligor's financial ratios or financial results or an amendment or repricing transaction; or

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council as may be effective from time to time together with any amendments or any successor or replacement provisions included in any European Union directive or regulation.

"**CRR Retention Requirements**" means Articles 404-410 (inclusive) of the CRR (as amended from time to time), together with any guidance published in relation thereto by the EBA including the Final RTS and any

other regulatory and/or implementing technical standards, *provided that* any reference to the CRR Retention Requirements shall be deemed to include any successor or replacement provisions of Articles 404-410 included in any European Union directive or regulation.

"**CRS**" means the common reporting standard more fully described as the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development.

"**CSAM Secured Participation Deed**" means each participation deed entered into between the Issuer and the Portfolio Manager or its Affiliate from time to time whereby the Portfolio Manager or its Affiliate, acting as Selling Institution, grants one or more Participations to the Issuer which, pending elevation of such Participations, are secured over the applicable Collateral Debt Obligations held by the Portfolio Manager or its Affiliate.

"**Currency Account**" means the accounts in the name of the Issuer held with the Account Bank which shall comprise separate accounts denominated in the relevant currencies of Currency Hedge Obligations and Principal Hedged Obligations, into which amounts received in respect of such Currency Hedge Obligations and Principal Hedged Obligations shall be paid and out of which amounts payable to (x) each applicable Currency Hedge Counterparty pursuant to any Currency Hedge Transaction and (y) each FX Forward Counterparty under each applicable FX Forward Transaction shall be paid.

"**Currency Hedge Agreement**" means each 1992 ISDA Master Agreement (Multicurrency-Cross Border) or 2002 ISDA Master Agreement (or such other ISDA pro forma Master Agreement as may be published by ISDA from time to time) and the schedule relating thereto which is entered into between the Issuer and a Currency Hedge Counterparty in order to hedge exchange rate risk arising in connection with any Currency Hedge Obligation, including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof and together with each confirmation entered into thereunder from time to time in respect of a Currency Hedge Transaction, as amended or supplemented from time to time, and including any Replacement Currency Hedge Agreement entered into in replacement thereof.

"**Currency Hedge Counterparty**" means each financial institution with which the Issuer enters into a Currency Hedge Agreement or any permitted assignee or successor under the related Currency Hedge Agreement which, upon the date of entry into such agreement, in each case, is required to satisfy the applicable Rating Requirement or whose obligations are guaranteed by a guarantor which is required to satisfy the applicable Rating Requirement or in respect of which Rating Agency Confirmation has been obtained on such date.

"**Currency Hedge Counterparty Principal Exchange Amount**" means each initial, interim and final exchange amount (whether expressed as such or otherwise) scheduled to be paid by the Currency Hedge Counterparty to the Issuer under a Currency Hedge Transaction and excluding any Scheduled Periodic Hedge Counterparty Payments but including any amounts described as adjustment payments or termination payments in the relevant Currency Hedge Agreement which relate to payments to be made as a result of the relevant Currency Hedge Obligation being prepaid or sold or becoming subject to a credit event or debt restructuring.

"**Currency Hedge Issuer Principal Exchange Amount**" means each initial, interim and final exchange amount (whether expressed as such or otherwise) scheduled to be paid to the Currency Hedge Counterparty by the Issuer under a Currency Hedge Transaction and excluding any Scheduled Periodic Hedge Issuer Payments but including any amounts described as termination payments in the relevant Currency Hedge Agreement which relate to payments to be made as a result of the relevant Currency Hedge Obligation being sold or becoming subject to a credit event or debt restructuring.

"**Currency Hedge Issuer Termination Payment**" means any amount payable by the Issuer to a Currency Hedge Counterparty upon termination or modification of the applicable Currency Hedge Agreement or Currency Hedge Transaction, and excluding for all purposes other than determining the amount payable by the Issuer to the Currency Hedge Counterparty thereto upon such termination or modification and the payment thereof pursuant to the Priorities of Payment, any due and unpaid Scheduled Periodic Hedge Issuer Payments payable thereunder and any Currency Hedge Issuer Principal Exchange Amounts.

"**Currency Hedge Obligation**" means any Collateral Debt Obligation which, at the time of determination, is denominated in a Qualifying Currency and which is, or if such Collateral Debt Obligation has not yet settled, will no later than the settlement date thereof become, the subject of a Currency Hedge Transaction.

"**Currency Hedge Termination Receipt**" means the amount payable by a Currency Hedge Counterparty to the Issuer upon termination or modification of a Currency Hedge Transaction excluding, for purposes other than payment to the applicable Account to which the Issuer shall credit such amounts, the portion thereof representing any due and unpaid Scheduled Periodic Hedge Counterparty Payments payable thereunder and any Currency Hedge Counterparty Principal Exchange Amounts.

"**Currency Hedge Transaction**" means, in respect of each Collateral Debt Obligation denominated in a Qualifying Currency, a cross-currency transaction entered into in respect thereof under a Currency Hedge Agreement.

"**Currency Hedge Transaction Exchange Rate**" means, in relation to any Currency Hedge Obligation, the rate of exchange set out in the relevant Currency Hedge Transaction and, in relation to a Principal Hedged Obligation, the rate of exchange set out in the relevant FX Forward Transaction.

"**Current Pay Obligation**" means any Collateral Debt Obligation (other than a Corporate Rescue Loan) that (a) would otherwise be a Defaulted Obligation but for the exclusion of Current Pay Obligations from the definition of Defaulted Obligation pursuant to the proviso at the end of such definition; (b)(i) if the issuer of such Collateral Debt Obligation is subject to a bankruptcy proceeding, the relevant court has authorised the issuer to make payments of principal and interest on such Collateral Debt Obligation and no such payments that are due and payable are unpaid (and no other payments authorised by the court that are due and payable are unpaid) and (ii) otherwise, no interest payments or scheduled principal payments are due and payable that are unpaid; and (c)(i) for so long as any Notes rated by Moody's are outstanding, the Collateral Debt Obligation has either (A) a Moody's Rating of at least "Caa1" and a Market Value of at least 80 per cent. of its outstanding principal amount, (B) a Moody's Rating of at least "Caa2" and a Market Value of at least 85 per cent. of its outstanding principal amount, or (C) a Moody's Rating of "B3" or higher and (ii) for so long as any Notes rated by S&P are outstanding, the Collateral Debt Obligation has a Market Value of at least 80.0 per cent. of its outstanding principal amount; *provided, however*, that to the extent the Aggregate Principal Balance of all Collateral Debt Obligations that would otherwise be Current Pay Obligations exceeds 2.5 per cent. of the Aggregate Collateral Balance, such excess over 2.5 per cent. will constitute Defaulted Obligations; *provided, further*, that in determining which of the Collateral Debt Obligations will be included in such excess, the Collateral Debt Obligations with the lowest Market Value (expressed as a percentage of the Principal Balance of such Collateral Debt Obligation) will be deemed to constitute such excess.

"**Custody Account**" means the custody account or accounts whose books and records are held in the United Kingdom established on the books of the Custodian in accordance with the provisions of the Agency Agreement, which term shall include each cash account relating to each such Custody Account (if any).

"**Defaulted Currency Hedge Termination Payment**" means any amount payable by the Issuer to a Currency Hedge Counterparty upon termination of any Currency Hedge Transaction in respect of which the Currency Hedge Counterparty is a Defaulting Hedge Counterparty, including any due and unpaid Scheduled Periodic Hedge Issuer Payments payable thereunder.

"**Defaulted Deferring Mezzanine Obligation**" means a Mezzanine Obligation which by its contractual terms provides for the deferral of interest and is a Defaulted Obligation.

"**Defaulted FX Forward Termination Payment**" means any amount payable by the Issuer to an FX Forward Counterparty upon termination of any FX Forward Transaction in respect of which the FX Forward Counterparty is a Defaulting Hedge Counterparty, including any due and unpaid Scheduled Periodic Hedge Issuer Payments payable thereunder.

"**Defaulted Hedge Termination Payment**" means the Defaulted Currency Hedge Termination Payments, the Defaulted FX Forward Termination Payments and the Defaulted Interest Rate Hedge Termination Payments or, as the context may require, any one of them.

"**Defaulted Interest Rate Hedge Termination Payment**" means any amount payable by the Issuer to an Interest Rate Hedge Counterparty upon termination of any Interest Rate Hedge Transaction in respect of which the Interest Rate Hedge Counterparty is a Defaulting Hedge Counterparty, including any due and unpaid Scheduled Periodic Hedge Issuer Payments payable thereunder.

"**Defaulted Mezzanine Excess Amounts**" means the lesser of:

(a) the greater of (i) zero and (ii) the aggregate of all recoveries (including by way of sale proceeds) in respect of each Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation, minus the sum of the principal amount of such Mezzanine Obligation outstanding immediately prior to receipt of such amounts plus any Purchased Accrued Interest and Ramp Accrued Interest relating thereto; and

(b) all deferred interest paid in respect of each such Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation minus any Purchased Accrued Interest and Ramp Accrued Interest relating thereto.

"**Defaulted Obligation**" means a Collateral Debt Obligation as determined by the Portfolio Manager:

(a) in respect of which there has occurred and is continuing a default with respect to the payment of interest or principal, disregarding any grace periods applicable thereto *provided that* in the case of any Collateral Debt Obligation in respect of which the Portfolio Manager has confirmed to the Trustee in writing that, to the knowledge of the Portfolio Manager, such default has resulted from non-credit related causes, such Collateral Debt Obligation shall not constitute a "Defaulted Obligation" for the lesser of five Business Days or seven calendar days;

(b) in respect of which any bankruptcy, insolvency or receivership proceeding has been initiated in connection with the Obligor of such Collateral Debt Obligation (*provided that* a Collateral Debt Obligation shall not constitute a Defaulted Obligation under this paragraph (b) if it is a Current Pay Obligation subject to paragraph (f) below);

(c) in respect of which the Portfolio Manager knows the Obligor thereunder is in default as to payment of principal and/or interest on another obligation, save for obligations constituting trade debts which the applicable Obligor is disputing in good faith, (and such default has not been cured) but only if both such other obligation and the Collateral Debt Obligation are full recourse, unsecured obligations, the other obligation is senior to, or *pari passu* with, the Collateral Debt Obligation in right of payment and the holders of such obligation have accelerated the maturity of all or a portion of such obligation;

(d) which has (i) a Moody's Rating of "Ca" or "C" or below; or (ii) a S&P Rating of "SD", "D" or "CC" or below or, in either case, had such rating immediately prior to it being withdrawn by Moody's or S&P, as applicable;

(e) which the Portfolio Manager, acting on behalf of the Issuer, determines in its reasonable business judgment should be treated as a Defaulted Obligation;

(f) which would be treated as a Current Pay Obligation except to the extent the Aggregate Principal Balance of all Collateral Debt Obligations that would otherwise be Current Pay Obligations exceeds 2.5 per cent. of the Aggregate Collateral Balance (excluding any Defaulted Obligations), such excess over 2.5 per cent. will constitute Defaulted Obligations; provided that in determining which of the Collateral Debt Obligations will be included in such excess, the Collateral Debt Obligations with the lowest Market Value (expressed as a percentage of the Principal Balance of such Collateral Debt Obligation) will be deemed to constitute such excess;

(g) if the Obligor thereof offers holders of such Collateral Debt Obligation a new security, obligation or package of securities or obligations that amount to a diminished financial obligation (such as preferred or common stock, or debt with a lower coupon or par amount) of such Obligor and in the reasonable business judgement of the Portfolio Manager, such offer has the apparent purpose of helping the Obligor avoid default; *provided, however*, such obligation will cease to be a Defaulted Obligation under this paragraph if such new obligation is (i) a Restructured Obligation; and (ii) such Restructured Obligation does not otherwise constitute a Defaulted Obligation pursuant to any other paragraph of the definition hereof;

(h) which would be treated as a Distressed Exchange Obligations except to the extent the Aggregate Principal Balance of all Collateral Debt Obligations that would be Distressed Exchange Obligations exceeds 10 per cent. of the Aggregate Collateral Balance, such excess over 10 per cent. will constitute Defaulted Obligations;

(i) in respect of a Collateral Debt Obligation that is a Participation:

(i) the Selling Institution has defaulted in respect of any of its payment obligations under the terms of such Participation;

(ii) the obligation which is the subject of such Participation would constitute a Defaulted Obligation; or

(iii) the Selling Institution has:

(A) an S&P Rating of "SD", "D" or "CC" (or below) or in either case had such rating prior to withdrawal of its S&P Rating; or

(B) a Moody's Rating of "Ca" or "C" (or below) or had such Moody's Rating immediately prior to its withdrawal by Moody's; or

(j) a security which would otherwise meet the requirements of the definition of "Deferring Security" but that has been deferring the payment of the current cash interest due thereon for a period of twelve or more consecutive months,

provided that:

(i) a Collateral Debt Obligation shall not constitute a Defaulted Obligation if such Collateral Debt Obligation is a Corporate Rescue Loan (provided that (A) if it satisfies this definition of "Defaulted Obligation" other than paragraph (b) and (g) thereof, or (B) the Aggregate Principal Balance of Corporate Rescue Loans exceeding 5 per cent. of the Aggregate Collateral Balance or, in the case of a single Obligor, the Aggregate Principal Balance of such Corporate Rescue Loans exceeding 2.0 per cent. of the Aggregate Collateral Balance, in each case, will be treated as Defaulted Obligations);

(ii) save in the case of (f) above, a Collateral Debt Obligation which is a Current Pay Obligation shall not constitute a Defaulted Obligation; and

(iii) any Collateral Debt Obligation shall cease to be a Defaulted Obligation on the date such obligation no longer satisfies this definition of "Defaulted Obligation".

"**Defaulted Obligation Excess Amounts**" means in respect of a Defaulted Obligation, the greater of (a) zero and (b) the aggregate of all recoveries (including by way of sale proceeds) in respect of such Defaulted Obligation for so long as it is a Defaulted Obligation, minus the sum of (i) the Principal Balance of such Defaulted Obligation outstanding and (ii) any Purchased Accrued Interest and Ramp Accrued Interest relating thereto immediately prior to receipt of such amounts.

"**Defaulting Hedge Counterparty**" means a Hedge Counterparty which is either:

(a) the "Defaulting Party" in respect of an "Event of Default" (each as such terms are defined in the applicable Hedge Agreement); or

(b) the sole "Affected Party" in respect of either:

(i) a "Tax Event Upon Merger"; or

(ii) an "Additional Termination Event" as a result of such Hedge Counterparty failing to comply with the requirements of the Rating Agencies in the event that it (or, as relevant, its guarantor) is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement,

each such term as defined in the applicable Hedge Agreement.

"**Deferred Interest**" has the meaning given thereto in Condition 6(c)(ii) (*Deferral of Interest*).

"**Deferred Senior Portfolio Management Amounts**" has the meaning given thereto in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Deferred Subordinated Portfolio Management Amounts**" has the meaning given thereto in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Deferring Security**" means a Collateral Debt Obligation (other than a Defaulted Obligation) that is deferring the payment of the current cash interest due thereon and has been so deferring the payment of such interest due thereon: (i) with respect to Collateral Debt Obligations that have a Moody's Rating of at least "Baa3", for the shorter of two consecutive accrual periods or one year; and (ii) with respect to Collateral Debt Obligations that have a Moody's Rating of "Ba1" or below, for the shorter of one accrual period or six consecutive months, which deferred capitalised interest has not, as of the date of determination, been paid in cash provided, however, that such Collateral Debt Obligation will cease to be a Deferring Security at such time as it (i) ceases to defer or capitalise the payment of interest, (ii) pays in cash all accrued and unpaid interest accrued since the time of purchase and (iii) commences payment of all current interest in cash.

"**Definitive Certificate**" means a certificate representing one or more Notes in definitive, fully registered, form.

"**Delayed Drawdown Obligation**" means a Collateral Debt Obligation denominated in Euro that: (a) requires the Issuer to make one or more future advances to the borrower under the Underlying Instruments relating thereto; (b) specifies a maximum amount that can be borrowed; and (c) does not permit the re-borrowing of any amount previously repaid; but any such Collateral Debt Obligation will be a Delayed Drawdown Obligation only until all commitments to make advances to the borrower expire or are terminated or reduced to zero.

"**Determination Date**" means the last Business Day of each Due Period, or in the event of any redemption of the Notes, following the occurrence of an Event of Default, five Business Days prior to the applicable Redemption Date.

"**Discount Obligation**" means any Collateral Debt Obligation (other than a Zero Coupon Security) that is not a Swapped Non-Discount Obligation and that the Portfolio Manager determines at the time of purchase is either:

(a) a Floating Rate Collateral Debt Obligation that is acquired by the Issuer at a price of (i) less than 80 per cent. of par if it has a Moody's Rating of "B3" or above; or (ii) less than 85 per cent. of par if it has a Moody's Rating below "B3"; or

(b) a Fixed Rate Collateral Debt Obligation that is acquired by the Issuer at a price of (i) less than 75 per cent. of par if it has a Moody's Rating of "B3" or above or; (ii) less than 80 per cent. of par if it has a Moody's Rating below "B3",

provided that such Collateral Debt Obligation will cease to be a Discount Obligation at such time as: (i) for a Floating Rate Collateral Debt Obligation, the Market Value (expressed as a percentage of par) of such Collateral Debt Obligation, for any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Debt Obligation, equals or exceeds 90 per cent. of par; or (ii) for a Fixed Rate Collateral Debt Obligation, the Market Value (expressed as a percentage of par) of such Collateral Debt Obligation, for any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Debt Obligation, equals or exceeds 85 per cent. of par; provided, further, that if such interest is a Revolving Obligation, and there exists an outstanding non-revolving loan to its Obligor ranking *pari passu* with such Revolving Obligation and secured by substantially the same collateral as such Revolving Obligation (a "**Related Term Loan**"), in determining whether such Revolving Obligation is and continues to be a Discount Obligation, the price of the Related Term Loan, and not of the Revolving Obligation, will be referenced and *provided further* that the Portfolio Manager may treat any Collateral Debt Obligation as a Discount Obligation if it was purchased below par.

"**Distressed Exchange Obligation(s)**" means a Collateral Debt Obligation or group of Collateral Debt Obligations, in relation to which the Issuer has entered into a binding commitment to accept a new obligation or group of obligations in exchange thereof as part of an Offer, but where such exchange has not yet settled, and where, in the reasonable business judgement of the Portfolio Manager (which judgement will not be called into question as a result of subsequent events which change the position from that which existed on the date of the original determination), the relevant Offer:

(a) has the purpose of assisting the relevant Obligor of the Collateral Debt Obligation(s) avoid default; and

(b) will have the effect of reducing (A) the Principal Balance of the Collateral Debt Obligation(s) or (B) the stated interest rate of the Collateral Debt Obligation(s),

provided that:

(i) the relevant new obligation or obligations satisfy the Restructured Obligation Criteria upon the acceptance of the relevant Offer;

(ii) where the relevant accepted Offer is for a group of obligations, the determination in paragraph (b) above shall be made on a weighted average basis;

(iii) if the settlement of the obligation or group of obligations to be received pursuant to the relevant Offer fails for any reason, the relevant Collateral Debt Obligation or group of Collateral Debt Obligations shall no longer constitute Distressed Exchange Obligations;

(iv) if a Collateral Debt Obligation constitutes a Defaulted Obligation (for such purpose, disregarding paragraph (h) of the definition thereof) it shall not constitute a Distressed Exchange Obligation; and

(v) upon the settlement of the obligation or group of obligations exchanged as part of the relevant Offer, the related Collateral Debt Obligation or group of Collateral Debt Obligations shall no longer constitute Distressed Exchange Obligations.

"**Distribution**" means any payment of principal or interest or any dividend or premium or other amount (including any proceeds of sale) or asset paid or delivered on or in respect of any Collateral Debt Obligation, any Collateral Enhancement Obligation, any Eligible Investment or any Exchanged Security, as applicable.

"**Dodd-Frank Act**" means the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act, which was signed into law on 21 July 2010, as amended.

"**Domicile**" or "**Domiciled**" means with respect to any Obligor with respect to a Collateral Debt Obligation:

(a) except as provided in paragraph (b) below, its country of organisation or incorporation; or

(b) the jurisdiction and the country in which, in the Portfolio Manager's reasonable judgment, a substantial portion of such Obligor's operations are located or from which a substantial portion of its revenue or earnings are derived, in each case directly or through subsidiaries (which shall be any jurisdiction and country believed at the time of designation by the Portfolio Manager to be the source of the largest share of revenues or earnings, if any, of such Obligor).

"**Due Period**" means (as applicable):

(a) in the case of any Payment Date which is not an unscheduled Payment Date or the Final Distribution Date, the period commencing on and including the relevant Due Period Start Date and ending on and including the seventh Business Day prior to such Payment Date;

(b) in the case of any Payment Date which is not a scheduled Payment Date, a Redemption Date or the Final Distribution Date, the period commencing on and including the relevant Due Period Start Date and ending on and including the third Business Day prior to such Payment Date; and

(c) in the case of any Payment Date that is the Final Distribution Date, the period commencing on and including the relevant Due Period Start Date and ending on and including the Business Day preceding the Final Distribution Date.

"**Due Period Start Date**" means:

(a) in the case of the period relating to the first Payment Date, the Issue Date; and

(b) in the case of any subsequent Due Period, the day immediately following, if the immediately preceding Payment Date was a scheduled Payment Date, the seventh Business Day prior to the preceding Payment Date or, if the immediately preceding Payment Date was an unscheduled Payment Date, the third Business Day prior to the preceding Payment Date.

"**EBA**" means the European Banking Authority (formerly known as the Committee of European Banking Supervisors), or any predecessor, successor or replacement agency or authority.

"**Effective Date**" means the earlier of:

(a) the date designated for such purpose by the Portfolio Manager by written notice to the Trustee, the Issuer, the Rating Agencies and the Collateral Administrator pursuant to the Portfolio Management Agreement, subject to the Effective Date Determination Requirements having been satisfied; and

(b) 9 July 2018 (or, if such day is not a Business Day, the next following Business Day).

"**Effective Date Class E Par Value Ratio**" means 111.11 per cent.

"**Effective Date Determination Requirements**" means, as at the Effective Date, each of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests (save for the Interest Coverage Tests) being satisfied on such date, and the Issuer having acquired or having entered into binding commitments to acquire Collateral Debt Obligations the Aggregate Principal Balance of which equals or exceeds the Reinvestment Target Par Balance by such date (*provided that*, for the purposes of determining the Aggregate Principal Balance as provided above, any repayments or prepayments of any Collateral Debt Obligations subsequent to the Issue Date not subsequently reinvested shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its S&P Collateral Value and its Moody's Collateral Value).

"**Effective Date Moody's Condition**" means a condition that will be satisfied if:

(a) the Issuer is provided, and the Trustee is provided (or notified in writing that the Issuer has been provided) with an accountants' report stating that the Effective Date Determination Requirements are satisfied; and

(b) Moody's is provided with the Effective Date Report.

"**Effective Date Non-Model CDO Monitor Test**" means the S&P CDO Monitor Test, assuming an S&P CDO Formula Election Date has been elected by the Portfolio Manager or the S&P CDO Formula Election Period otherwise applies, subject to the following analytical adjustments:

(a) for the purposes of the Weighted Average Floating Spread, the calculation of the Aggregate Funded Spread shall be unadjusted by any EURIBOR floors applicable to Floating Rate Collateral Debt Obligations;

(b) for the purposes of the S&P CDO Monitor Adjusted BDR, the Aggregate Collateral Balance shall exclude Principal Proceeds which may be reclassified as Interest Proceeds after the Effective Date, *provided that* such test shall only be satisfied if the Portfolio Manager:

(i) has certified to S&P that the Effective Date Determination Requirements have been satisfied and the Effective Date Report has been published;

(ii) has certified to S&P that it has run the S&P CDO Monitor Test in accordance with paragraphs (a) and (b) above and that such test is satisfied; and

(iii) has provided S&P with an electronic copy of the Portfolio used to generate the passing test results and an electronic copy of an Effective Date Report; and

(c) any Participations granted pursuant to a CSAM Secured Participation Deed shall be excluded.

"**Effective Date S&P Condition**" means a condition that will be satisfied if, on or after the Effective Date, S&P has provided a Rating Agency Confirmation to the Issuer (or has been deemed to confirm), the Trustee and the Portfolio Manager confirming its initial rating of each Class of Notes; provided that the Effective Date S&P Condition will be deemed to be satisfied if S&P makes a public announcement or informs the Issuer, the Portfolio Manager and the Trustee in writing (including by means of email notification or a press release) that (i) it believes satisfaction of the Effective Date S&P Condition is not required or (ii) its practice is not to give such confirmation.

"**Effective Date Rating Event**" means:

(a) (i) the Effective Date Determination Requirements not having been satisfied as at the Effective Date (unless Rating Agency Confirmation is received in respect of such failure to satisfy the Effective Date Determination Requirements) and (ii) either: (x) the failure by the Portfolio Manager (acting on behalf of the Issuer) to present a Rating Confirmation Plan to the Rating Agencies, or (y) the Portfolio Manager (acting on behalf of the Issuer) presents a Rating Confirmation Plan to the Rating Agencies and Rating Agency Confirmation has not been obtained from each Rating Agency for the Rating Confirmation Plan upon request therefor by the Portfolio Manager;

(b) the Effective Date Moody's Condition not being satisfied and, following a request therefor from the Portfolio Manager after the Effective Date, Rating Agency Confirmation from Moody's not having been received; or

(c) the Effective Date S&P Condition not being satisfied and, following a request thereof from the Portfolio Manager after the Effective Date, Rating Agency Confirmation from S&P not having been received following the Effective Date,

provided that any downgrade or withdrawal of any of the Initial Ratings of the Rated Notes which is not directly related to a request for confirmation thereof or which occurs after confirmation thereof by any Rating Agency shall not constitute an Effective Date Rating Event.

"**Effective Date Report**" has the meaning given to it in the Portfolio Management Agreement.

"**EIOPA**" means the European Insurance and Occupational Pensions Authority, or any successor or replacement agency or authority.

"**Eligibility Criteria**" means the Eligibility Criteria specified in the Portfolio Management Agreement which are required to be satisfied in respect of each Collateral Debt Obligation acquired by the Portfolio Manager (on behalf of the Issuer) at the time of entering into a binding commitment to acquire such obligation and in the case of Issue Date Collateral Debt Obligations, the Issue Date.

"**Eligible Bond Index**" means Markit iBoxx EUR High Yield Index, Credit Suisse Western European Bond Yield Index or any other comparable bond index as is notified to the Trustee, the Collateral Administrator and the Rating Agencies by the Portfolio Manager acting on behalf of the Issuer.

"**Eligible Investments**" means any investment denominated in Euro that has a maturity of no more than 365 days and is one or more of the following obligations or securities (other than obligations or securities which are zero coupon obligations or securities), including, without limitation, any Eligible Investments for which the Agents, the Trustee, the Portfolio Manager or an Affiliate of any of them provides services:

(a) direct obligations of, and obligations the timely payment of principal of and interest under which is fully and expressly guaranteed (such guarantee to comply with the current S&P criteria on guarantees) by, a Qualifying Country or any agency or instrumentality of a Qualifying Country, the obligations of which are fully and expressly guaranteed by a Qualifying Country, which in each case has a rating of not less than the applicable Eligible Investments Minimum Rating;

(b) demand and time deposits in, certificates of deposit of and bankers' acceptances issued by any depository institution (including the Account Bank) or trust company incorporated under the laws of a Qualifying Country with, in each case, a maturity of no more than 90 days, or following the occurrence of a Frequency Switch Event, 180 days and subject to supervision and examination by governmental banking authorities so long as the commercial paper and/or the debt obligations of such depository institution or trust company (or, in the case of the principal depository institution in a holding company system, the commercial paper or debt obligations of such holding company) at the time of such investment or contractual commitment have a rating of not less than the applicable Eligible Investment Minimum Rating;

(c) subject to receipt of Rating Agency Confirmation related thereto, unleveraged repurchase obligations with respect to:

(i) any obligation described in paragraph (a) above; or

(ii) any other security issued or guaranteed by an agency or instrumentality of a Qualifying Country, in either case entered into with a depository institution or trust company (acting as principal) described in paragraph (b) above or entered into with a corporation (acting as principal) whose debt obligations are rated not less than the applicable Eligible Investments Minimum Rating;

(d) securities bearing interest or sold at a discount to the face amount thereof issued by any corporation incorporated under the laws of a Qualifying Country that have a credit rating of not less than the Eligible Investments Minimum Rating;

(e) commercial paper or other short-term obligations having, at the time of such investment, a credit rating of not less than the applicable Eligible Investments Minimum Rating and that either are bearing interest or are sold at a discount to the face amount thereof and have a maturity of not more than 92 days, or following the occurrence of a Frequency Switch Event, 183 days from their date of issuance;

(f) offshore funds investing in the money markets rated, at all times, "Aaa-mf" by Moody's and "AAAm" by S&P, *provided that* such fund issues shares, units or participations that may be lawfully acquired in Ireland; and

(g) any other investment similar to those described in paragraphs (a) to (f) (inclusive) above:

(i) in respect of which Rating Agency Confirmation has been received as to its inclusion in the Portfolio as an Eligible Investment; and

(ii) which has, in the case of an investment with a maturity of longer than 91 days, a long-term credit rating not less than the applicable Eligible Investments Minimum Rating,

and, in each case, such instrument or investment provides for payment of a pre determined fixed amount of principal on maturity that is not subject to change and either (A) has a Collateral Debt Obligation Stated Maturity (giving effect to any applicable grace period) no later than the Business Day immediately preceding the next following Payment Date or (B) is capable of being liquidated at par on demand without penalty and having a remaining maturity of less than three hundred and sixty six calendar days, *provided, however*, that (1) Eligible Investments shall not include (x) any mortgage backed security, interest only security, security subject to withholding or similar taxes, security rated with a "f", "r", "p", "pi", "q", "(sf)" or "t" subscript assigned by S&P or such other qualifying subscript published and assigned by S&P from time to time as may be applicable, security purchased at a price in excess of 100 per cent. of par, security whose repayment is subject to substantial non credit related risk (as determined by the Portfolio Manager in its discretion) or (y) any obligation which directly or indirectly derives its value, or the greater part of its value, from land in Ireland, and (2) a Structured Finance Security shall not qualify as an Eligible Investment.

"**Eligible Investments Minimum Rating**" means:

(a) for so long as any Notes rated by Moody's are Outstanding:

(i) where such commercial paper or debt obligations do not have a short-term senior unsecured debt or issuer (as applicable) credit rating from Moody's, a long-term senior unsecured debt or issuer (as applicable) credit rating of "Aaa" from Moody's; or

(ii) where such commercial paper or debt obligations have a short-term senior unsecured debt or issuer (as applicable) credit rating, such short-term rating is at least "P-1" from Moody's and the long-term senior unsecured debt or issuer (as applicable) credit rating is at least "A1" from Moody's;

(b) for so long as any Notes rated by S&P are Outstanding:

(i) in the case of Eligible Investments with a Collateral Debt Obligation Stated Maturity of more than 60 calendar days:

(A) a long-term senior unsecured debt or issuer (as applicable) credit rating of at least "AA-" from S&P; and/or

(B) a short-term senior unsecured debt or issuer credit rating of "A-1+" from S&P; or

(C) such other ratings as confirmed by S&P;

(ii) in the case of Eligible Investments with a Collateral Debt Obligation Stated Maturity of 60 calendar days or less:

(A) a short-term senior unsecured debt or issuer credit rating of at least "A-1" from S&P; or

(B) such other ratings as confirmed by S&P.

"**Eligible Loan Index**" means the S&P European Leveraged Loan Index, the Credit Suisse Western European Leveraged Loan Index or any other comparable loan index as is notified to the Trustee, the Collateral Administrator and the Rating Agencies by the Portfolio Manager (on behalf of the Issuer).

"**EMIR**" means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories as may be amended, replaced or supplemented, including any implementing and/or delegated regulation, technical standards and guidance related thereto.

"**Enforcement Notice**" has the meaning specified in Condition 11(b) (*Enforcement*).

"**Enforcement Threshold**" has the meaning specified in Condition 11(b) (*Enforcement*).

"**Enforcement Threshold Determination**" has the meaning specified in Condition 11(b) (*Enforcement*).

"**Equity Security**" means any security (other than a debt) that by its terms does not provide for periodic payments of interest at a stated coupon rate and repayment of principal at a stated maturity and any other security that is not eligible for purchase by the Issuer as a Collateral Debt Obligation; it being understood that Equity Securities do not include Collateral Enhancement Obligations and Equity Securities may not be purchased by the Issuer but may be received by the Issuer in exchange for a Collateral Debt Obligation or a portion thereof in connection with an insolvency, bankruptcy, reorganisation, debt restructuring or workout of the issuer or obligor thereof.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended.

"**EU Retention Compliance Event**" means the withdrawal of the UK from the European Union such that: (i) the UK is no longer within the scope of MiFID II; and (ii) a passporting regime or third country recognition of the UK is not in place, such that the representation in clause 1(c) of the Risk Retention Letter no longer applies.

"**EU Retention Cure Action**" means any action taken by the Portfolio Manager, in its sole discretion, with the intention of complying with, or preserving compliance with, the EU Retention Requirements following the occurrence of an EU Retention Compliance Event, which action shall be promptly notified by the Portfolio Manager to the Issuer, the Trustee and the Noteholders in accordance with Condition 16 (*Notices*).

"**EU Retention Requirements**" means the CRR Retention Requirements, the AIFMD Retention Requirements and the Solvency II Retention Requirements.

"**EURIBOR**" means the rate determined in accordance with Condition 6(e) (*Interest on the Rated Notes*):

(a) prior to the occurrence of a Frequency Switch Event, as applicable to 3-month Euro deposits;

(b) following the occurrence of a Frequency Switch Event, as applicable to 6-month Euro deposits or, in the case of the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls on 25 July 2029, as applicable to 3-month Euro deposits; and

(c) in the case of the initial Accrual Period, as determined pursuant to a straight line interpolation of the rates applicable to 6-month and 9-month Euro deposits.

"**Euro**", "**Euros**", "**euro**" and "**€**" means the lawful currency of the Member States of the European Union that have adopted and retain the single currency in accordance with the Treaty establishing the European Community, as amended from time to time; *provided that* if any member state or states ceases to have such

single currency as its lawful currency (such member state(s) being the "**Exiting State(s)**"), the euro shall, for the avoidance of doubt, mean for all purposes the single currency adopted and retained as the lawful currency of the remaining member states and shall not include any successor currency introduced by the Exiting State(s).

"**Euro zone**" means the region comprised of Member States of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended.

"**Euroclear**" means Euroclear Bank S.A./N.V., as operator of the Euroclear system.

"**Event of Default**" means each of the events defined as such in Condition 10(a) (*Events of Default*).

"**Excess CCC/Caa Adjustment Amount**" means, as of any date of determination, an amount equal to the excess, if any, of:

(a) the Aggregate Principal Balance of all Collateral Debt Obligations included in the CCC/Caa Excess; over

(b) the aggregate of, with respect to the Collateral Debt Obligations included in the CCC/Caa Excess, the product of (i) the Market Value and (ii) its Principal Balance, in each case of such Collateral Debt Obligation.

"**Excess Par Amount**" means the amount by which the Aggregate Collateral Balance (for which purpose the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its S&P Collateral Value and its Moody's Collateral Value) exceeds the Reinvestment Target Par Balance, provided that such amount may not be less than zero.

"**Exchange Act**" means the United States Exchange Act of 1934, as amended.

"**Exchanged Security**" means any of (a) an equity security or warrant, including any equity security received upon conversion or exchange of, or exercise of an option in respect of a Collateral Debt Obligation, the acquisition of which would not cause the breach of applicable selling or transfer restrictions relating to the offering of securities or of collective investment schemes and which is delivered to the Issuer upon acceptance of an Offer in respect of a Defaulted Obligation or received by the Issuer as a result of restructuring of the terms of a Defaulted Obligation in effect as of the later of the Issue Date and the date of issuance of the relevant Collateral Debt Obligation and (b) a Collateral Debt Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Debt Obligation or by way of substitution of new obligations and/or a change of Obligor) for so long as it does not satisfy the Restructured Obligation Criteria on the applicable Restructuring Date.

"**Expense Reserve Account**" means an account in the name of the Issuer so entitled and held by the Account Bank.

"**Extraordinary Resolution**" means an extraordinary resolution as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

"**FATCA**" means:

(a) Sections 1471 to 1474 of the Code or any associated regulations or other official guidance;

(b) any agreement pursuant to the implementation of any law or official guidance referred to in paragraph (a) above with the IRS, the U.S. government or any governmental or taxation authority in any other jurisdiction; or

(c) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law, official guidance or agreement referred to in paragraphs (a) or (b) above.

"**Fee Basis Amount**" means, in respect of a Payment Date, the Aggregate Collateral Balance on the first day of the Due Period (or if such day is not a Business Day, the next day which is a Business Day) ending immediately prior to such Payment Date.

"**Final Distribution Date**" means the date upon which the Notes will be redeemed in full or upon which the proceeds from the realisation of the security will be distributed in full.

"**Final RTS**" means Delegated Regulation (EU) No. 625/2014 as published in the Official Journal of the European Union on 13 June 2014 supplementing the CRR by way of regulatory technical standards specifying the requirements for investors, sponsors, original lenders and originator institutions relating to exposures to transferred credit risk.

"**Fitch Rating**" has the meaning given to it in the Portfolio Management Agreement.

"**Fixed Rate Collateral Debt Obligation**" means a Collateral Debt Obligation which bears interest at a fixed rate *provided that* if such obligation is subject to a Hedge Agreement where payments received by the Issuer from a Hedge Counterparty are calculated by reference to a floating interest rate or index such obligation shall not constitute a Fixed Rate Collateral Debt Obligation but will be classified as a Floating Rate Collateral Debt Obligation for as long as such obligation is subject to such Hedge Agreement.

"**Fixed Rate Notes**" means the Class A-2 Notes and the Class B-2 Notes.

"**Floating Rate Collateral Debt Obligation**" means a Collateral Debt Obligation, interest payable in respect of which is calculated by reference to a floating interest rate or index, *provided that* if such obligation is subject to a Hedge Agreement where payments received by the Issuer from a Hedge Counterparty are calculated by reference to a fixed interest rate, such obligation shall not constitute a Floating Rate Collateral Debt Obligation but will be classified as a Fixed Rate Collateral Debt Obligation for as long as such obligation is subject to such Hedge Agreement.

"**Floating Rate Notes**" means the Class A-1 Notes, the Class B-1 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D-1 Notes, the Class D-2 Notes, the Class E Notes and the Class F Notes.

"**Floating Rate of Interest**" means the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C-1 Floating Rate of Interest, the Class C-2 Floating Rate of Interest, the Class D-1 Floating Rate of Interest, the Class D-2 Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest.

"**Form Approved Hedge**" means either (a) an Interest Rate Hedge Transaction the documentation for and structure of which conforms to a form for which Rating Agency Confirmation has been received by the Issuer or which has previously been approved by the Rating Agencies and in respect of which the Rating Agencies have not notified the Issuer or Portfolio Manager that such approval has been withdrawn and (in each case save for the amount and timing of periodic payments, the name of the Collateral Debt Obligation, the notional amount, the effective date, the termination date and other consequential and immaterial changes which have been notified in writing to the Rating Agencies), (b) a Currency Hedge Transaction the documentation for and structure of which conforms to a form for which Rating Agency Confirmation has been received by the Issuer or which has previously been approved by the Rating Agencies and in respect of which the Rating Agencies have not notified the Issuer or Portfolio Manager that such approval has been withdrawn (in each case save for the amount and timing of periodic payments, the name of the Currency Hedge Obligation, the notional amount, the effective date, the termination date and other consequential and immaterial changes which have been notified in writing to the Rating Agencies) or (c) an FX Forward Transaction the documentation for and structure of which conforms to a form for which Rating Agency Confirmation has been received by the Issuer or which has previously been approved by the Rating Agencies and in respect of which the Rating Agencies have not notified the Issuer or Portfolio Manager that such approval has been withdrawn (in each case save for the amount and timing of periodic payments, the name of the Principal Hedged Obligation, the notional amount, the effective date, the termination date and other consequential and immaterial changes which have been notified in writing to the Rating Agencies).

"**Frequency Switch Event**" means the occurrence of a Determination Date on which either (a) the Portfolio Manager declares in its sole discretion that a Frequency Switch Event has occurred and the condition set out in (iii) below has been met or (b) for so long as any of the Class A Notes or the Class B Notes remain Outstanding:

(i) the Aggregate Principal Balance of all Frequency Switch Obligations (excluding Defaulted Obligations) in respect of such Determination Date is equal to or greater than 20 per cent. of the Aggregate Collateral Balance (excluding Defaulted Obligations);

(ii) the ratio (expressed as a percentage) obtained by dividing:

(A) the aggregate of scheduled and projected interest and principal payments (and any commitment fees in respect of any Revolving Obligations or Delayed Drawdown Obligations, but excluding any scheduled interest payments in respect of Defaulted Obligations as to which the Portfolio Manager has actual knowledge that such payment will not be made) which will be due to be paid on each Collateral Debt Obligation during the immediately following Due Period (which, in the case of each Non-Euro Obligation, to the extent that a related Currency Hedge Agreement is in place, shall be converted into Euro at the applicable Currency Hedge Transaction Exchange Rate for the related Currency Hedge Transaction and, to the extent that no related Currency Hedge Agreement is in place, shall be converted into Euro at the Spot Rate), by

(B) all amounts scheduled to be payable in respect of paragraphs (A) to (H) of the Interest Priority of Payments on the second Payment Date following such Determination Date,

is less than 120 per cent.;

(iii) the sum of:

(A) the amount determined pursuant to paragraph (ii)(A) above; and

(B) the aggregate of scheduled and projected interest and principal payments (and any commitment fees in respect of Revolving Obligations or Delayed Drawdown Obligations) which will be accrued but not yet paid as at the Business Day being three months following such Determination Date in respect of each Frequency Switch Obligation (excluding Defaulted Obligations) (which, in the case of each Non-Euro Obligation, to the extent that a related Currency Hedge Agreement is in place, shall be converted into Euro at the applicable Currency Hedge Transaction Exchange Rate for the related Currency Hedge Transaction and, to the extent that no related Currency Hedge Agreement is in place, shall be converted into Euro at the Spot Rate),

is equal to or greater than the amount determined pursuant to paragraph (ii)(B) above,

with the projected interest amounts described above being calculated in respect of such Determination Date on the basis of the following assumptions:

(a) in respect of each Floating Rate Collateral Debt Obligation, projected interest payable on such Floating Rate Collateral Debt Obligation on each future payment date thereunder during the immediately following Due Period shall be determined based on the applicable base rate and applicable margin pursuant to the relevant Underlying Instrument as determined as at such Determination Date;

(b) the frequency of interest payments on each Collateral Debt Obligation shall not change following such Determination Date; and

(c) EURIBOR for the purposes of calculating Interest Amounts in respect of the Class A Notes and the Class B Notes (as applicable), at all times following such Determination Date shall be equal to EURIBOR as determined as at such Determination Date,

and notified in writing by the Portfolio Manager to the Rating Agencies, the Calculation Agent, the Issuer, the Principal Paying Agent, the Trustee, the Transfer Agent, the Registrar and the Noteholders (in accordance with Condition 16 (*Notices*)).

"**Frequency Switch Obligation**" means, in respect of a Determination Date, a Collateral Debt Obligation which has become a Semi-Annual Obligation during the Due Period related to such Determination Date as a result of a switch in the frequency of interest payments on such Collateral Debt Obligation occurring during such Due Period in accordance with the applicable Underlying Instrument.

"**Funded Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Obligation at any time, the aggregate principal amount of advances or other extensions of credit to the extent funded thereunder by the Issuer that are outstanding at such time.

"**FX Forward Agreement**" means a 1992 ISDA Master Agreement (Multicurrency-Cross-Border) or a 2002 ISDA Master Agreement (or such other ISDA pro forma Master Agreement as may be published by ISDA from

time to time) and the schedule relating thereto which is entered into between the Issuer and an FX Forward Counterparty for the purposes of exchanging certain amounts in respect of certain Unhedged Collateral Debt Obligations denominated in a Qualifying Unhedged Obligation Currency for amounts denominated in Euros (or, in the case of the initial exchange, non-Euro amounts) at the Currency Hedge Transaction Exchange Rate, including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof and together with each confirmation entered into thereunder from time to time in respect of an FX Forward Transaction, as amended or supplemented from time to time, and including any Replacement FX Forward Agreement entered into in replacement thereof

"**FX Forward Counterparty**" means each financial institution with which the Issuer enters into an FX Forward Transaction, or any permitted assignee or successor thereof, under the terms of the related FX Forward Transaction which, upon the date of entry into such agreement, in each case, is required to satisfy the applicable Rating Requirement or whose obligations are guaranteed by a guarantor which is required to satisfy the applicable Rating Requirement or in respect of which Rating Agency Confirmation has been obtained on such date.

"**FX Forward Counterparty Principal Exchange Amount**" means each initial and final exchange amount (whether expressed as such or otherwise) scheduled to be paid by the FX Forward Counterparty to the Issuer under an FX Forward Transaction but including any amounts described as termination payments in the relevant FX Forward Agreement which relate to payments to be made as a result of the relevant Principal Hedged Obligation being sold or becoming subject to a credit event or debt restructuring.

"**FX Forward Issuer Principal Exchange Amount**" means each initial and final exchange amount (whether expressed as such or otherwise) scheduled to be paid to the FX Forward Counterparty by the Issuer under an FX Forward Transaction including any amounts described as adjustment payment or termination payments in the relevant FX Forward Agreement which relate to payments to be made as a result of the relevant Principal Hedged Obligation being prepaid or sold or becoming subject to a credit event or debt restructuring.

"**FX Forward Issuer Termination Payment**" means any amount payable by the Issuer to an FX Forward Counterparty upon expiry, termination or modification of the applicable FX Forward Agreement or FX Forward Transaction and excluding for all purposes other than determining the amount payable by the Issuer thereunder upon such termination or modification and the payment thereof pursuant to the Priorities of Payment, any due and unpaid FX Forward Issuer Principal Exchange Amounts.

"**FX Forward Termination Receipt**" means the amount payable by an FX Forward Counterparty to the Issuer upon expiry, termination or modification of an FX Forward Transaction excluding, for purposes other than payment to the applicable Account to which the Issuer shall credit such amounts, the portion thereof representing any due and unpaid FX Forward Counterparty Principal Exchange Amounts.

"**FX Forward Transaction**" means transactions entered into under an FX Forward Agreement documented in confirmations to such FX Forward Agreement, and of a term of less than or equal to 180 calendar days (measured from the settlement date (or, in the case of Issue Date Collateral Debt Obligations only, the Issue Date) of the applicable Non-Euro Obligation).

"**Global Exchange Market**" means the Global Exchange Market of the Irish Stock Exchange.

"**Hedge Agreement**" means any Interest Rate Hedge Agreement, Currency Hedge Agreement or FX Forward Agreement (as applicable) and "**Hedge Agreements**" means any of them.

"**Hedge Counterparty**" means any Interest Rate Hedge Counterparty, Currency Hedge Counterparty or FX Forward Counterparty (as applicable) and "**Hedge Counterparties**" means any of them.

"**Hedge Counterparty Termination Payment**" means the amount payable by a Hedge Counterparty to the Issuer upon termination, expiry or modification of a Hedge Transaction, and excluding for all purposes other than determining the amount payable by such Hedge Counterparty thereto upon such termination, expiry or modification, any due and unpaid Scheduled Periodic Hedge Counterparty Payments payable thereunder and (if applicable) Currency Hedge Counterparty Principal Exchange Amounts or FX Forward Counterparty Principal Exchange Amounts.

"**Hedge Issuer Tax Credit Payments**" means any amounts payable by the Issuer to a Hedge Counterparty pursuant to the terms of a Hedge Agreement in connection with any credit against, relief or remission for, or repayment of, any tax that has been obtained or utilised by the Issuer and which is attributable to a grossed up

payment made by that Hedge Counterparty as a result of or in connection with any required withholding or deduction for or on account of any tax (or to such withholding or deduction itself) (but excluding, for the avoidance of doubt, any Hedge Issuer Termination Payments).

"**Hedge Issuer Termination Payment**" means the amount payable by the Issuer to a Hedge Counterparty upon termination, expiry or modification of a Hedge Transaction, but excluding for all purposes other than determining the amount payable by the Issuer thereunder upon such termination, expiry or modification and Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*), any due and unpaid Scheduled Periodic Hedge Issuer Payments payable thereunder and (if applicable) Currency Hedge Issuer Principal Exchange Amounts or FX Forward Issuer Principal Exchange Amounts.

"**Hedge Replacement Payment**" means any amount payable to a Hedge Counterparty by the Issuer upon entry into a Replacement Hedge Transaction which is replacing a Hedge Transaction which was terminated.

"**Hedge Replacement Receipt**" means any amount payable to the Issuer by a Hedge Counterparty upon entry into a Replacement Hedge Transaction which is replacing a Hedge Transaction which was terminated.

"**Hedge Termination Account**" means, in respect of any Hedge Agreement, the account of the Issuer with the Account Bank into which all Hedge Counterparty Termination Payments and Hedge Replacement Receipts relating to that Hedge Agreement will be deposited.

"**Hedge Transaction**" means any Interest Rate Hedge Transaction, any Currency Hedge Transaction or FX Forward Transaction (as applicable) and "**Hedge Transactions**" means any of them.

"**Hedged Fixed Rate Collateral Debt Obligation**" means a Collateral Debt Obligation which bears interest at a fixed rate and such obligation is subject to a Hedge Agreement where payments received by the Issuer from a Hedge Counterparty are calculated by reference to a floating interest rate or index.

"**Hedging Condition**" means, in respect of a Hedge Agreement or a Hedge Transaction (or any other agreement that would fall within the definition of "swap" as set out in the U.S. Commodity Exchange Act of 1936, as amended), receipt by the Portfolio Manager, with a copy to the Trustee, of legal advice from reputable legal counsel to the effect that the entry into such arrangements should not require any of the Issuer, its directors or officers or the Portfolio Manager or its directors, officers or employees to register with the United States Commodity Futures Trading Commission as a commodity pool operator or a commodity trading advisor pursuant to the United States Commodity Exchange Act of 1936, as amended.

"**High Yield Bond**" means a Collateral Debt Obligation which is a debt security which, on acquisition by the Issuer, is either rated below investment grade by at least one internationally recognised credit rating agency (*provided that*, if such debt security is, at any time following acquisition by the Issuer, no longer rated by at least one internationally recognised credit rating agency as below investment grade it will not, as a result of such change in rating, fall outside this definition) or which is a high yielding debt security, in each case as determined by the Portfolio Manager, excluding any debt security which is secured directly on, or represents the ownership of, a pool of consumer receivables, auto loans, auto leases, equipment leases, home or commercial mortgages, corporate debt or sovereign debt obligations or similar assets, including, without limitation, collateralised bond obligations, collateralised loan obligations or any similar security and which is not a Secured Senior Bond.

"**Incentive Portfolio Management Fee**" means the fee payable to the Portfolio Manager pursuant to the Portfolio Management Agreement in an amount, as determined by the Collateral Administrator, equal to the amount specified at paragraph (BB) of the Interest Proceeds Priority of Payments, paragraph (S) of the Principal Proceeds Priority of Payments and paragraph (Y) of the Post-Acceleration Priority of Payments (exclusive of VAT) *provided that* such amount will only be payable to the Portfolio Manager if the Incentive Portfolio Management Fee IRR Threshold has been reached.

"**Incentive Portfolio Management Fee IRR Threshold**" means the threshold which will have been reached on the relevant Payment Date if the Class M Subordinated Notes Outstanding have received an annualised internal rate of return (computed using the "XIRR" function in Microsoft Excel or an equivalent function in another software package) of at least 10 per cent. on the investment of the Class M Subordinated Notes (on the basis of the Class M Subordinated Notes Issue Price and after giving effect to all payments in respect of the Class M Subordinated Notes to be made on such Payment Date). The annualised rate of return will be calculated based on distributions made on the Class M Subordinated Notes and without taking into account any additional Class M Subordinated Notes issued after the Issue Date in accordance with the Conditions.

"**Incurrence Covenant**" means a covenant by an Obligor or another member of the borrowing group of which the Obligor is a part to comply with one or more financial covenants only upon the occurrence of certain actions of the Obligor or such other member of the borrowing group, including a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture.

"**Initial Investment Period**" means the period from, and including, the Issue Date to, but excluding, the Effective Date.

"**Initial Purchaser**" means Barclays Bank PLC, in its capacity as initial purchaser.

"**Initial Ratings**" means in respect of any Class of Notes and any Rating Agency, the ratings assigned to such Class of Notes by such Rating Agency as at the Issue Date and "**Initial Rating**" means each such rating.

"**Interest Account**" means an account described as such in the name of the Issuer held with the Custodian.

"**Interest Amount**" has the meaning specified in Condition 6(e)(ii) (*Determination of Floating Rates of Interest and Calculation of Interest Amounts on the Floating Rate Notes*) and has the meaning specified in Condition 6(e)(iii) (*Calculation of Fixed Amounts on the Class A-2 and Class B-2 Notes*) in respect of the Fixed Rate Notes.

"**Interest Coverage Amount**" means, on any particular Measurement Date:

(a) the Balance standing to the credit of the Interest Account;

(b) *plus* the sum of all scheduled interest payments (including (x) any commitment fees due but not yet received in respect of any Revolving Obligations or Delayed Drawdown Obligations, all amendment and waiver fees, all late payment fees, all commitment fees, all syndication fees, delayed compensation and all other fees and commission, (y) any amounts which the applicable Obligor has agreed to pay by way of gross-up in respect of amounts withheld at source or otherwise deducted in respect of taxes and (z) any amounts which the Portfolio Manager determines will be received within the same Due Period by way of recovery from an applicable tax authority under a double tax treaty) in each case, due but not yet received (in each case regardless of whether the applicable due date has yet occurred) in the Due Period in which such Measurement Date occurs, on the Collateral Debt Obligations and the Eligible Investments, but only to the extent not representing Principal Proceeds, and the Accounts (other than each Counterparty Downgrade Collateral Account, but including interest on third party collateral accounts of the kind referred to in Condition 3(j)(vii) (*Unfunded Revolver Reserve Account*)) excluding:

(i) accrued and unpaid interest on Defaulted Obligations (excluding Current Pay Obligations) unless such amounts constitute Defaulted Obligation Excess Amounts;

(ii) interest on any Collateral Debt Obligation to the extent that such Collateral Debt Obligation does not provide for the scheduled payment of interest in cash;

(iii) any amounts, to the extent that such amounts if not paid, will not give rise to a default under the relevant Collateral Debt Obligation;

(iv) any amounts expected to be withheld at source or otherwise deducted in respect of taxes;

(v) interest on any Collateral Debt Obligation which has not paid cash interest on a current basis in respect of the lesser of (A) twelve months and (B) the two most recent interest periods;

(vi) any scheduled interest payments as to which the Issuer or the Portfolio Manager has actual knowledge that such payment will not be made;

(vii) any Purchased Accrued Interest; and

(viii) any Ramp Accrued Interest;

provided that, in respect of a Non-Euro Obligation:

(A) that is a Currency Hedge Obligation, this paragraph (b) shall be deemed to refer to the related Scheduled Periodic Hedge Counterparty Payments, subject to the exclusions set out above; and

(B) that is an Unhedged Collateral Debt Obligation or a Principal Hedged Obligation, the amount taken into account for this paragraph (b) shall be an amount equal to:

(1) if such Unhedged Collateral Debt Obligation or Principal Hedged Obligation which has been an Unhedged Collateral Debt Obligation or Principal Hedged Obligation for less than the later of 180 calendar days since the settlement of the purchase by the Issuer of such Collateral Debt Obligation and the Issue Date, and as long as the Rated Notes are rated by Moody's and/or S&P, in respect of Unhedged Collateral Debt Obligations denominated in a Qualifying Unhedged Obligation Currency or Principal Hedged Obligations and in the case of Unhedged Collateral Debt Obligations only, that is an Issue Date Collateral Debt Obligation, 50 per cent. of the scheduled interest payments due but not yet received (subject to the exclusions set out above), converted into Euro at the Applicable FX Rate; and

(2) in respect of any other Unhedged Collateral Debt Obligation or Principal Hedged Obligation, zero;

(c) minus the amounts payable pursuant to paragraphs (A) through to (F) (inclusive) of the Interest Proceeds Priority of Payments on the following Payment Date, converted, as the case may be, into Euro at the Applicable FX Rate;

(d) minus any of the above amounts that would be payable into the Annual Interest Smoothing Account and the Semi-Annual Interest Smoothing Account on the Business Day after the Determination Date at the end of the Due Period in which such Measurement Date falls, converted, as the case may be, into Euro at the Applicable FX Rate;

(e) *plus* any amounts that would be payable from the Annual Interest Smoothing Account, the Semi-Annual Interest Smoothing Account and/or the Reserve Account, the Expense Reserve Account and/or the Currency Account (to the extent such amounts are not designated for transfer to the Principal Account) to the Interest Account in the Due Period in which such Measurement Date falls (where applicable, converted at the Applicable FX Rate, in accordance with these Conditions and without double counting any such amounts which have been already transferred to the Interest Account);

(f) *plus* any Scheduled Periodic Hedge Counterparty Payments payable to the Issuer under any Interest Rate Hedge Transaction, Currency Hedge Transaction or FX Forward Transaction (converted, as the case may be, into Euro at the Applicable FX Rate) (as determined by the Issuer with the reasonable assistance of the Portfolio Manager), to the extent not already included in accordance with paragraph (b) above; and

(g) minus any interest in respect of a PIK Security that has been deferred (but only to the extent such amount has not already been excluded in accordance with paragraph (b)(ii) or (iii) above) converted, as the case may be, into Euro at the Applicable FX Rate.

For the purposes of calculating any Interest Coverage Amount, the expected or scheduled interest income on Floating Rate Collateral Debt Obligations and Eligible Investments and the expected or scheduled interest payable on any Class of Notes and on any relevant Account shall be calculated using the then current interest rates applicable thereto.

"**Interest Coverage Ratio**" means the Class A/B Interest Coverage Ratio and the Class C Interest Coverage Ratio.

"**Interest Coverage Test**" means the Class A/B Interest Coverage Test and the Class C Interest Coverage Test.

"**Interest Determination Date**" means in respect of an Accrual Period, the second Business Day prior to the commencement of such Accrual Period. For the avoidance of doubt, in respect of the Issue Date and the Floating Rate Notes, the Calculation Agent will determine the offered rate pursuant to a straight line interpolation of the rates applicable to 6-month and 9-month deposits on the Issue Date but such offered rate shall be calculated as of the second Business Day prior to the Issue Date.

"**Interest Proceeds**" means all amounts paid or payable into the Interest Account from time to time and, with respect to any Payment Date, means any Interest Proceeds received or receivable by the Issuer during the related Due Period to be disbursed pursuant to the Interest Proceeds Priority of Payments on such Payment Date, together with any other amounts to be disbursed out of the Payment Account as Interest Proceeds on such Payment Date pursuant to Condition 3(j) (Payments to and from the Accounts).

"**Interest Proceeds Priority of Payments**" means the priority of payments in respect of Interest Proceeds set out in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Interest Rate Hedge Agreement**" means each 1992 ISDA Master Agreement (Multicurrency-Cross Border) or 2002 ISDA Master Agreement (or such other pro forma Master Agreement as may be published by ISDA from time to time) and the schedule thereto which is entered into between the Issuer and an Interest Rate Hedge Counterparty, including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof and together with each confirmation entered into thereunder from time to time in respect of an Interest Rate Hedge Transaction, as amended or supplemented from time to time and including any Replacement Interest Rate Hedge Agreement entered into in replacement thereof.

"**Interest Rate Hedge Counterparty**" means each financial institution with which the Issuer enters into an Interest Rate Hedge Agreement or any permitted assignee or successor under the related Interest Rate Hedge Agreement which, upon the date of entry into such agreement, in each case, is required to satisfy the applicable Rating Requirement or whose obligations are guaranteed by a guarantor which is required to satisfy the applicable Rating Requirement or in respect of which Rating Agency Confirmation has been obtained on such date.

"**Interest Rate Hedge Issuer Termination Payment**" means any amount payable by the Issuer to an Interest Rate Hedge Counterparty upon termination or modification of the applicable Interest Rate Hedge Agreement or Interest Rate Hedge Transaction, but excluding, for all purposes other than determining the amount payable by the Issuer to the Interest Rate Hedge Counterparty under the relevant Interest Rate Hedge Agreement and the payment thereof pursuant to the Priorities of Payment, any due and unpaid Scheduled Periodic Hedge Issuer Payments payable thereunder.

"**Interest Rate Hedge Transaction**" means each interest rate protection transaction entered into under an Interest Rate Hedge Agreement which may be an interest rate swap, an interest rate cap or an interest rate floor transaction.

"**Intermediary Obligation**" means an interest in relation to a loan which is structured to be acquired indirectly by lenders therein at or prior to primary syndication thereof, including pursuant to a collateralised deposit or guarantee, a sub-participation or other arrangement which has the same commercial effect and in each case, in respect of any obligation of the lender to a "fronting bank" in respect of non-payment by the Obligor, is 100 per cent. collateralised by such lenders.

"**Investment Advisers Act**" means the United States Investment Advisers Act of 1940, as amended.

"**Investment Company Act**" means the United States Investment Company Act of 1940, as amended.

"**Investment Gains**" means in respect of any Collateral Debt Obligation which is repaid, prepaid, redeemed or sold, the excess (if any) of (a) the Scheduled Principal Proceeds, Unscheduled Principal Proceeds or Sale Proceeds (as applicable) received in respect thereof over (b) the greater of the purchase price thereof paid by or on behalf of the Issuer for such Collateral Debt Obligation or the Principal Balance, in each case net of (i) any expenses incurred in connection with any repayment, prepayment, redemption or sale thereof, and (ii) in the case of a sale of such Collateral Debt Obligation, any interest accrued but not paid thereon which has not been capitalised as principal and included in the sale price thereof.

"**Irish Stock Exchange**" means The Irish Stock Exchange plc.

"**IRS**" means the United States Internal Revenue Service or any successor thereto.

"**ISDA**" means the International Swaps and Derivatives Association, Inc.

"**Issue Date**" means 17 January 2018 (or such other date as may shortly follow such date as may be agreed between the Issuer, the Initial Purchaser and is notified to the Noteholders in accordance with Condition 16 (*Notices*)).

"**Issue Date Collateral Debt Obligation**" means an obligation for which the Issuer (or the Portfolio Manager, acting on behalf of the Issuer) has entered into a binding commitment to purchase on or prior to the Issue Date.

"**Issuer Irish Account**" means the account in the name of the Issuer established for the purposes of, *inter alia*, holding the proceeds of the issued share capital of the Issuer and any fees received by the Issuer in connection with the issue of the Notes.

"**Issuer Profit Amount**" means the payment on each Payment Date, prior to the occurrence of a Frequency Switch Event, of €250, and following the occurrence of a Frequency Switch Event, of €500, subject always to an aggregate maximum amount of €1,000 per annum, to the Issuer as a fee for entering into the transactions contemplated by the Notes and the Transaction Documents.

"**Mandatory Redemption**" means a redemption of the Notes pursuant to and in accordance with Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

"**Margin Stock**" means margin stock as defined under Regulation U issued by the Federal Reserve Board, including any debt security which is by its terms convertible into Margin Stock.

"**Market Value**" means, in respect of any Collateral Debt Obligation on any date of determination and as provided by the Portfolio Manager to the Collateral Administrator (in each case expressed as a percentage of par):

(a) the mid-point of quotes of such Collateral Debt Obligation determined by an independent recognised pricing service; or

(b) if such independent recognised pricing service is not available, the mean of the bid prices determined by three independent broker-dealers active in the trading of such Collateral Debt Obligation; or

(c) if three such broker-dealer prices are not available, the lower of the bid side prices (in the case of any High Yield Bond, Secured Senior Bond, PIK Security or Unsecured Senior Obligation which is a security, excluding accrued interest) determined by two such broker-dealers; or

(d) if two such broker-dealer prices are not available, the bid side price determined by one independent broker-dealer (unless, in each case, the fair market value thereof determined by the Portfolio Manager pursuant to (e)(ii) hereafter would be lower); or

(e) if the determinations of such broker-dealers or independent recognised pricing service are not available, then the lower of:

  (i) the S&P Recovery Rate; and

  (ii) the fair market value thereof determined by the Portfolio Manager exercising reasonable commercial judgment, consistent with the manner in which it would determine the market value of an asset for purposes of other funds or accounts managed by it; *provided that*, if the Portfolio Manager is not a registered investment adviser under the Investment Advisers Act or subject to Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 (or other comparable regulation), where the Market Value is determined by the Portfolio Manager in accordance with this paragraph (e)(ii), such Market Value shall only be valid for 30 days; or

(f) if the Market Value of an asset is not determined in accordance with paragraphs (a), (b), (c), (d) or (e) above, then the Market Value will be deemed to be zero until such determination is made in accordance with paragraphs (a), (b), (c), (d) or (e) above and if any Market Value determined in accordance with paragraph (e) above is no longer valid and the Market Value cannot be ascertained by broker-dealers or an independent recognised pricing service then the Market Value shall be deemed to be zero,

for the purposes of this definition, (1) "independent" shall mean: (A) that each pricing service and broker-dealer from whom a bid price is sought is independent from each of the other pricing service and broker-dealers from whom a bid price is sought and (B) each pricing service and broker dealer is not an Affiliate of the Portfolio Manager (*provided that*, for such purpose neither Credit Suisse International nor Credit Suisse Securities (Europe) Limited shall be deemed to be an Affiliate of the Portfolio Manager) and (2) references to "Market Value" shall mean the price *multiplied by* the Principal Balance of such Collateral Debt Obligation, unless

"Market Value" is otherwise specified to be expressed as a percentage of the Principal Balance of such Collateral Debt Obligation.

"**Maturity Amendment**" means with respect to any Collateral Debt Obligation, any waiver, modification, amendment or variance that would extend the Collateral Debt Obligation Stated Maturity of such Collateral Debt Obligation. For the avoidance of doubt, a waiver, modification, amendment or variance that would extend the Collateral Debt Obligation Stated Maturity of the credit facility of which a Collateral Debt Obligation is part, but would not extend the Collateral Debt Obligation Stated Maturity of the Collateral Debt Obligation held by the Issuer, does not constitute a Maturity Amendment.

"**Maturity Date**" means the Payment Date falling on 25 October 2030.

"**Measurement Date**" means:

(a) the Effective Date;

(b) for the purposes of determining satisfaction of the Reinvestment Criteria, any Business Day after the Effective Date on which such criteria are required to be determined, which determination shall be made, *firstly*, by reference immediately prior to receipt of any Principal Proceeds which are to be reinvested without taking into account and, *secondly*, taking into account on a projected basis, the proposed sale of Collateral Debt Obligations and reinvestment of the Sale Proceeds thereof in Substitute Collateral Debt Obligations;

(c) each Determination Date;

(d) the date as at which any Report is prepared; and

(e) following the Effective Date, with reasonable (and not less than five Business Days') notice, any Business Day requested by any Rating Agency then rating any Class of Notes Outstanding.

"**Member State**" means a member state of the European Union, from time to time.

"**Mezzanine Obligation**" means a Collateral Debt Obligation (other than a Secured Senior Loan or a Second Lien Loan):

(a) with a junior contractual claim on tangible or intangible property (which property is subject to a prior lien (other than customary permitted liens, such as, but not limited to, any tax liens)) to secure payment of a debt or the fulfilment of a contractual obligation; and

(b) which is a Subordinated Obligation,

including any such obligation with attached warrants and any such obligation which is evidenced by an issue of notes (other than High Yield Bonds and Secured Senior Bonds), as determined by the Portfolio Manager in its reasonable commercial judgment, or a Participation therein.

"**Minimum Denomination**" means:

(a) in the case of the Notes of each Class issued in the form of Regulation S Notes, €100,000; and

(b) in the case of the Notes of each Class issued in the form of Rule 144A Notes, €250,000.

"**Monthly Report**" means the monthly report defined as such in the Portfolio Management Agreement which is prepared by the Collateral Administrator (in consultation with the Portfolio Manager) on behalf of the Issuer on such dates as are set forth in the Portfolio Management Agreement, and made available by means of a dedicated website currently located at https://gctinvestorreporting.bnymellon.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Initial Purchaser, each Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, the Portfolio Manager, each Rating Agency and the Noteholders from time to time) to the Issuer, the Trustee, the Initial Purchaser, each Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, the Portfolio Manager and each Rating Agency, and to any Noteholder by way of a unique password which in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial

interest in any Notes and such other certifications and documents as may be requested by the Collateral Administrator, and which shall include information regarding the status of certain of the Collateral pursuant to the Portfolio Management Agreement.

"**Moody's**" means Moody's Investors Service Limited and any successor or successors thereto.

"**Moody's Collateral Value**" means in the case of any Eligible Investment or Defaulted Obligation or Deferring Security, the lower of:

(a) its prevailing Market Value (expressed as a percentage); and

(b) the relevant Moody's Recovery Rate,

in each case, multiplied by its Principal Balance.

"**Moody's Maximum Weighted Average Rating Factor Test**" has the meaning given to it in the Portfolio Management Agreement.

"**Moody's Minimum Diversity Test**" has the meaning given to it in the Portfolio Management Agreement.

"**Moody's Minimum Weighted Average Recovery Rate Test**" has the meaning given to it in the Portfolio Management Agreement.

"**Moody's Rating**" has the meaning given to it in the Portfolio Management Agreement.

"**Moody's Recovery Rate**" means, in respect of each Collateral Debt Obligation, the recovery rate determined in accordance with the Portfolio Management Agreement or as so advised by Moody's.

"**Moody's Test Matrix**" has the meaning given to it in the Portfolio Management Agreement.

"**Negative Interest**" means amounts equal to chargeable interest incurred by the Account Bank and/or the Custodian in respect of negative deposit rates as a result of maintaining any Accounts on the Issuer's behalf.

"**Non-Call Period**" means the period from and including the Issue Date up to, but excluding, 25 January 2020 (or, if such day is not a Business Day, then the next succeeding Business Day (unless it would fall in the following month, in which case it shall be moved to the immediately preceding Business Day)).

"**Non-Eligible Issue Date Collateral Debt Obligation**" has the meaning given thereto in the Portfolio Management Agreement.

"**Non-Euro Obligation**" means any Collateral Debt Obligation or part thereof, as applicable, denominated in a currency other than Euro.

"**Noteholders**" means the several persons in whose name the Notes are registered from time to time in accordance with and subject to their terms and the terms of the Trust Deed, and "**holder**" (in respect of the Notes) shall be construed accordingly.

"**Note Payment Sequence**" means the application of Interest Proceeds or Principal Proceeds, as applicable, in accordance with the relevant Priority of Payments in the following order:

(a) *firstly*, to the redemption of the Class A Notes (on a *pro rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class A Notes have been fully redeemed;

(b) *secondly*, to the redemption of the Class B Notes (on a *pro rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class B Notes have been fully redeemed;

(c) *thirdly*, to the redemption of the Class C Notes, including any Deferred Interest thereon, (on a *pro rata* basis) at the applicable Redemption Price in whole or in part until the Class C Notes have been fully redeemed;

(d) *fourthly*, to the redemption of the Class D Notes, including any Deferred Interest thereon, (on a *pro rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class D Notes have been fully redeemed;

(e) *fifthly*, to the redemption of the Class E Notes including any Deferred Interest thereon (on a *pro rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class E Notes have been fully redeemed; and

(f) *sixthly*, to the redemption of the Class F Notes including any Deferred Interest thereon (on a *pro rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class F Notes have been fully redeemed,

provided that, for the purposes of any redemption of the Notes in accordance with the Note Payment Sequence following any breach of Coverage Tests, the Note Payment Sequence shall terminate immediately after the paragraph above that refers to the Class of Notes to which such Coverage Test relates.

"**Note Tax Event**" means, at any time:

(a) the introduction of a new, or any change in, any home jurisdiction or foreign tax statute, treaty, regulation, rule, ruling, practice, procedure or judicial decision or interpretation (whether proposed, temporary or final) which results in (or would on the next Payment Date result in) any payment of principal or interest by or on behalf of the Issuer on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and/or the Class M Subordinated Notes becoming subject to any withholding tax other than:

(i) a payment in respect of Deferred Interest becoming subject to any withholding tax;

(ii) withholding tax in respect of FATCA;

(iii) by reason of the failure by the relevant Noteholder to comply with any applicable procedures required to establish non-residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Ireland or other applicable taxing authority; or

(iv) U.S. federal backup withholding taxes; or

(b) United Kingdom or U.S. state or federal tax authorities or any other tax authority outside Ireland impose net income, profits or similar tax upon the Issuer of any amount in excess of EUR 1,000 for the relevant year.

"**Obligor**" means, in respect of a Collateral Debt Obligation, the borrower thereunder or issuer thereof or, in either case, the guarantor thereof (as determined by the Portfolio Manager on behalf of the Issuer).

"**Offer**" means, with respect to any Collateral Debt Obligation, (a) any offer by the Obligor under such obligation or by any other Person made to all of the creditors of such Obligor in relation to such obligation to purchase or otherwise acquire such obligation (other than pursuant to any redemption in accordance with the terms of the related Underlying Instruments) or to convert or exchange such obligation into or for cash, securities or any other type of consideration or (b) any solicitation by the Obligor of such obligation or any other Person to amend, modify or waive any provision of such obligation or any related Underlying Instrument.

"**Ongoing Expense Excess Amount**" means, on any Payment Date, an amount equal to the excess, if any, of (i) the Senior Expenses Cap, over (ii) the sum of (without duplication) (x) all amounts paid pursuant to Condition 3(c)(i)(B) and 3(c)(i)(C) (*Application of Interest Proceeds*) on such Payment Date *plus* (y) all Trustee Fees and Expenses and Administrative Expenses paid during the related Due Period.

"**Ongoing Expense Reserve Amount**" means, on any Payment Date, an amount equal to the lesser of (i) the Ongoing Expense Reserve Ceiling and (ii) the Ongoing Expense Excess Amount, each on such Payment Date.

"**Ongoing Expense Reserve Ceiling**" means, on any Payment Date, the excess, if any, of €300,000 over the amount then on deposit in the Expense Reserve Account without giving effect to any deposit thereto on such Payment Date pursuant to Condition 3(c)(i)(D) (*Application of Interest Proceeds*).

"**Optional Redemption**" means a redemption pursuant to and in accordance with Condition 7(b) (*Optional Redemption*).

"**Ordinary Resolution**" means an ordinary resolution as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

"**Other Plan Law**" means any federal, state, local or non-U.S. law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

"**Outstanding**" means in relation to the Notes of a Class as of any date of determination, all of the Notes of such Class issued, as further defined in the Trust Deed.

"**Par Value Ratio**" means the Class A/B Par Value Ratio, the Class C Par Value Ratio, the Class D Par Value Ratio or the Class E Par Value Ratio (as applicable).

"**Par Value Test**" means the Class A/B Par Value Test, the Class C Par Value Test, the Class D Par Value Test or the Class E Par Value Test (as applicable).

"**Partial Deferrable Security**" means any Collateral Debt Obligation with respect to which under the related Underlying Instruments (a) a portion of the interest due thereon is required to be paid in cash on each payment date therefor and is not permitted to be deferred or capitalised (which portion will at least be equal to the applicable index with respect to which interest on such Collateral Debt Obligation is calculated (or, in the case of a Fixed Rate Collateral Debt Obligation, at least equal to the forward swap rate for a designated maturity equal to the scheduled maturity of such Collateral Debt Obligation at the time of acquisition by the Issuer)) and (b) the Obligor thereof may defer or capitalise the remaining portion of the interest due thereon.

"**Participation**" means an interest in a Collateral Debt Obligation taken indirectly by the Issuer by way of sub-participation from a Selling Institution which shall include, for the purposes of the Bivariate Risk Table set forth in the Portfolio Management Agreement, Intermediary Obligations.

"**Participation Agreement**" means an agreement between the Issuer and a Selling Institution, or in the case of the CSAM Secured Participation Deed, the Portfolio Manager, in relation to the purchase by the Issuer of a Participation which, for the avoidance of doubt, includes any CSAM Secured Participation Deed.

"**Payment Account**" means an account described as such in the name of the Issuer held with the Account Bank.

"**Payment Date**" means:

(a) following the occurrence of a Frequency Switch Event, (A) 25 January and 25 July (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event falls in either January or July), or (B) 25 April and 25 October (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event falls in either April or October; and

(b) 25 January, 25 April, 25 July and 25 October at all other times,

in each case, in each year commencing on 25 July 2018, up to and including the Maturity Date (each a "**scheduled Payment Date**"), any Redemption Date in connection with a redemption in whole, the Final Distribution Date, and/or following the date upon which the Rated Notes have been redeemed in full, any Business Day (other than and in addition to the dates set out in paragraph (a) and (b) above and any Redemption Date) either agreed between the Issuer and the Portfolio Manager or designated by the Issuer and the Portfolio Manager as directed by the Class M Subordinated Noteholders acting by Ordinary Resolution and notified by the Issuer or the Portfolio Manager (on behalf of the Issuer) to the Principal Paying Agent, the Collateral Administrator, the Trustee and the Noteholders (in accordance with Condition 16 (*Notices*)) as further provided in Condition 3(k) (*Unscheduled Payment Dates*) (each an "**unscheduled Payment Date**"), *provided that* if any Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day that is a Business Day (unless it would thereby fall in the following month, in which case it shall be brought forward to the immediately preceding Business Day).

"**Payment Date Report**" means the report defined as such in the Portfolio Management Agreement which is prepared by the Collateral Administrator (in consultation with the Portfolio Manager) on behalf of the Issuer and made available by means of a dedicated website currently located at https://gctinvestorreporting.bnymellon.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Initial Purchaser, each Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, the Portfolio Manager, each Rating Agency and the Noteholders from time to time) to the Issuer, the Trustee, the Initial Purchaser, each Hedge Counterparty in respect of which one or more

Hedge Transactions have been entered into and remain in force, the Portfolio Manager, each Rating Agency and to any Noteholder by way of a unique password which in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial interest in any Notes and such other certifications and documents as may be requested by the Collateral Administrator, not later than 11 a.m. on the Business Day preceding the related Payment Date.

"**Permitted Use**" means, with respect to (a) any amount on deposit in the Supplemental Reserve Account, (b) any Contribution received into the Contribution Account, (c) as determined by the Portfolio Manager, any amounts in respect of Portfolio Management Fees waived by the Portfolio Manager in accordance with the Portfolio Management Agreement, or (d) Additional Subordinated Notes Proceeds, any of the following uses: (i) the transfer of the applicable portion of such amount to the Interest Account for application as Interest Proceeds; (ii) the transfer of the applicable portion of such amount to the Principal Account for application as Principal Proceeds; (iii) the repurchase of Rated Notes of any Class through a tender offer, in the open market, or in privately negotiated transaction(s) in accordance with Condition 7(k) (*Purchase*) (in each case, subject to applicable law); (iv) subject to the limitations in the Transaction Documents with respect to Margin Stock, the purchase of one or more Collateral Enhancement Obligations, in each case subject to the limitations set forth in the Transaction Documents; and (v) for deposit into the Expense Reserve Account without regard to the Ongoing Expense Reserve Ceiling to pay for the costs of a Refinancing.

"**Person**" means an individual, corporation (including a business trust), partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"**PIK Security**" means any Collateral Debt Obligation (other than a Partial Deferrable Security or a Mezzanine Obligation) which is a security, the terms of which permit the deferral of the payment of all interest thereon, including without limitation by way of capitalising interest thereon *provided that*, for the avoidance of doubt, Mezzanine Obligations shall not constitute PIK Securities.

"**PM Non-Voting Exchangeable Notes**" means Notes which:

(a) do not carry a right to vote in respect of or to be counted for the purposes of determining a quorum and the result of voting on a PM Removal Resolution or a PM Replacement Resolution but which do carry a right to vote on and be so counted in respect of all other matters in respect of which the PM Voting Notes have a right to vote and be so counted; and

(b) are exchangeable into PM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor.

"**PM Non-Voting Notes**" means Notes which:

(a) do not carry a right to vote in respect of or to be counted for the purposes of determining a quorum and the result of voting on a PM Removal Resolution or a PM Replacement Resolution but which do carry a right to vote on and be so counted in respect of all other matters in respect of which the PM Voting Notes have a right to vote and be so counted; and

(b) are not exchangeable into PM Voting Notes or PM Non-Voting Exchangeable Notes at any time.

"**PM Voting Notes**" means Notes which:

(a) carry a right to vote, in respect of and be counted for the purposes of determining a quorum and the result of voting on a PM Removal Resolution or a PM Replacement Resolution and all other matters as to which Noteholders are entitled to vote and be so counted; and

(b) are exchangeable into PM Non-Voting Notes or PM Non-Voting Exchangeable Notes in accordance with the terms thereof.

"**PM Removal Resolution**" means any Resolution, vote, written direction or consent of the Noteholders in relation to the removal of the Portfolio Manager in accordance with the Portfolio Management Agreement.

"**PM Replacement Resolution**" means any Resolution, vote, written direction or consent of the Noteholders in relation to the appointment of a successor portfolio manager or any assignment or delegation by the Portfolio Manager of its rights or obligations, in each case, in accordance with the Portfolio Management Agreement.

"**Portfolio**" means the Collateral Debt Obligations, Collateral Enhancement Obligations, Exchanged Securities, Eligible Investments and other similar obligations or securities held by or on behalf of the Issuer from time to time.

"**Portfolio Management Fee**" means each of the Senior Portfolio Management Fee, the Subordinated Portfolio Management Fee and Incentive Portfolio Management Fee.

"**Portfolio Manager Related Person**" means the Portfolio Manager or its Affiliates, any director, officer or employee of such entities or any fund or account for which the Portfolio Manager or its Affiliates exercises discretionary voting authority on behalf of such fund or account in respect of the Notes.

"**Portfolio Profile Tests**" means the Portfolio Profile Tests each as defined in the Portfolio Management Agreement.

"**Post-Acceleration Priority of Payments**" means the priority of payments set out in Condition 11 (*Enforcement*).

"**Prefunded Letter of Credit**" means any letter of credit facility that requires a lender party thereto to pre-fund in full its obligations thereunder, *provided that* any such lender (a) shall have no further funding obligation thereunder and (b) shall have a right to be reimbursed or repaid by the borrower its *pro rata* share of any draws on a letter of credit issued thereunder; *provided that* the account into which the prefunded amounts in respect of a letter of credit facility shall be deposited shall be a Prefunded Letter of Credit Eligible Account at the time of such deposit.

"**Prefunded Letter of Credit Eligible Account**" means an account maintained with an institution or trust company whose long-term debt rating by Moody's is at least "A2" and whose short-term rating by Moody's is at least "P-1".

"**Presentation Date**" means a day which (subject to Condition 12 (*Prescription*)):

(a) is a Business Day;

(b) is or falls after the relevant due date or, if the due date is not or was not a Business Day in the place of presentation, is or falls after the next following Business Day which is a Business Day in the place of presentation; and

(c) is a Business Day in which the account specified by the payee is open.

"**Principal Account**" means an account described as such in the name of the Issuer held with the Custodian.

"**Principal Amount Outstanding**" means in relation to any Class of Notes and at any time, the aggregate principal amount outstanding under such Class of Notes at that time, including, in the case of any Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, Deferred Interest which has been capitalised pursuant to Condition 6(c) (*Deferral of Interest*) save that Deferred Interest shall not be included for the purposes of determining voting rights or quorums attributable to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, as applicable, and the applicable quorum at any meeting of the Noteholders pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

"**Principal Balance**" means, with respect to any Collateral Debt Obligation, Eligible Investment, Collateral Enhancement Obligation, Equity Security, obligation convertible into an Equity Security or Exchanged Security, as of any date of determination, the outstanding principal amount thereof (excluding any interest capitalised pursuant to the terms of such instrument other than, with respect to a Mezzanine Obligation, Partial Deferrable Security and a PIK Security, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation, Partial Deferrable Security or PIK Security), *provided however* that:

(a) the Principal Balance of any Revolving Obligation and Delayed Drawdown Obligation as of any date of determination, shall be the outstanding principal amount of such Revolving Obligation or Delayed Drawdown Obligation, *plus* any undrawn commitments that have not been irrevocably cancelled with respect to such Revolving Obligation or Delayed Drawdown Obligation;

(b) the Principal Balance of each Exchanged Security, each Equity Security, each obligation convertible into an Equity Security and each Collateral Enhancement Obligation, shall be deemed to be zero (excluding for the purposes of determining (b) of Investment Gains);

(c) the Principal Balance of:

(i) any Currency Hedge Obligation shall be an amount equal to the Euro equivalent of the outstanding principal amount of the reference Non-Euro Obligation, converted into Euro at the Applicable FX Rate;

(ii) any Principal Hedged Obligation shall be:

(A) if such Principal Hedged Obligation has been a Principal Hedged Obligation for less than 180 calendar days since the later of the settlement of the purchase by the Issuer of such Collateral Debt Obligation and the Issue Date:

(1) if the associated FX Forward Transaction has a term of 90 calendar days or less (measured from the date of settlement of such FX Forward Transaction), 75 per cent. of its principal amount outstanding converted into Euro at the Applicable FX Rate; or

(2) if the associated FX Forward Transaction has a term of more than 90 calendar days but less than 180 calendar days (measured from the date of settlement of such FX Forward Transaction), 50 per cent. of its principal amount outstanding converted into Euro at the Applicable FX Rate; and

(B) in respect of any other Principal Hedged Obligation, zero,

provided that for the purposes of calculating the Aggregate Collateral Balance in connection with the calculation of the Fee Basis Amount, the Principal Balance of a Principal Hedged Obligation shall be its principal amount outstanding converted into Euro at the Applicable FX Rate;

(iii) any Unhedged Collateral Debt Obligation shall be:

(A) if such Unhedged Collateral Debt Obligation is denominated in a Qualifying Unhedged Obligation Currency, is an Issue Date Collateral Debt Obligation, and has been an Unhedged Collateral Debt Obligation for less than 180 calendar days since the later of the settlement of the purchase by the Issuer of such Collateral Debt Obligation and the Issue Date, the product of (i) 50 per cent. of the principal amount of such Unhedged Collateral Debt Obligation and (ii) the Applicable FX Rate; and

(B) in respect of any other Unhedged Collateral Debt Obligation, zero;

(d) solely for the purposes of calculating the Portfolio Profile Tests and the Collateral Quality Tests (other than the S&P CDO Monitor Test), the Principal Balance of Defaulted Obligations shall be zero;

(e) in respect of any Corporate Rescue Loan either:

(i) so long as S&P is rating any Notes, where either:

(A) no S&P Issuer Credit Rating is available; or

(B) no credit estimate has been assigned to it by S&P,

in each case, within three months following the Issuer entering into a binding commitment to acquire such Corporate Rescue Loan, then the Principal Balance of such Corporate Rescue Loan shall be zero unless and until an S&P Issuer Credit Rating or credit estimate is available or assigned by S&P; or

(ii) so long as Moody's is rating any Notes, where either:

(A) no Moody's Rating or CFR is available; or

(B) no credit estimate has been assigned to it by Moody's,

in each case, within three months following the Issuer entering into a binding commitment to acquire such Corporate Rescue Loan, then the Principal Balance of such Corporate Rescue Loan shall be its Moody's Collateral Value unless and until a Moody's Rating or credit estimate is available or assigned by Moody's,

provided that if both paragraphs (i) and (ii) apply then the Principal Balance of such Corporate Rescue Loan shall be zero;

(f) the Principal Balance of any cash shall be the amount of such cash, converted into Euro, as the case may be, at the Applicable FX Rate;

(g) so long as S&P is rating any Notes, in respect of a Collateral Debt Obligation: (i) the S&P Rating of which has been determined pursuant to paragraph (g)(ii)(B) of the definition of S&P Rating for a consecutive period of 90 calendar days during which S&P has not provided a credit estimate in respect of such Collateral Debt Obligation; and (ii) that has not had a public rating by S&P withdrawn or suspended within six months prior to the date of application for a credit estimate in respect of such Collateral Debt Obligation, following the earlier of (x) S&P notifying the Portfolio Manager that no credit estimate will be provided for such Collateral Debt Obligation after the expiry of the 90 calendar day period during which S&P has not provided a credit estimate and (y) the expiry of a period of six months during which the S&P Rating of such Collateral Debt Obligation has been continuously determined in accordance with paragraph (g)(ii)(B) of the S&P Rating definition without a credit estimate having been assigned to it during such period, the Principal Balance of such Collateral Debt Obligation shall be zero, unless S&P has agreed to extend such period, and until an S&P Rating can be determined in respect of such Collateral Debt Obligation pursuant to paragraphs (a), (b) or (g)(ii)(A) of the definition of S&P Rating, a credit estimate being assigned by S&P in respect of such Collateral Debt Obligation or such other treatment being applied to such Collateral Debt Obligation as may be advised by S&P; and

(h) the Principal Balance of any Collateral Debt Obligation that, at the time the Issuer (or the Portfolio Manager on its behalf) entered into a binding commitment to acquire such obligation, was subject to a tender offer, voluntary redemption, exchange offer, conversion or other similar action for a purchase amount or redemption amount less than its par amount (the "**Offer Price**") shall be, until the expiration thereof in accordance with its terms, such Offer Price.

"**Principal Hedged Obligation**" means any Non-Euro Obligation (or part thereof) denominated in a Qualifying Unhedged Obligation Currency, the principal amount of which is, or will, in the reasonable determination of the Portfolio Manager, not later than three Business Days after the settlement of the purchase by the Issuer of such Collateral Debt Obligation become, the subject of an FX Forward Transaction.

"**Principal Proceeds**" means all amounts paid or payable into the Principal Account time to time (and, with respect to any Payment Date, means Principal Proceeds to be applied in accordance with the Priorities of Payment on such Payment Date) and, in each case, shall include any other amounts to be disbursed as Principal Proceeds on such Payment Date pursuant to Condition 3(i) (*Accounts*).

"**Principal Proceeds Priority of Payments**" means the priority of payments in respect of Principal Proceeds set out in Condition 3(c)(ii) (*Application of Principal Proceeds*).

"**Priorities of Payment**" means:

(a) save for (i) in connection with any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*), (ii) in connection with a redemption in whole pursuant to Condition 7(g) (*Redemption following Note Tax Event*) or (iii) following the delivery (whether actual or deemed) of an Acceleration Notice which has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), in the case of Interest Proceeds, the Interest Proceeds Priority of Payments and in the case of Principal Proceeds, the Principal Proceeds Priority of Payments; and

(b) in the event of any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*) or following the delivery (whether actual or deemed) of an Acceleration Notice which has not subsequently been

rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), the Post-Acceleration Priority of Payments.

"**Project Finance Loan**" means a loan obligation under which the obligor is obliged to make payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of payments) on revenues arising from infrastructure assets, including, without limitation:

(a) the sale of products, such as electricity, water, gas or oil, generated by one or more infrastructure assets in the utility industry by a special purpose entity; and

(b) fees charged in respect of one or more highways, bridges, tunnels, pipelines or other infrastructure assets by a special purpose entity, and

in each case, the sole activity of such special purpose entity is the ownership and/or management of such asset or assets, the acquisition and/or development of such asset by the special purpose entity was effected primarily with the proceeds of debt financing made available to it on a limited recourse basis and the construction of such project is completed or is revenue generating.

"**Purchased Accrued Interest**" means, with respect to any Due Period, all payments of interest and proceeds of sale received during such Due Period in relation to any Collateral Debt Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Debt Obligation (including, in respect of a Mezzanine Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation in accordance with its terms), which was purchased at the time of the acquisition thereof with Principal Proceeds and/or in respect of capitalised interest only, amounts paid out of the Unused Proceeds Account or, in the case of Collateral Debt Obligations the purchase price of which was refinanced with the proceeds of the issue of the Notes, that accrued prior to the Issue Date (other than Ramp Accrued Interest).

"**Purchased Discount Obligation**" means, as of any date of determination, with respect to a Collateral Debt Obligation that has been purchased at a purchase price (taking into account upfront fees or any other costs or fees paid or received) of less than 100 per cent. and that has been irrevocably designated as a Purchased Discount Obligation in the sole discretion of the Portfolio Manager in a notice delivered to the Trustee and the Collateral Administrator following acquisition by the Issuer of such Collateral Debt Obligation; provided that an obligation shall only be deemed to be a Purchased Discount Obligation if as of such Measurement Date, (i) it is not a Discount Obligation and (ii) it would not cause the Aggregate Principal Balance of all Purchased Discount Obligations to exceed 10 per cent. of the Aggregate Collateral Balance.

"**QIB**" means a Person who is a qualified institutional buyer as defined in Rule 144A.

"**QIB/QP**" means a Person who is both a QIB and a QP.

"**Qualified Purchaser**" and "**QP**" mean a Person who is a qualified purchaser as defined in Section 2(a)(51)(A) of the Investment Company Act.

"**Qualifying Country**" means any of Australia, Austria, Belgium, Bermuda, Canada, the Cayman Islands, the Channel Islands, Croatia, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece, Republic of Ireland, Isle of Man, Italy, Japan, Liechtenstein, Luxembourg, Malta, the Marshall Islands, The Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Serbia, Singapore, Slovenia, Spain, Sweden, Switzerland, United Kingdom, the United States, any other country, the foreign currency government bond rating of which is, at the time of acquisition of the relevant Collateral Debt Obligation, at least "Baa3" by Moody's and the foreign currency country issuer rating of which is, at the time of acquisition of the relevant Collateral Debt Obligation, at least "BBB" by S&P (*provided that* Rating Agency Confirmation is received in respect of any such country which is not in the Euro zone), or any other country in respect of which, at the time of acquisition of the relevant Collateral Debt Obligation, Rating Agency Confirmation is received.

"**Qualifying Currency**" means U.S. Dollars, Sterling, Swedish Krona, Norwegian Krone, Danish Krone, Australian Dollars, Swiss Francs, Canadian Dollars, Singapore Dollars, New Zealand Dollars or such other currency in respect of which Rating Agency Confirmation from each of Moody's and S&P is received and for which the Account Bank has confirmed it is able to hold deposits.

"**Qualifying Unhedged Obligation Currency**" means U.S. Dollars, Sterling, Swiss Francs, Swedish Krona, Norwegian Krone and Danish Krone.

"**Ramp Accrued Interest**" means, with respect to any Due Period, all payments of interest and proceeds of sale received during such Due Period in relation to any Collateral Debt Obligation, in each case, to the extent that such amounts represent accrued interest in respect of such Collateral Debt Obligation (including, in respect of a Mezzanine Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation in accordance with its terms), which was purchased at the time of the acquisition thereof with amounts paid out of the Unused Proceeds Account (in respect of interest that has accrued but has not been capitalised) and/or by payment of such purchase price to the Warehouse Providers under the Warehouse Arrangements.

"**Rating Agencies**" means Moody's and S&P, *provided that* if at any time Moody's and/or S&P ceases to provide rating services, "**Rating Agencies**" shall mean any other nationally recognised investment rating agency or rating agencies (as applicable) selected by the Issuer (a "**Replacement Rating Agency**") and "**Rating Agency**" means any such rating agency. In the event that at any time a Rating Agency is replaced by a Replacement Rating Agency, references to rating categories of the original Rating Agency in these Conditions, the Trust Deed and the Portfolio Management Agreement shall be deemed instead to be references to the equivalent categories of the relevant Replacement Rating Agency as of the most recent date on which such other rating agency published ratings for the type of security in respect of which such Replacement Rating Agency is used and all references herein to "Rating Agencies" shall be construed accordingly. Any rating agency shall cease to be a Rating Agency if, at any time, it ceases to assign a rating in respect of any Class of Rated Notes.

"**Rating Agency Confirmation**" means, with respect to any specified action, determination or appointment, receipt by the Issuer and/or the Trustee of written confirmation (which may take the form of a bulletin, press release, email or other written communication) by each Rating Agency which has, as at the relevant date assigned ratings to any Class of the Rated Notes that are Outstanding (or, if applicable, the Rating Agency specified in respect of any such action or determination, *provided that* such Rating Agency has, as at the relevant date assigned ratings to any Class of the Rated Notes) that such specified action, determination or appointment will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency. Notwithstanding anything to the contrary in any Transaction Document and these Conditions, no Rating Agency Confirmation shall be required from a Rating Agency in respect of any action, appointment or determination if (a) such Rating Agency has declined a request from the Trustee, the Portfolio Manager or the Issuer to review the effect of such action, determination or appointment or (b) if such Rating Agency announces (publicly or otherwise) or confirms to the Trustee, the Portfolio Manager or the Issuer that Rating Agency Confirmation from such Rating Agency is not required, or that its practice is to not give such confirmations for such type of action, determination or appointment or (c) such Rating Agency has ceased to engage in the business of providing ratings or has made a public statement in writing to the effect that it will no longer review events or circumstances of the type requiring a Rating Agency Confirmation under any Transaction Document or these Conditions for purposes of evaluating whether to confirm the then-current ratings (or initial ratings) of obligations rated by such Rating Agency.

"**Rating Confirmation Plan**" means a plan provided by the Portfolio Manager (acting on behalf of the Issuer) to the Rating Agencies setting forth the intended timing and manner of acquisition of additional Collateral Debt Obligations and/or any other intended action which will cause confirmation of the Initial Ratings, as further described and as defined in the Portfolio Management Agreement.

"**Rating Requirement**" means:

(a) in the case of the Account Bank:

(i) a short-term senior unsecured deposit rating of "P-1" by Moody's and a long-term senior unsecured issuer credit rating of at least "A3" by Moody's; and

(ii) a long-term issuer credit rating of at least "A" and a short-term issuer credit rating of at least "A-1" by S&P, or if it does not have such short-term rating, a long-term issuer credit rating of at least "A+" by S&P; and

(b) in the case of the Custodian or any sub-custodian appointed thereby:

(i) a short-term senior unsecured deposit rating of "P-1" by Moody's and a long-term senior unsecured issuer credit rating of at least "A3" by Moody's; and

(ii) a long-term issuer credit rating of at least "A" and a short-term issuer credit rating of at least "A-1" by S&P, or if it does not have such short-term rating, a long-term issuer credit rating of at least "A+" by S&P; and

(c) in the case of any Hedge Counterparty, the rating requirement(s) as set out in the relevant Hedge Agreement; and

(d) in the case of a Selling Institution with regards to a Participation only (excluding any Participation granted pursuant to a CSAM Secured Participation Deed), a counterparty which (i) satisfies the ratings set out in the Bivariate Risk Table, (ii) has a long-term issuer credit rating of at least "A" by S&P, and (iii) has a long-term issuer default rating of at least "A2" and a short-term issuer default rating of at least "P-1" by Moody's; and

(e) in the case of the Principal Paying Agent:

(i) a long term senior unsecured issuer credit rating of at least "Baa3" by Moody's or;

(ii) if the Principal Paying Agent has no long term senior unsecured issuer credit rating by Moody's, a short term senior unsecured issuer credit rating of at least "P-3" by Moody's; and

(f) in each case, or such other rating or ratings as may be agreed by the relevant Rating Agency as would maintain the then-current rating of the Rated Notes and in each case, if any of the requirements are not satisfied, by any of the parties referred to herein, Rating Agency Confirmation from the relevant Rating Agency is received in respect of such party.

"**Receiver**" has the meaning specified in Condition 10(a)(vi) (*Insolvency Proceedings*).

"**Record Date**" means (a) in respect of a Note represented by a Definitive Certificate, the fifteenth day before the relevant due date for payment of principal and interest in respect of such Note and (b) in respect of a Note represented by a Global Certificate, the close of business on the Clearing System Business Day before the relevant due date for payment of principal or interest in respect of such Notes.

"**Redemption Date**" means each date specified for a redemption of the Notes of a Class pursuant to Condition 7 (*Redemption and Purchase*) or, if such day is not a Business Day, the next following Business Day or the date on which the Notes of such Class are accelerated pursuant to Condition 10 (*Events of Default*).

"**Redemption Determination Date**" has the meaning given thereto in Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*).

"**Redemption Notice**" means a redemption notice in the form set out in the Agency Agreement which specifies, amongst other things, the applicable Redemption Date.

"**Redemption Price**" means, when used with respect to:

(a) any Class M Subordinated Note, the greater of (1) 100 per cent. of the Principal Amount Outstanding thereof (if any), together with any accrued and unpaid interest in respect thereof to the relevant day of redemption and (2) its *pro rata* share (calculated in accordance with the relevant Priorities of Payment) of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such circumstances, remaining following application thereof in accordance with the Priorities of Payment; and

(b) any Class A Note, Class B Note, Class C Note, Class D Note, Class E Note or Class F Note, 100 per cent. of the Principal Amount Outstanding thereof (if any), together with any accrued and unpaid interest in respect thereof to the relevant day of redemption and in respect of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, any Deferred Interest.

"**Redemption Threshold Amount**" means the aggregate of all amounts which would be due and payable on redemption of the Rated Notes on the scheduled Redemption Date (to the extent that such amounts are ascertainable by the Collateral Administrator or such amounts have been provided by the relevant Secured Party to the Collateral Administrator) pursuant to Condition 11(b) (*Enforcement*) which rank in priority to payments in respect of the Class M Subordinated Notes in accordance with the Post-Acceleration Priority of Payments.

"**Reference Banks**" has the meaning given thereto in paragraph (B) of Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class* E Notes and Class F Notes).

"**Refinancing**" has the meaning given to it in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

"**Refinancing Costs**" means the fees, costs, charges and expenses (including any Trustee Fees and Expenses and administrative expenses relating thereto) incurred by or on behalf of the Issuer in respect of a Refinancing, *provided that* such fees, costs, charges and expenses have been incurred as a direct result of a Refinancing, as determined by the Portfolio Manager.

"**Refinancing Obligation**" has the meaning given thereto in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

"**Refinancing Proceeds**" means the cash proceeds from a Refinancing.

"**Register**" means the register of holders of the legal title to the Notes kept by the Registrar pursuant to the terms of the Agency Agreement.

"**Regulation S**" means Regulation S under the Securities Act.

"**Regulation S Notes**" means the Notes offered for sale to non-U.S. Persons in offshore transactions outside of the United States in reliance on Regulation S.

"**Reinvestment Criteria**" has the meaning given to it in the Portfolio Management Agreement.

"**Reinvestment Overcollateralisation Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and during the Reinvestment Period which will be satisfied on such Measurement Date if the Class E Par Value Ratio is at least equal to 107.11 per cent.

"**Reinvestment Period**" means the period from and including the Issue Date up to and including the earliest of: (i) 25 July 2022 or, if such day is not a Business Day, the immediately following Business Day; (ii) the date of the acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*) (provided the related Acceleration Notice (if any) has not been rescinded or annulled in accordance with Condition 10(c) (*Curing of Default*)); and (iii) the date on which the Portfolio Manager notifies the Issuer that it can no longer reinvest in additional Collateral Debt Obligations in accordance with the Reinvestment Criteria.

"**Reinvestment Target Par Balance**" means as of any date of determination an amount equal to: (a) the Target Par Amount minus (b) the amount of any reduction in the Principal Amount Outstanding of the Notes (excluding Deferred Interest which has been capitalised pursuant to Condition 6(c) (*Deferral of Interest*)) *plus* (c) the aggregate amount of net issue proceeds designated as Principal Proceeds that results from the issuance of any additional Notes save for any Additional Subordinated Notes Proceeds.

"**Replacement Currency Hedge Agreement**" means any Currency Hedge Agreement entered into by the Issuer upon termination of an existing Currency Hedge Agreement on substantially the same terms as such existing Currency Hedge Agreement that preserves for the Issuer the economic effect of the terminated Currency Hedge Agreement and all Currency Hedge Transactions thereunder, subject to such amendments as may be agreed by the Trustee and in respect of which Rating Agency Confirmation is obtained.

"**Replacement FX Forward Agreement**" means any FX Forward Agreement entered into by the Issuer upon termination of an existing FX Forward Agreement on substantially the same terms as such existing FX Forward Agreement that preserves for the Issuer the economic effect of the terminated FX Forward Agreement and all FX Forward Transactions thereunder, subject to such amendments as may be agreed by the Trustee and in respect of which Rating Agency Confirmation is obtained.

"**Replacement Hedge Agreements**" means each Replacement Currency Hedge Agreement, each Replacement FX Forward Agreement and each Replacement Interest Rate Hedge Agreement and "**Replacement Hedge Agreement**" means any of them.

"**Replacement Hedge Transaction**" means any Hedge Transaction entered into by the Issuer, or the Portfolio Manager on its behalf, in accordance with the provisions of the Portfolio Management Agreement upon

termination of an existing Hedge Transaction on substantially the same terms as such terminated Hedge Transaction, that preserves for the Issuer the economic effect of the terminated Hedge Transaction, subject to such amendments thereto as may be agreed by the Portfolio Manager, acting on behalf of the Issuer.

"**Replacement Interest Rate Hedge Agreement**" means any Interest Rate Hedge Agreement entered into by the Issuer upon termination of an existing Interest Rate Hedge Agreement in full on substantially the same terms as the original Interest Rate Hedge Agreement that preserves for the Issuer the economic equivalent of the terminated Interest Rate Hedge Transactions outstanding thereunder, subject to such amendments as may be approved by the Portfolio Manager and in respect of which Rating Agency Confirmation is obtained.

"**Report**" means each Monthly Report and Payment Date Report.

"**Reporting Delegate**" means a Hedge Counterparty or third party that undertakes to provide delegated reporting in connection with certain derivative transaction reporting obligations of the Issuer.

"**Reporting Delegation Agreement**" means an agreement for the delegation by the Issuer of certain derivative transaction reporting obligations to one or more Reporting Delegates.

"**Reserve Account**" means the account described as such in the name of the Issuer with the Account Bank.

"**Resolution**" means any Ordinary Resolution or Extraordinary Resolution, as the context may require.

"**Restricted Trading Period**" means the period during which the S&P Rating or the Moody's Rating of (x) the Class A Notes which are Outstanding is withdrawn (and not reinstated) or is one or more sub categories below its rating on the Issue Date or (y) the Class B Notes or the Class C Notes which are Outstanding is withdrawn (and not reinstated) or is two or more sub categories below its rating on the Issue Date, *provided that* such period will not be a Restricted Trading Period if:

(a) the sum of: (1) the Aggregate Principal Balance of all Collateral Debt Obligations (excluding the Collateral Debt Obligation being sold but including, without duplication, any related reinvestment and the anticipated cash proceeds, if any, of such sale), and (2) amounts standing to the credit of the Principal Account and the Unused Proceeds Account (to the extent such amounts have not and will not be designated as Interest Proceeds to be credited to the Interest Account and including Eligible Investments therein but save for any interest accrued on Eligible Investments) is equal to or greater than the the Restricted Trading Period Par Balance and each of the Collateral Quality Tests (excluding the S&P CDO Monitor Test and the Moody's Minimum Diversity Test after the expiry of the Reinvestment Period) are passing; or

(b) the downgrade or withdrawal of such rating is as a result of either (1) regulatory change or (2) a change in the relevant Rating Agency's structured finance rating criteria.

provided that such period will not be a Restricted Trading Period if the Issuer gives a direction to that effect with the consent of the Controlling Class acting by Ordinary Resolution and *provided further that* that no Restricted Trading Period shall restrict any sale of a Collateral Debt Obligation entered into by the Issuer at a time when a Restricted Trading Period is not in effect, regardless of whether such sale has settled.

"**Restricted Trading Period Par Balance**" means, as of any date of determination, an amount equal to:

(a) a linear interpolation between:

(i) the amount specified in the table below corresponding to the date on or prior to such date of determination; and

(ii) the amount specified in the table below corresponding to the next date following such date of determination;

Date	**Amount (in Euro)**
Issue Date	450,000,000
25 July 2018	449,000,000

25 October 2018	448,000,000
25 January 2019	447,000,000
25 April 2019	446,000,000
25 July 2019	445,000,000
25 October 2019	444,000,000
25 January 2020	443,000,000
25 April 2020	442,000,000
25 July 2020	441,000,000
25 October 2020	440,000,000
25 January 2021	439,000,000
25 April 2021	438,000,000
25 July 2021	437,000,000
25 October 2021	436,000,000
25 January 2022	435,000,000
25 April 2022	434,000,000
25 July 2022	433,000,000
25 October 2022	432,000,000
25 January 2023	431,000,000
25 April 2023	430,000,000
25 July 2023	429,000,000
25 October 2023	428,000,000
25 January 2024	427,000,000
25 April 2024	426,000,000
25 July 2024	425,000,000
25 October 2024	424,000,000
25 January 2025	423,000,000

minus

(b) the aggregate amount of any reduction in the Principal Amount Outstanding of the Notes;

plus

(c) the aggregate amount of all Principal Proceeds received by the Issuer following the issuance of any additional Notes pursuant to the Conditions, provided that the amount to be added pursuant to this paragraph (c) shall not be less than the aggregate Principal Amount Outstanding of such additional Notes issued.

"**Restructured Obligation**" means a Collateral Debt Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) and which satisfies the Restructured Obligation Criteria as at its applicable Restructuring Date, *provided that* the failure of a Restructured Obligation to satisfy the Restructured Obligation Criteria at any time after the applicable Restructuring Date shall not cause such obligation to cease to constitute a Restructured Obligation unless it is subsequently restructured again, in which case such obligation shall constitute a Restructured Obligation provided it satisfies the Restructured Obligation Criteria as at its Restructuring Date.

"**Restructured Obligation Criteria**" means the restructured obligation criteria specified in the Portfolio Management Agreement which are required to be satisfied in respect of each Restructured Obligation at the applicable Restructuring Date.

"**Restructuring Date**" means the date a restructuring of a Collateral Debt Obligation becomes binding on the holders thereof.

"**Retention Holder**" means Credit Suisse Asset Management Limited, in its capacity as retention holder in accordance with the Risk Retention Letter.

"**Retention Notes**" means not less than 5 per cent. of the Principal Amount Outstanding of each Class of Notes pursuant to paragraph 1(a) of Article 405 of the CRR, paragraph 2(a) of the Solvency II Retention Requirements and Article 51(1)(a) of the AIFMD.

"**Revolving Obligation**" means any Collateral Debt Obligation denominated in Euro (other than a Delayed Drawdown Obligation) that is a loan (including, without limitation, revolving loans, funded and unfunded portions of revolving credit lines and letter of credit facilities, unfunded commitments under specific facilities and other similar loans and investments) that pursuant to the terms of its Underlying Instruments may require one or more future advances to be made to the borrower by the Issuer; but any such Collateral Debt Obligation will be a Revolving Obligation only until all commitments to make advances to the borrower expire or are terminated or reduced to zero.

"**Risk Retention Letter**" means the letter entered into among the Issuer, the Retention Holder, the Portfolio Manager, the Trustee, the Collateral Administrator and the Initial Purchaser dated on or about the Issue Date.

"**Rule 144A**" means Rule 144A of the Securities Act.

"**Rule 144A Notes**" means the Notes offered for sale within the United States or to U.S. Persons in reliance on Rule 144A.

"**Rule 17g-5**" means Rule 17g-5 of the Exchange Act.

"**S&P**" means Standard & Poor's Credit Market Services Europe Limited, a division of S&P Global Inc. and any successor or successors thereto.

"**S&P CDO Monitor Adjusted BDR**" has the meaning given to it in the Portfolio Management Agreement.

"**S&P CDO Monitor BDR**" has the meaning given to it in the Portfolio Management Agreement.

"**S&P CDO Formula Election Date**" means the date designated by the Portfolio Manager and notified in writing to S&P, the Trustee and the Collateral Administrator within five Business Days upon such designation as the date on which the Issuer will begin to utilise the S&P CDO Monitor Adjusted BDR, provided that an S&P CDO Formula Election Date may only occur once.

"**S&P CDO Formula Election Period**" means:

(a) the period from the Effective Date until the occurrence of the S&P CDO Model Election Date (if any); or

(b) the period, if any, from and after the S&P CDO Formula Election Date.

"**S&P CDO Model Election Date**" means the date designated by the Portfolio Manager and notified in writing to S&P, the Trustee and the Collateral Administrator within five Business Days upon such designation as the

date on which the Issuer will begin to utilise the S&P CDO Monitor, provided that an S&P CDO Model Election Date may only occur once.

"**S&P CDO Model Election Period**" means the period from the S&P CDO Model Election Date until the occurrence of an S&P CDO Formula Election Date.

"**S&P CDO Monitor Test**" has the meaning given to it in the Portfolio Management Agreement.

"**S&P CDO Monitor SDR**" has the meaning given to it in the Portfolio Management Agreement.

"**S&P Collateral Value**" means:

(a) for each Defaulted Obligation or Deferring Security the lower of:

(i) its prevailing Market Value; and

(ii) the relevant S&P Recovery Rate,

multiplied by its Principal Balance; or

(b) in the case of any other applicable Collateral Debt Obligation the relevant S&P Recovery Rate multiplied by its Principal Balance,

provided that if the Market Value cannot be determined for any reason, the S&P Collateral Value shall be determined in accordance with paragraph (b) above.

"**S&P Default Rate Dispersion**" has the meaning given to it in the Portfolio Management Agreement.

"**S&P Effective Date Adjustment**" has the meaning given to it in the Portfolio Management Agreement.

"**S&P Excel Default Model Input File**" means an electronic spreadsheet file in Microsoft Excel format to be provided to S&P, as shall be agreed with the Collateral Administrator and S&P and which file shall include information with respect to each Collateral Debt Obligation.

"**S&P Expected Default Rate**" has the meaning given to it in the Portfolio Management Agreement.

"**S&P Industry Diversity Measure**" has the meaning given to it in the Portfolio Management Agreement.

"**S&P Issuer Credit Rating**" means, in respect of a Collateral Debt Obligation, a publicly available issuer credit rating by S&P in respect of the Obligor thereof.

"**S&P Minimum Weighted Average Recovery Rate Test**" has the meaning given to it in the Portfolio Management Agreement.

"**S&P Obligor Diversity Measure**" has the meaning given to it in the Portfolio Management Agreement.

"**S&P Rating**" has the meaning given to it in the Portfolio Management Agreement.

"**S&P Recovery Rate**" means, in respect of each Collateral Debt Obligation and each Class of Rated Notes, an S&P Recovery Rate determined in accordance with the Portfolio Management Agreement or as advised by S&P.

"**S&P Regional Diversity Measure**" has the meaning given to it in the Portfolio Management Agreement.

"**Sale Proceeds**" means:

(a) all proceeds received upon the sale of any Collateral Debt Obligation (other than any Currency Hedge Obligation or Principal Hedged Obligation) excluding any sale proceeds representing accrued interest designated as Interest Proceeds, by the Portfolio Manager *provided that* no such designation may be made in respect of: (i) Purchased Accrued Interest; or (ii) Ramp Accrued Interest (*provided that* any Ramp Accrued Interest shall be credited to the Unused Proceeds Account in accordance with these Conditions); or (iii) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts; or

(iv) proceeds representing accrued interest received in respect of any Defaulted Obligation unless and until (v) such amounts represent Defaulted Obligation Excess Amounts and (y) any Purchased Accrued Interest and Ramp Accrued Interest in relation to such Defaulted Obligation has been paid, together with all proceeds received upon the sale of any Collateral Enhancement Obligation or Exchanged Security; and

(b) in the case of any Currency Hedge Obligation, all amounts in Euro (or other currencies, if applicable) received by the Issuer from the applicable Currency Hedge Counterparty under the related Currency Hedge Transaction in exchange for payment by the Issuer of the sale proceeds of such Currency Hedge Obligation excluding amounts exchanged for such proceeds that are (or would, if denominated in Euro, be) designated as Interest Proceeds as described in paragraph (a) above, and

(c) in the case of any Collateral Enhancement Obligation or Equity Security, all proceeds and any fees received upon the sale of such Collateral Enhancement Obligation or Equity Security; and

(d) in the case of any Principal Hedged Obligation, all amounts in Euro (or other currencies if applicable) payable to the Issuer by the applicable FX Forward Counterparty under the related FX Forward Transaction in exchange for payment by the Issuer of the sale proceeds of such Principal Hedged Obligation excluding amounts exchanged for such proceeds that are (or would, if denominated in Euro be) designated as Interest Proceeds as described in paragraph (a) above (after netting against any FX Forward Issuer Termination Payment (determined without regard to the exclusions of unpaid amounts and FX Forward Issuer Principal Exchange Amounts set forth in the definition thereof) payable by the Issuer in such circumstances),

in each case net of any amounts expended by or payable by the Issuer or the Collateral Administrator (on behalf of the Issuer) in connection with sale, disposition or termination of such Collateral Debt Obligation, Collateral Enhancement Obligation or Equity Security (as applicable).

"**Scheduled Periodic Hedge Counterparty Payment**" means, with respect to any Hedge Agreement, all periodic amounts in the nature of coupon (and not principal) scheduled to be paid by the Hedge Counterparty thereto to the Issuer pursuant to the terms of such Hedge Agreement, excluding any Currency Hedge Counterparty Principal Exchange Amounts, FX Forward Counterparty Principal Exchange Amounts and Hedge Counterparty Termination Payments.

"**Scheduled Periodic Hedge Issuer Payment**" means, with respect to any Hedge Agreement, all periodic amounts in the nature of coupon (and not principal) scheduled to be paid by the Issuer to the applicable Hedge Counterparty pursuant to the terms of such Hedge Agreement, excluding any Currency Hedge Issuer Principal Exchange Amounts, FX Forward Issuer Principal Exchange Amounts and Hedge Issuer Termination Payments.

"**Scheduled Principal Proceeds**" means:

(a) in the case of any Collateral Debt Obligation (other than Non-Euro Obligations with a related Currency Hedge Transaction or FX Forward Transaction), scheduled principal repayments received by the Issuer (including scheduled amortisation, instalment or sinking fund payments); and

(b) in the case of any Non-Euro Obligation with a related Currency Hedge Transaction or FX Forward Transaction, scheduled final and interim Currency Hedge Counterparty Principal Exchange Amounts and scheduled final FX Forward Counterparty Principal Exchange Amounts under the related Currency Hedge Transaction or FX Forward Transaction; and

(c) in the case of any Hedge Agreements, any Hedge Replacement Receipts and Hedge Counterparty Termination Payments transferred from the Hedge Termination Account into the Principal Account and any cash amounts transferred from a Counterparty Downgrade Collateral Account to the Principal Account (or where such Counterparty Downgrade Collateral is in the form of securities and is transferred to the Custody Account, all proceeds of the sale of such securities) in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*).

"**Second Lien Loan**" means a Collateral Debt Obligation (other than a Secured Senior Loan or a Mezzanine Obligation) with a junior contractual claim on tangible or intangible property (which property is subject to a prior lien (other than customary permitted liens, such as, but not limited to, any tax liens)) to secure payment of a debt or the fulfilment of a contractual obligation.

"**Secured Obligations**" means all obligations of the Issuer under the Trust Deed to the Trustee for the benefit of the Noteholders (or any of them) and all obligations of the Issuer to the other Secured Parties under the applicable Transaction Document(s), whether present or future, actual or contingent (and whether incurred by such Issuer alone or jointly, and whether as principal or surety or in some other capacity).

"**Secured Party**" means each of the Class A-1 Noteholders, the Class A-2 Noteholders, the Class B-1 Noteholders, the Class B-2 Noteholders, the Class C-1 Noteholders, the Class C-2 Noteholders, the Class D-1 Noteholders, the Class D-2 Noteholders, the Class E Noteholders, the Class F Noteholders, the Class M Subordinated Noteholders, the Initial Purchaser, the Portfolio Manager, the Trustee, any Receiver or other Appointee of the Trustee, the Agents, each Reporting Delegate, each Hedge Counterparty and the Corporate Services Provider and "**Secured Parties**" means any two or more of them as the context so requires.

"**Secured Senior Bond**" means a Collateral Debt Obligation that is a senior secured debt security in the form of, or represented by, a bond, note, certificated debt security or other debt security (that is not a Secured Senior Loan) as determined by the Portfolio Manager in its reasonable business judgment or a Participation therein, *provided that*:

(a) it is secured by (i) assets of the Obligor thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices), or otherwise (ii) at least 80 per cent. of the equity interests in the stock of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or stock referred to in (a) above *provided that* a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or stock in the event of an enforcement in respect of such loan representing up to 15 per cent. of the Obligor's senior debt.

"**Secured Senior Loan**" means a Collateral Debt Obligation (which may be a Revolving Obligation or a Delayed Drawdown Obligation) that is a secured senior loan as determined by the Portfolio Manager in its reasonable business judgment or a Participation therein, *provided that*:

(a) it is secured by (i) assets of the Obligor thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices), or otherwise (ii) at least 80 per cent. of the equity interests in the stock of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or stock referred to in (a) above *provided that* a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or stock in the event of an enforcement in respect of such loan representing up to 15 per cent. of the Obligor's senior debt.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Securitisation Regulation**" means any regulation of the European Union related to simple, transparent and standardised securitisation including any implementing regulations, technical standards and official guidance related thereto.

"**Selling Institution**" means an institution from whom (a) a Participation is taken and satisfies the applicable Rating Requirement; or (b) an Assignment is acquired.

"**Semi-Annual Interest Smoothing Account**" means the account described as such in the name of the Issuer with the Account Bank to which the Issuer will procure amounts are deposited in accordance with Condition 3(j)(ix) (*Semi-Annual Interest Smoothing Account*).

"**Semi-Annual Interest Smoothing Amounts**" means, in respect of each Determination Date following (and including) the Determination Date upon which a Frequency Switch Event occurs, zero and, in respect of each other Determination Date and for so long as any Rated Notes are Outstanding, an amount equal to the excess, if any, of:

(a) the sum of all payments of interest received during the related Due Period in respect of each Semi-Annual Obligation (that was a Semi-Annual Obligation at all times during such Due Period); over

(b) the sum of

(i) the aggregate of the products, in respect of each Semi-Annual Obligation that was a Semi Annual Obligation at all times during the related Due Period and which is a Floating Rate Collateral Debt Obligation, excluding any Semi-Annual Obligations that are Defaulted Obligations or Deferring Securities, of:

(A) 0.25; multiplied by

(B) the sum of:

(1) EURIBOR or such other index in respect of which interest is calculated in respect of such Semi-Annual Obligation (as of the relevant Determination Date); plus

(2) the Weighted Average Floating Spread *provided that*, for the purpose of calculating the Weighted Average Floating Spread, such calculation shall only include Floating Rate Collateral Debt Obligations which are Semi-Annual Obligations and that were Semi-Annual Obligations at all times during the related Due Period and such calculation shall exclude any Floating Rate Collateral Debt Obligations that are Defaulted Obligations or Deferring Securities; multiplied by

(C) the Principal Balance of such Semi-Annual Obligation; and

(ii) the product of:

(A) 0.25; multiplied by

(B) the Weighted Average Fixed Coupon, *provided that*, for purposes of calculating the Weighted Average Fixed Coupon, such calculation shall only include Fixed Rate Collateral Debt Obligations which are Semi-Annual Obligations and that were Semi-Annual Obligations at all times during the related Due Period and such calculation shall exclude any Fixed Rate Collateral Debt Obligations that are Defaulted Obligations or Deferring Securities; multiplied by

(C) the Aggregate Principal Balance of all Semi-Annual Obligations that were Semi-Annual Obligations at all times during the related Due Period and which are Fixed Rate Collateral Debt Obligations, excluding the Aggregate Principal Balance of any Semi-Annual Obligations that are Defaulted Obligations or Deferring Securities,

in each case, determined in Euro, *provided that* (x) such amount may not be less than zero and (y) following redemption in full of the Rated Notes or if the Aggregate Principal Balance of the Semi-Annual Obligations and Annual Obligations (as at the last day of the related Due Period) are, together, less than or equal to 5 per cent. of the Aggregate Collateral Balance (for the purposes of determining the Aggregate Collateral Balance, the Principal Balance of all Defaulted Obligations shall be their S&P Collateral Value), such amount shall be deemed to be zero.

"**Semi-Annual Obligations**" means Collateral Debt Obligations which, at the relevant date of measurement, pay interest less frequently than quarterly but which are not Annual Obligations.

"**Senior Bonds**" means, together, Secured Senior Bonds and Unsecured Senior Obligations which are bonds.

"**Senior Expenses Cap**" means, in respect of each Payment Date the sum of:

(a) (i) in respect of the first Due Period, €500,000 per annum; or (ii) in respect of each other Due Period, €300,000 per annum (in each case (pro rated for the Due Period for the related Payment Date on the basis of a 360 day year comprised of twelve 30-day months); and

(b) 0.025 per cent. per annum (pro rated for the Due Period for the first Payment Date on the basis of a 360 day year and the actual number of days elapsed in such Due Period and thereafter on the basis of a 360 day year and the actual number of days elapsed in such Due Period, with each anniversary of the first Payment Date being the start of each 360 day year) of the Aggregate Collateral Balance as at the first Business Day of such Due Period,

provided however that if the aggregate amount of Trustee Fees and Expenses and Administrative Expenses paid on the three immediately preceding Payment Dates (or, if a Frequency Switch Event has occurred, the immediately preceding Payment Date) together with the aggregate amount of Trustee Fees and Expenses and Administrative Expenses paid during the related Due Period(s) is less than the stated Senior Expenses Cap, the amount of each such shortfall shall be added to the Senior Expenses Cap with respect to the then current Payment Date. For the avoidance of doubt, the application of any such shortfall in this manner may not at any time result in an increase of the Senior Expenses Cap on a per annum basis and provided that the Senior Expenses Cap shall not apply to any amounts due or accrued with respect to actions taken on or in connection with the Issue Date with respect to the issuance of Notes and the entry into the Transaction Documents (as determined by the Portfolio Manager).

"**Senior Loans**" means, together, Secured Senior Loans and Unsecured Senior Obligations which are loans.

"**Senior Obligation**" means, together, Senior Loans, Senior Bonds and Second Lien Loans.

"**Senior Portfolio Management Fee**" means the fee payable to the Portfolio Manager in arrear on each Payment Date in respect of each Due Period pursuant to the Portfolio Management Agreement in an amount, as determined by the Collateral Administrator, equal to 0.15 per cent. per annum (calculated semi-annually following the occurrence of a Frequency Switch Event and quarterly at all other times, in each case on the basis of a 360-day year and the actual number of days elapsed in such Due Period) (exclusive of VAT) of the Fee Basis Amount as determined by the Collateral Administrator.

"**Similar Law**" means any federal, state, local or non-U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer or the Portfolio Manager (or other persons responsible for the investment and operation of the Issuer's assets) to any federal, state, local or non-U.S. law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

"**Solvency II**" means Directive 2009/138/EC including any implementing and/or delegated regulation, technical standards and guidance related thereto together with any technical standards and guidelines published in relation thereto by EIOPA as may be amended, replaced or supplemented from time to time.

"**Solvency II Retention Requirements**" means the risk retention requirements and due diligence requirements set out in Articles 254 and Article 256 of Commission Delegated Regulation (EU) 2015/35 as amended from time to time.

"**Special Redemption**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Amount**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Date**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Spot Rate**" means with respect to any conversion of any currency into Euro or, as the case may be, of Euro into any other relevant currency, the relevant spot rate of exchange quoted by the Collateral Administrator on the date of calculation following consultation with, and subject to the agreement of, the Portfolio Manager, provided that if the Portfolio Manager and the Collateral Administrator cannot agree on a Spot Rate, the Spot Rate shall be the rate which the Issuer (or the Portfolio Manager on behalf of the Issuer) can obtain.

"**Sterling**", "**£**" and "**GBP**" means the lawful currency of the United Kingdom.

"**Step-Down Coupon Security**" means a security the underlying instruments of which contractually mandate decreases in coupon payments or spread over time (in each case other than decreases that are conditioned upon an improvement in the creditworthiness of the obligor or changes in a pricing grid or based on improvements in financial ratios or other similar coupon or spread reset features).

"**Structured Finance Security**" means any debt security which is secured directly, or represents the ownership of, a pool of consumer receivables, auto loans, auto leases, equipment leases, home or commercial mortgages, corporate debt or sovereign debt obligations or similar assets, including, without limitation, collateralised bond obligations, collateralised loan obligations, asset backed securities or any similar security; provided that any obligation that is a Project Finance Loan shall not be a Structured Finance Security.

"**Subordinated Obligation**" means a debt obligation that by its terms and conditions is subordinated to all non-subordinated debt obligations of the relevant Obligor.

"**Subordinated Portfolio Management Fee**" means the fee payable to the Portfolio Manager in arrear on each Payment Date in respect of the immediately preceding Due Period, pursuant to the Portfolio Management Agreement equal to 0.35 per cent. per annum (calculated semi-annually following the occurrence of or Frequency Switch Event and quarterly at all other times, in each case on the basis of a 360-day year and the actual number of days elapsed in such Due Period) (exclusive of VAT) of the Fee Basis Amount, as determined by the Collateral Administrator.

"**Subscription Agreement**" means the subscription agreement between the Issuer, the Initial Purchaser dated on or about the Issue Date.

"**Substitute Collateral Debt Obligation**" means a Collateral Debt Obligation purchased in substitution for a previously held Collateral Debt Obligation pursuant to the terms of the Portfolio Management Agreement and which satisfies both the Eligibility Criteria and the Reinvestment Criteria.

"**Supplemental Reserve Account**" means an account in the name of the Issuer, so entitled and held with the Account Bank.

"**Supplemental Reserve Amount**" means, with respect to any Payment Date during the Reinvestment Period, the amount of Interest Proceeds retained in the Supplemental Reserve Account on the Payment Date in accordance with the Interest Proceeds Priority of Payments, at the sole discretion of the Portfolio Manager.

"**Swapped Non-Discount Obligation**" means any Collateral Debt Obligation that would otherwise be considered a Discount Obligation, but that is purchased with the Sale Proceeds of a Collateral Debt Obligation that was not a Discount Obligation at the time of its purchase and will not be considered a Discount Obligation so long as such purchased Collateral Debt Obligation:

(a) is purchased or committed to be purchased within 20 Business Days of such sale;

(b) is purchased at a price (as a percentage of par) equal to or greater than of the sale price of the sold Collateral Debt Obligation;

(c) is purchased at a price not less than the lower of (i) 50 per cent. of the Principal Balance thereof and (ii)(A) in the case of a Floating Rate Collateral Debt Obligation, the price quoted on the Eligible Loan Index on the relevant determination date, and (B) in the case of a Fixed Rate Collateral Debt Obligation, the price quoted on the Eligible Bond Index on the relevant determination date; and

(d) has a Moody's Rating equal to or higher than the Moody's Rating of the sold Collateral Debt Obligation,

provided that, in each case, that:

(i) to the extent the Aggregate Principal Balance of all Swapped Non-Discount Obligations held by the Issuer as at the relevant date of determination exceeds 5 per cent. of the Aggregate Collateral Balance (and for the purposes of determining the Aggregate Collateral Balance the Principal Balance of all Defaulted Obligations shall be their S&P Collateral Value), such excess will not constitute Swapped Non-Discount Obligations (and for the avoidance of doubt, such excess will instead constitute Discount Obligations);

(ii) to the extent the cumulative Aggregate Principal Balance of all Swapped Non-Discount Obligations acquired by the Issuer on or after the Issue Date (for the avoidance of doubt, whether or not each such Swapped Non-Discount Obligation is currently held by the Issuer) exceeds 10 per cent. of the Target Par Amount, such excess will not constitute Swapped Non-Discount Obligations (and for the avoidance of doubt, such excess will instead constitute Discount Obligations);

(iii) in the case of a Collateral Debt Obligation that is an interest in a Floating Rate Collateral Debt Obligation, such Collateral Debt Obligation will cease to be a Swapped Non-Discount Obligation at such time as the Market Value (expressed as a percentage of its Principal Balance) for such Collateral Debt Obligation on each day during any period of 30 consecutive days since the acquisition of such Collateral Debt Obligation equals or exceeds 90 per cent.; and

(iv) in the case of any Collateral Debt Obligation that is an interest in a Fixed Rate Collateral Debt Obligation, such Collateral Debt Obligation will cease to be a Swapped Non-Discount Obligation at such time as the Market Value (expressed as a percentage of its Principal Balance) for such Collateral Debt Obligation on each day during any period of 30 consecutive days since the acquisition of such Collateral Debt Obligation equals or exceeds 85 per cent.

"**Synthetic Security**" means a security or swap transaction (other than a letter of credit or a Participation) that has payments of interest or principal on a reference obligation or the credit performance of a reference obligation.

"**Target Par Amount**" means €450,000,000.

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer system (or, if such system ceases to be operative, such other system (if any) determined by the Trustee to be a suitable replacement).

"**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"**Transaction Documents**" means the Trust Deed (including these Conditions), the Agency Agreement, the Subscription Agreement, the Portfolio Management Agreement, any Hedge Agreements, the Risk Retention Letter, any Reporting Delegation Agreement, the Collateral Acquisition Agreements, the Participation Agreements, the Corporate Services Agreement, any document supplemental thereto or issued in connection therewith and any other document designated as such by the Trustee and the Issuer .

"**Trustee Fees and Expenses**" means the fees, costs and expenses and all other amounts payable to the Trustee (including the fees, costs and expenses of any legal and other professional advisers employed by the Trustee pursuant to the Trust Deed) or to any Receiver or Appointee pursuant to the Trust Deed or any other Transaction Document from time to time *plus* any applicable VAT thereon (and to the extent such amounts relate to costs and expenses, such VAT, to be limited to irrecoverable VAT) payable under the Trust Deed or any other Transaction Document (either payable to the Trustee, the relevant taxing authority or other third party), including reimbursements and indemnity payments, and in respect of any Refinancing any fees, costs, charges and expenses (including the fees, costs and expenses of any legal and other professional advisers employed by the Trustee pursuant to the Trust Deed) properly incurred by the Trustee.

"**Underlying Instrument**" means the agreements or instruments pursuant to which a Collateral Debt Obligation has been issued or created and each other agreement that governs the terms of, or secures the obligations represented by, such Collateral Debt Obligation or under which the holders or creditors under such Collateral Debt Obligation are the beneficiaries.

"**Unfunded Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Obligation, the excess, if any, of (a) the Commitment Amount under such Revolving Obligation or Delayed Drawdown Obligation, as the case may be, at such time over (b) the Funded Amount thereof at such time.

"**Unfunded Revolver Reserve Account**" means an account described as such in the name of the Issuer held with the Account Bank.

"**Unhedged Collateral Debt Obligation**" means each Non-Euro Obligation which, at the time of determination, is not (or if such Non-Euro Obligation has not yet settled, will no later than the settlement date thereof, not be) the subject of a Currency Hedge Transaction and which is not a Principal Hedged Obligation.

"**Unmarketable Asset**" means (a) (i) a Defaulted Obligation, (ii) a Collateral Enhancement Obligation, Equity Security or Exchanged Security, (iii) an obligation received in connection with an Offer, in a restructuring or plan of reorganisation with respect to the Obligor, or (iv) any other exchange or any other security or debt obligation that is part of the Collateral, in the case of (i), (ii) or (iii) in respect of which the Issuer has not received a payment in cash during the preceding 12 months or (b) any Collateral Debt Obligation identified in

the certificate of the Portfolio Manager as having a Market Value of less than €1,000, in each case of (a) and (b) with respect to which the Portfolio Manager certifies to the Issuer and the Trustee that (x) it has made commercially reasonable efforts to dispose of such Collateral Debt Obligation for at least 90 days and (y) in its commercially reasonable judgment such Collateral Debt Obligation is not expected to be saleable for the foreseeable future.

"**Unscheduled Principal Proceeds**" means:

(a) with respect to any Collateral Debt Obligation (other than a Currency Hedge Obligation or a Principal Hedged Obligation), principal proceeds received by the Issuer prior to the Collateral Debt Obligation Stated Maturity thereof as a result of optional redemptions, prepayments (including any acceleration) or Offers (excluding any premiums or make whole amounts in excess of the principal amount of such Collateral Debt Obligation);

(b) with respect to any Currency Hedge Obligation, the Currency Hedge Counterparty Principal Exchange Amount payable in respect of the amounts referred to in (a) above pursuant to the related Currency Hedge Transaction, together with:

(i) any related Currency Hedge Termination Receipts but less any related Currency Hedge Issuer Termination Payment (to the extent any are payable and in each case determined without regard to the exclusions of unpaid amounts and Currency Hedge Counterparty Principal Exchange Amounts or (as applicable) Currency Hedge Issuer Principal Exchange Amounts set forth in the definitions thereof) and only to the extent not required for application towards the cost of entry into a Replacement Hedge Transaction; and

(ii) any related Hedge Replacement Receipts but only to the extent not required for application towards any related Currency Hedge Issuer Termination Payments; and

(c) with respect to any Principal Hedged Obligation, the FX Forward Counterparty Principal Exchange Amount payable in respect of the amounts referred to in (a) above pursuant to the related FX Forward Transaction, together with:

(i) any related FX Forward Termination Receipts but less any related FX Forward Issuer Termination Payment (to the extent any are payable and in each case determined without regard to the exclusions of unpaid amounts and FX Forward Counterparty Principal Exchange Amounts or (as applicable) FX Forward Issuer Principal Exchange Amounts set forth in the definitions thereof) and only to the extent not required for application towards the cost of entry into a replacement FX Forward Transaction; and

(ii) any related Hedge Replacement Receipts but only to the extent not required for application towards any related FX Forward Issuer Termination Payments.

"**Unsecured Senior Obligation**" means a Collateral Debt Obligation that:

(a) is an obligation senior to any unsecured, subordinated obligation of the Obligor as determined by the Portfolio Manager in its reasonable business judgment; and

(b) is not secured (i) by assets of the Obligor or guarantor thereof if and to the extent that the granting of security over assets is permissible under applicable law or (ii) by at least 80 per cent. of the equity interests in the stock of an entity owning such fixed assets.

"**Unused Proceeds Account**" means an account described as such in the name of the Issuer held with the Account Bank.

"**U.S. Risk Retention Rules**" means the final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act, as amended from time to time.

"**U.S. Person**" means a U.S. person as such term is defined under Regulation S.

"**VAT**" means any tax imposed in conformity with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) and any other tax of a similar fiscal nature substituted for, or

levied in addition to such tax whether in the European Union or elsewhere in any jurisdiction together with any interest and penalties thereon.

"**Volcker Rule**" means Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

"**Warehouse Arrangements**" means the warehouse financing and related arrangements entered into by the Issuer prior to the Issue Date to finance the acquisition of Collateral Debt Obligations prior to the Issue Date.

"**Warehouse Providers**" means the senior and junior lenders under the Warehouse Arrangements.

"**Weighted Average Fixed Coupon**" has the meaning given to it in the Portfolio Management Agreement.

"**Weighted Average Life Test**" has the meaning given to it in the Portfolio Management Agreement.

"**Weighted Average Floating Spread**" has the meaning given to it in the Portfolio Management Agreement.

"**Written Resolution**" means any Resolution of the Noteholders in writing, as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

"**Zero Coupon Security**" means a security that at the time of determination, does not provide for periodic payments of interest.

2. Form and Denomination, Title, Transfer, Exchange and Contribution

(a) Form and Denomination

The Notes of each Class will be issued in definitive, certificated, fully registered form, without interest coupons, talons and principal receipts attached, in the applicable Minimum Denomination and integral multiples of any Authorised Integral Amount in excess thereof. A Definitive Certificate will be issued to each Noteholder in respect of its registered holding of Notes. Each Definitive Certificate will be numbered serially with an identifying number which will be recorded in the Register which the Issuer shall procure to be kept by the Registrar. The Issuer shall procure that the Register shall at all times be kept and maintained outside the United Kingdom and no copy of the Register shall be created, kept or maintained in the United Kingdom.

(b) Title to the Registered Notes

Title to the Notes passes upon registration of transfers in the Register in accordance with the provisions of the Agency Agreement and the Trust Deed. Notes will be transferable only on the books of the Issuer and its agents. The registered holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

(c) Transfer

One or more Notes may be transferred in whole or in part in nominal amounts of the applicable Authorised Denomination only upon the surrender, at the specified office of the Registrar or any Transfer Agent, of the Definitive Certificate representing such Note(s) to be transferred, with the form of transfer endorsed on such Definitive Certificate duly completed and executed and together with such other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Notes represented by one Definitive Certificate, a new Definitive Certificate will be issued to the transferee in respect of the part transferred and a further new Definitive Certificate in respect of the balance of the holding not transferred will be issued to the transferor.

(d) Delivery of New Certificates

Each new Definitive Certificate to be issued pursuant to Condition 2(c) (*Transfer*) will be available for delivery within five Business Days of receipt of such form of transfer or of surrender of an existing certificate upon partial redemption. Delivery of new Definitive Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar, as the case may be, to whom delivery or surrender shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer or otherwise in writing, shall be mailed by pre paid first class post, at the risk of the holder entitled to the new Definitive Certificate, to such address as may be so specified. In this Condition 2(d) (*Delivery of New Certificates*), "**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified offices of the Transfer Agent and the Registrar.

(e) Transfer Free of Charge

Transfer of Notes and Definitive Certificates representing such Notes in accordance with these Conditions of the Notes on registration or transfer will be effected without charge to the Noteholder by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(f) Closed Periods

No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 calendar days ending on the due date for redemption (in full) of that Note or (ii) during the period of seven calendar days ending on (and including) any Record Date.

(g) Regulations Concerning Transfer and Registration

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning the transfer of Notes scheduled to the Trust Deed, including without limitation, that a transfer of Notes in breach of certain of such regulations will result in such transfer being *void ab initio*. The regulations may be changed by the Issuer in any manner which is reasonably required by the Issuer (after consultation with the Trustee) to reflect changes in legal or regulatory requirements or in any other manner which, in the opinion of the Issuer (after consultation with the Trustee and subject to not less than 60 days' notice of any such change having been given to the Noteholders in accordance with Condition 16 (*Notices*)), is not prejudicial to the interests of the holders of the relevant Class of Notes. A copy of the current regulations may be inspected at the offices of any Transfer Agent during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes and will be sent by the Registrar to any Noteholder who so requests.

(h) Forced Transfer of Rule 144A Notes

If the Issuer determines at any time that a U.S. Holder of Rule 144A Notes is not a QIB/QP (any such person, a "**Non-Permitted Holder**"), the Issuer shall, promptly after determination that such person is a Non-Permitted Holder by the Issuer send, or procure that a Transfer Agent sends, notice to such Non-Permitted Holder demanding that such holder transfers its Notes outside the United States to a non-U.S. Person or within the United States to a U.S. Person that is a QIB/QP within 30 days following receipt of such notice. If such holder fails to sell or transfer its Rule 144A Notes within such period (i) upon direction from the Issuer or the Portfolio Manager on its behalf, a Transfer Agent (without liability therefor), on behalf of and at the expense of the Issuer, shall appoint an investment bank or other entity to cause such Rule 144A Notes to be transferred in a sale (conducted by such investment bank or other entity) to a person or entity that certifies to such Transfer Agent and the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and (ii) pending such transfer, no further payments will be made in respect of such Rule 144A Notes. The investment bank or other entity appointed by the Transfer Agent on behalf of the Issuer may select the purchaser by soliciting one or more bids from one or more

brokers or other market professionals that regularly deal in securities similar to the Rule 144A Notes and selling such Rule 144A Notes to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion. Each Noteholder and each other person in the chain of title from the permitted Noteholder to the Non-Permitted Holder by its acceptance of an interest in the Rule 144A Notes agrees to cooperate with the Issuer and the Transfer Agent to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the selling Noteholder. The terms and conditions of any sale hereunder shall be determined in the sole discretion of the Issuer, subject to the transfer restrictions set out herein, and neither the Issuer nor the Transfer Agent shall be liable to any person having an interest in the Notes sold as a result of any such sale or the exercise of such discretion. The Issuer and the Transfer Agent reserve the right to require any holder of Notes to submit a written certification substantiating that it is a QIB/QP or a non-U.S. Person. If such holder fails to submit any such requested written certification on a timely basis, the Issuer and the Transfer Agent have the right to assume that the holder of the Notes from whom such a certification is requested is not a QIB/QP or a non-U.S. Person. Furthermore, the Issuer and the Transfer Agent reserve the right to refuse to honour a transfer of beneficial interests in a Rule 144A Note to any Person who is not either a non-U.S. Person or a U.S. Person that is a QIB/QP.

(i) Forced Sale pursuant to FATCA or CRS

Each Noteholder (which, for the purposes of this Condition 2(i) (*Forced Sale pursuant to FATCA or CRS*) may include a nominee or beneficial owner of a Note) will agree to provide the Issuer and its agents with any correct, complete and accurate forms or certifications that may be required for the Issuer to comply with FATCA and CRS and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer. In the event the Noteholder fails to provide such forms or certifications, or to the extent that its ownership of the Notes would otherwise cause the Issuer to be subject to tax under FATCA, (i) the Issuer and its agents are authorised to withhold amounts otherwise distributable to the Noteholder as compensation for any taxes to which the Issuer is subject under FATCA as a result of such failure or the Noteholder's ownership of Notes, and (ii) except with regard to the Retention Holder's ownership of Retention Notes, to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or the Noteholder's ownership of Notes, the Issuer will have the right to compel the Noteholder to sell its Notes, and, if the Noteholder does not sell its Notes within 10 Business Days after notice from the Issuer or any agent of the Issuer, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any costs, charges, and any taxes incurred by the Issuer in connection with such sale) to the Noteholder as payment in full for such Notes. The Issuer may assign each such Note, or procure that each such Note is assigned, a separate securities identifier in the Issuer's sole discretion. For the avoidance of doubt, the Issuer shall have the right to sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA or CRS.

(j) Forced Transfer pursuant to ERISA

If any Noteholder is determined by the Issuer to be a Noteholder who has made or is deemed to have made a prohibited transaction, Benefit Plan Investor, Other Plan Law or Similar Law representation that is subsequently shown to be false or misleading (any such Noteholder a "**Non-Permitted ERISA Holder**"), the Non-Permitted ERISA Holder may be required by the Issuer to sell or otherwise transfer its Notes to an eligible purchaser within 10 days of receipt of notice from the Issuer to such Non-Permitted ERISA Holder requiring such sale or transfer, at a price to be agreed between the Issuer and such eligible purchaser at the time of sale, subject to the transfer restrictions set out in the Trust Deed. Each Noteholder and each other Person in the chain of title from the Noteholder, by its acceptance of an interest in such Notes, agrees to cooperate with the Issuer and the Trustee, to the extent required to effect such transfers. None of the Issuer, the Trustee and the Registrar shall be liable to any Noteholder having an interest in the Notes sold or otherwise transferred as a result of any such sale or transfer. The Issuer shall be entitled to deduct from the sale or transfer price an amount equal to all the expenses and costs incurred and any loss suffered by the Issuer as a result of such forced transfer. The Non-Permitted ERISA Holder will receive the balance, if any.

(k) Contributions

At any time during the Reinvestment Period, any Noteholder may (i) make a contribution of cash or (ii) solely in relation to a Noteholder holding a Definitive Certificate, by notice in writing to the Issuer, the Trustee, the Collateral Administrator and the Portfolio Manager, designate any portion of Interest Proceeds or Principal Proceeds that would otherwise be distributed on its Notes in accordance with the Priorities of Payment (each, a "**Contribution**" and each such Noteholder, a "**Contributor**"), provided that no more than three such Contributions may be made and such Contribution shall not be less than €1,000,000. The Portfolio Manager, on behalf of the Issuer, may accept or reject any Contribution in its reasonable discretion. If a Contribution is accepted, it will be received into the Contribution Account and applied towards a Permitted Use by the Portfolio Manager on behalf of the Issuer as directed by the Contributor at the time such Contribution is made (or, if no direction is given by the Contributor, at the Portfolio Manager's reasonable discretion) in accordance with Condition 3(j)(xiv) (*Contribution Account*). No Contribution or portion thereof will be returned to the Contributor at any time (other than in accordance with the Priorities of Payment).

(l) Exchange of Voting/Non-Voting/Non-Voting Exchangeable Notes

Each of the Notes which are Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and the Class F Notes may be issued and may be held in the form of a PM Voting Note, a PM a Non-Voting Exchangeable Note or a PM Non-Voting Note.

PM Voting Notes (and the Class M Subordinated Notes) shall carry a right to vote in respect of, and be counted for the purposes of determining a quorum and the result of voting on, any PM Replacement Resolution and any PM Removal Resolution. PM Non-Voting Exchangeable Notes and PM Non-Voting Notes shall not carry any rights in respect of, or be counted for the purposes of determining a quorum and the result of voting on, any PM Removal Resolution or any PM Replacement Resolution but shall carry a right to vote on and be counted in respect of all other matters in respect of which the PM Voting Notes have a right to vote and be counted.

PM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into PM Non-Voting Exchangeable Notes or PM Non-Voting Notes. PM Non-Voting Exchangeable Notes shall be exchangeable (i) upon request by the relevant Noteholder at any time into PM Non-Voting Notes or (ii) into PM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor upon request of the relevant transferee or transferor and in no other circumstance. PM Non-Voting Notes shall not be exchangeable at any time into PM Voting Notes or PM Non-Voting Exchangeable Notes.

Any such right to exchange a Note, as described and subject to the limitations set out in the immediately prior paragraph, may be exercised by a Noteholder holding a Definitive Certificate or a beneficial interest in a Global Certificate delivering to the Registrar or a Transfer Agent a duly completed exchange request substantially in the form provided in the Trust Deed.

Any Notes held by or on behalf of the Portfolio Manager or any Portfolio Manager Related Person shall not vote with respect to, and shall not be counted for the purposes of determining a quorum and the results of voting on, any PM Removal Resolution or any PM Replacement Resolution upon the removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement.

The Portfolio Manager and any Portfolio Manager Related Persons will hold any Notes in the form of PM Voting Notes (and not PM Non-Voting Notes or PM Non-Voting Exchangeable Notes).

3. Status

(a) Status

The Notes of each Class constitute direct, general, secured, unconditional obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 4(c)

(*Limited Recourse*). The Notes of each Class are secured in the manner described in Condition 4(a) (*Security*) and, within each Class, shall at all times rank *pari passu* and without any preference amongst themselves.

(b) Relationship Among the Classes

The Notes of each Class are constituted by the Trust Deed and are secured on the Collateral as further described in the Trust Deed. Payments of interest on the Class A Notes will rank *pari passu* with each other and senior to payments of interest on each Payment Date in respect of each other Class; payment of interest on the Class B Notes will rank *pari passu* with each other and will be subordinated in right of payment to payments of interest in respect of the Class A Notes, but senior in right of payment to payments of interest in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class M Subordinated Notes; payment of interest on the Class C Notes will rank *pari passu* with each other and will be subordinated in right of payment to payments of interest in respect of the Class A Notes and the Class B Notes, but senior in right of payment to payments of interest on the Class D Notes, the Class E Notes, the Class F Notes and the Class M Subordinated Notes; payment of interest on the Class D Notes will rank *pari passu* with each other and will be subordinated in right of payment to payments of interest in respect of the Class A Notes, the Class B Notes and the Class C Notes, but senior in right of payment to payments of interest on the Class E Notes, the Class F Notes and the Class M Subordinated Notes; payment of interest on the Class E Notes will rank *pari passu* with each other and will be subordinated in right of payment to payments of interest in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes but senior in right of payment to payments of interest on the Class F Notes and the Class M Subordinated Notes; and payment of interest on the Class F Notes will rank *pari passu* with each other and will be subordinated in right of payment to payments of interest in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes but senior in right of payment to payments of interest on the Class M Subordinated Notes. Payment of interest on the Class M Subordinated Notes will rank *pari passu* with each other and will be subordinated in right of payment to payment of interest in respect of the Rated Notes. Interest on the Class M Subordinated Notes shall be paid *pari passu* and without any preference amongst themselves.

No amount of principal in respect of the Class B Notes shall become due and payable until redemption and payment in full of the Class A Notes. No amount of principal in respect of the Class C Notes shall become due and payable until redemption and payment in full of the Class A Notes and the Class B Notes. No amount of principal in respect of the Class D Notes shall become due and payable until redemption and payment in full of the Class A Notes, Class B Notes and the Class C Notes. No amount of principal in respect of the Class E Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. No amount of principal in respect of the Class F Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes. Subject to the applicability of the Post-Acceleration Priority of Payments, the Class M Subordinated Notes will be entitled to receive, out of Principal Proceeds, the amounts described under the Principal Proceeds Priority of Payments on a *pari passu* basis. Payments on the Class M Subordinated Notes are subordinated to payments on the Rated Notes and other amounts described in the Priorities of Payment and no payments out of Principal Proceeds will be made on the Class M Subordinated Notes until the Rated Notes and other payments ranking prior to the Class M Subordinated Notes in accordance with the Priorities of Payment are paid in full.

(c) Priorities of Payment

The Collateral Administrator shall (on the basis of the Payment Date Report prepared by the Collateral Administrator in consultation with the Portfolio Manager pursuant to the terms of the Portfolio Management Agreement on each Determination Date), on behalf of the Issuer (x) on each Payment Date prior to the delivery (whether actual or deemed) of an Acceleration Notice in accordance with Condition 10(b) (*Acceleration*); (y) following delivery (whether actual or deemed) of an Acceleration Notice which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*); and (z) other than in

connection with an optional redemption in whole under Condition 7(b) (*Optional Redemption*) or in accordance with Condition 7(g) (*Redemption following Note Tax Event*) (in which event the Post-Acceleration Priority of Payments shall apply), instruct the Account Bank to disburse Interest Proceeds and Principal Proceeds transferred to the Payment Account, in each case, in accordance with the following Priorities of Payment:

(i) Application of Interest Proceeds

Subject as further provided below, Interest Proceeds standing to the credit of the Payment Account in respect of a Due Period shall be paid on the Payment Date immediately following such Due Period in the following order of priority:

(A) to the payment of: (1) *firstly* taxes owing by the Issuer accrued in respect of the related Due Period (other than Irish corporate income tax in relation to the Issuer Profit Amount profit referred to in (2) below), as certified by an Authorised Officer of the Issuer to the Collateral Administrator, if any, (save for any VAT payable in respect of any Portfolio Management Fee or any other tax payable in relation to any amount payable to the Secured Parties); and (2) *secondly* the Issuer Profit Amount to be retained by the Issuer, for deposit into the Issuer Irish Account from time to time;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period, *provided that* following the occurrence of an Event of Default that is continuing, the Senior Expenses Cap shall not apply;

(C) to the payment of Administrative Expenses in the priority stated in the definition thereof, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less any amounts paid pursuant to paragraph (B) above;

(D) to the Expense Reserve Account, at the Portfolio Manager's discretion, of an amount equal to the Ongoing Expense Reserve Amount;

(E) to the payment:

(1) *firstly*, to the payment to the Portfolio Manager of the Senior Portfolio Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Portfolio Manager or directly to the relevant taxing authority) (save for any Deferred Senior Portfolio Management Amounts) except that the Portfolio Manager may, in its sole discretion, elect to (x) designate for reinvestment or (y) defer payment of some or all of the amounts that would have been payable to the Portfolio Manager under this paragraph (E) (any such amounts, being "**Deferred Senior Portfolio Management Amount**") on any Payment Date, *provided that* any such amount in the case of (x) shall (a)(i) be used to purchase Substitute Collateral Debt Obligations or (ii) be deposited in the Principal Account pending reinvestment in Substitute Collateral Debt Obligations and (b) not be treated as unpaid for the purposes of this paragraph (E) or paragraph (W) below or in the case of (y), shall be applied to the payment of amounts in accordance with paragraphs (F) through (V) and (X) through (BB) below, subject to the Portfolio Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied; and

(2) *secondly*, to the Portfolio Manager, any previously due and unpaid Senior Portfolio Management Fees (other than Deferred Senior Portfolio Management Amounts) together with any VAT in respect

thereof (whether payable to the Portfolio Manager or directly to the relevant taxing authority),

(F) (1) *firstly* to the payment, on a *pro rata* basis, of (i) any Scheduled Periodic Hedge Issuer Payments (to the extent not paid out of the Currency Account), (ii) any Currency Hedge Issuer Termination Payments (to the extent not paid out of the Currency Account, any relevant Counterparty Downgrade Collateral Accounts or the relevant Hedge Termination Account and other than Defaulted Currency Hedge Termination Payments), (iii) any Interest Rate Hedge Issuer Termination Payments (to the extent not paid out of the Interest Account, any relevant Counterparty Downgrade Collateral Accounts or the relevant Hedge Termination Account and other than Defaulted Interest Rate Hedge Termination Payments) and (iv) any FX Forward Issuer Termination Payments (to the extent not paid out of the Currency Account, any relevant Counterparty Downgrade Collateral Accounts or the relevant Hedge Termination Account and other than Defaulted FX Forward Termination Payments); and

(2) *secondly*, on a *pro rata* basis, to the payment of any Hedge Replacement Payments (to the extent not paid out of the relevant Hedge Termination Account);

(G) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts due and payable on the Class A Notes in respect of the Accrual Period ending on such Payment Date, and all other Interest Amounts due and payable on such Class A Notes;

(H) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts due and payable on the Class B Notes in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on such Class B Notes;

(I) if either of the Class A/B Coverage Tests is not satisfied on any Determination Date on and after the Effective Date, or in the case of the Class A/B Interest Coverage Test, on the Determination Date immediately preceding the second Payment Date and each Determination Date thereafter, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class A/B Coverage Test to be satisfied if recalculated following such redemption;

(J) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts due and payable on the Class C Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(K) if either of the Class C Coverage Tests is not satisfied on any Determination Date on and after the Effective Date, or in the case of the Class C Interest Coverage Test, on the Determination Date immediately preceding the second Payment Date and each Determination Date thereafter, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class C Coverage Test to be met if recalculated following such redemption;

(L) to the payment on a *pro rata* and *pari passu* basis of any Deferred Interest on the Class C Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(M) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts due and payable on the Class D Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(N) if the Class D Coverage Test is not satisfied on any Determination Date on and after the Effective Date to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause the Class D Coverage Test to be met if recalculated following such redemption;

(O) to the payment on a pro rata and pari passu basis of any Deferred Interest on the Class D Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(P) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts due and payable on the Class E Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(Q) if the Class E Coverage Test is not satisfied on any Determination Date on and after the Effective Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause the Class E Coverage Test to be met if recalculated following such redemption;

(R) to the payment on a *pro rata* and *pari passu* basis of any Deferred Interest on the Class E Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(S) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts due and payable on the Class F Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(T) to the payment on a *pro rata and pari passu* basis of any Deferred Interest on the Class F Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(U) on the Payment Date following the Effective Date and each Payment Date thereafter to the extent required, in the event of the occurrence of an Effective Date Rating Event which is continuing on the Business Day prior to such Payment Date, to, at the direction of the Portfolio Manager, (x) the purchase of Collateral Debt Obligations or to the Principal Account pending reinvestment in Collateral Debt Obligations at a later date in accordance with the Portfolio Management Agreement only until an Effective Date Rating Event is no longer continuing or (y) redeem the Notes in full in accordance with the Note Payment Sequence or, if earlier, until an Effective Date Rating Event is no longer continuing;

(V) if, on any Determination Date on and after the Effective Date during the Reinvestment Period only, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (U) (inclusive) above, the Reinvestment Overcollateralisation Test has not been met, to the payment to the Principal Account as Principal Proceeds, for the acquisition of additional Collateral Debt Obligations in an amount (such amount, the "**Required Diversion Amount**") equal to the lesser of (1) 50 per cent. of all remaining Interest Proceeds available for payment and (2) the amount which, after giving effect to the payments of all amounts payable in respect of

paragraphs (A) through (U) (inclusive) above would be sufficient to cause the Reinvestment Overcollateralisation Test to be met;

(W) to the payment:

(1) *firstly*, to the payment to the Portfolio Manager of the Subordinated Portfolio Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Portfolio Manager or directly to the relevant taxing authority) until such amount has been paid in full except that the Portfolio Manager may, in its sole discretion, elect to (x) designate for reinvestment or (y) defer payment of some or all of the amounts that would have been payable to the Portfolio Manager under this paragraph (W) (any such amounts, being "**Deferred Subordinated Portfolio Management Amounts**") on any Payment Date, *provided that* any such amount in the case of (x) shall (a)(i) at the discretion of the Portfolio Manager, be used either to purchase Substitute Collateral Debt Obligations or to purchase of Rated Notes in accordance with the provisions of Condition 7(k) (*Purchase*), or (ii) be deposited in the Principal Account pending such reinvestment in Substitute Collateral Debt Obligations or purchase of Rated Notes and (b) not be treated as unpaid for the purposes of paragraph (E) above or this paragraph (W) or in the case of (y), shall be applied to the payment of amounts in accordance with paragraphs (X) through (BB) below, subject to the Portfolio Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied;

(2) *secondly*, to the Portfolio Manager of any previously due and unpaid Subordinated Portfolio Management Fee (other than Deferred Senior Portfolio Management Amounts and Deferred Subordinated Portfolio Management Amounts) and any VAT in respect thereof (whether payable to the Portfolio Manager or directly to the relevant taxing authority); and

(3) *thirdly*, at the election of the Portfolio Manager (at its sole discretion) to the Portfolio Manager in payment of any previously Deferred Senior Portfolio Management Amounts and Deferred Subordinated Portfolio Management Amounts;

(X) to the payment of Trustee Fees and Expenses (if any) not paid by reason of the Senior Expenses Cap;

(Y) to the payment of Administrative Expenses (if any) not paid by reason of the Senior Expenses Cap, in relation to each item thereof in the order of priority stated in the definition thereof;

(Z) to the payment on a *pro rata* basis of any Defaulted Hedge Termination Payments due to any Hedge Counterparty not paid in accordance with paragraph (F) above;

(AA) during the Reinvestment Period at the direction and in the discretion of the Portfolio Manager, to transfer to the Supplemental Reserve Account, any Supplemental Reserve Amount;

(BB) (1) if the Incentive Portfolio Management Fee IRR Threshold has not been reached, any remaining Interest Proceeds to the payment of interest on the Class M Subordinated Notes on a *pro rata* and *pari passu* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Class M Subordinated Notes held by Class M Subordinated Noteholders

bore to the Principal Amount Outstanding of the Class M Subordinated Notes immediately prior to such redemption), until the Incentive Portfolio Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Class M Subordinated Noteholders and any distributions to be made to Class M Subordinated Noteholders on such Payment Date in accordance with the Interest Proceeds Priority of Payments and the Principal Proceeds Priority of Payments, the Incentive Portfolio Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(I) *firstly*, 20 per cent. of any remaining Interest Proceeds, to the payment to the Portfolio Manager as an Incentive Portfolio Management Fee; and

(II) *secondly*, to the payment of any VAT in respect of the Incentive Portfolio Management Fee referred to in (I) above (whether payable to the Portfolio Manager or directly to the relevant taxing authority); and

(III) *thirdly*, any remaining Interest Proceeds, to the payment of interest on the Class M Subordinated Notes on a *pro rata* and *pari passu* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Class M Subordinated Notes held by Class M Subordinated Noteholders bore to the Principal Amount Outstanding of the Class M Subordinated Notes immediately prior to such redemption).

(ii) Application of Principal Proceeds

Principal Proceeds standing to the credit of the Payment Account in respect of a Due Period shall be paid on the Payment Date immediately following such Due Period in the following order of priority, (for the avoidance of doubt: (i) Principal Proceeds that have been designated for reinvestment by the Portfolio Manager (on behalf of the Issuer) pursuant to the Portfolio Management Agreement, and (ii) Principal Proceeds that have been received within 20 Business Days of (and including) the Determination Date immediately prior to the relevant Payment Date, in each case, will not be available for disbursement and will be retained in the Principal Account pursuant to Condition 3(j)(i) (*Principal Account*):

(A) to the payment on a sequential basis of the amounts referred to in paragraphs (A) through (H) (inclusive) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(B) to the payment of the amounts referred to in paragraph (I) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class A/B Interest Coverage Tests that are applicable on such Payment Date with respect to the Class A Notes and the Class B Notes to be satisfied if recalculated immediately following such redemption;

(C) to the payment of the amounts referred to in paragraph (J) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class C Notes are the Controlling Class;

(D) to the payment of the amounts referred to in paragraph (K) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class C Coverage Tests that are applicable on such Payment Date with respect to the Class C Notes to be met as of the related Determination Date;

(E) to the payment of the amounts referred to in paragraph (L) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and to the extent that the Class C Notes are the Controlling Class;

(F) to the payment of the amounts referred to in paragraph (M) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class D Notes are the Controlling Class;

(G) to the payment of the amounts referred to in paragraph (N) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class D Coverage Tests that are applicable on such Payment Date with respect to the Class D Notes to be met as of the related Determination Date;

(H) to the payment of the amounts referred to in paragraph (O) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and to the extent that the Class D Notes are the Controlling Class;

(I) to the payment of the amounts referred to in paragraph (P) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class E Notes are the Controlling Class;

(J) to the payment of the amounts referred to in paragraph (Q) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class E Coverage Tests that are applicable on such Payment Date with respect to the Class E Notes to be met as of the related Determination Date;

(K) to the payment of the amounts referred to in paragraph (R) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class E Notes are the Controlling Class;

(L) to the payment of the amounts referred to in paragraph (S) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class F Notes are the Controlling Class;

(M) to the payment of the amounts referred to in paragraph (T) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class F Notes are the Controlling Class;

(N) to the payment of the amounts referred to in paragraph (U) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(O) if such Payment Date is a Special Redemption Date, at the election of the Portfolio Manager, to make payments in an amount equal to the Special Redemption Amount (if any) applicable to such Payment Date in accordance with the Note Payment Sequence;

(P) (1) during the Reinvestment Period, at the discretion of the Portfolio Manager, either to the purchase of Substitute Collateral Debt Obligations or to the Principal Account pending reinvestment in Substitute Collateral Debt Obligations at a later date in each case in accordance with the Portfolio Management Agreement;

(2) after the Reinvestment Period in the case of Principal Proceeds representing Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Impaired Obligations or Credit Improved Obligations at the discretion of the Portfolio Manager, either to the purchase of Substitute Collateral Debt Obligations or to the Principal Account pending reinvestment in Substitute Collateral Debt Obligations (x) prior to the occurrence of a Frequency Switch Event, within the later of 60 Business Days and the next Payment Date, or (y) following the occurrence of a Frequency Switch Event, within the later of 90 Business Days and the next Payment Date, in each case in accordance with the Portfolio Management Agreement;

(Q) after the Reinvestment Period, to redeem the Rated Notes in accordance with the Note Payment Sequence;

(R) to the payment on a sequential basis of the amounts referred to in paragraphs (W) through (Z) (inclusive) above of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(S) (1) if the Incentive Portfolio Management Fee IRR Threshold has not been reached, any remaining Principal Proceeds to the payment on the Class M Subordinated Notes on a *pro rata* and *pari passu* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Class M Subordinated Notes held by Class M Subordinated Noteholders bore to the Principal Amount Outstanding of the Class M Subordinated Notes and immediately prior to such redemption), until the Incentive Portfolio Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Class M Subordinated Noteholders and any distributions to be made to Class M Subordinated Noteholders on such Payment Date including in accordance with the Interest Proceeds Priority of Payments and the Principal Proceeds Priority of Payments, the Incentive Portfolio Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(I) *firstly*, 20 per cent. of any remaining Principal Proceeds, to the payment to the Portfolio Manager as an Incentive Portfolio Management Fee; and

(II) *secondly*, to the payment of any VAT in respect of the Incentive Portfolio Management Fee referred to in (I) above (whether payable to the Portfolio Manager or directly to the relevant taxing authority); and

(III) *thirdly* any remaining Principal Proceeds, to the payment of principal on the Class M Subordinated Notes on a *pro rata* basis and thereafter to the payment of interest on a *pro rata* and *pari passu* basis on the Class M Subordinated Notes (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Class M Subordinated Notes held by Class M Subordinated Noteholders bore to the Principal Amount

Outstanding of the Class M Subordinated Notes and immediately prior to such redemption).

(iii) Taxes

Where the payment of any amount in accordance with the Priorities of Payment are subject to any deduction or withholding for or on account of any tax, payment of the amount so deducted or withheld shall be made to the relevant taxing authority *pari passu* with and, so far as possible, at the same time as the payment of the amount in respect of which the relevant deduction or withholding has arisen.

If any items which are payable by the Issuer referred to in the Priorities of Payment set out above are subject to VAT, the Issuer shall (as applicable) make payment (A) of the amount in respect of VAT to the relevant person as provided for in the relevant arrangements pursuant to which payment is due or (B) of the relevant VAT to the relevant tax authority, in each case *pro rata* and *pari passu* with such items (other than in respect of the Senior Portfolio Management Fee at paragraph 3(c)(i)(E) of the Interest Proceeds Priority of Payments, the Subordinated Portfolio Management Fee at paragraph (W) of the Interest Proceeds Priority of Payments, the Incentive Portfolio Management Fee at paragraph (BB)(2) of the Interest Proceeds Priority of Payments and paragraph (S)(2) of the Principal Proceeds Priority of Payments).

(d) Non payment of Amounts

Failure on the part of the Issuer to pay the Interest Amounts due and payable on the Class A Notes and the Class B Notes pursuant to Condition 6 (*Interest*) in accordance with the Priorities of Payment by reason solely that there are insufficient funds standing to the credit of the Payment Account shall not be an Event of Default unless and until such failure continues for a period of at least five Business Days (or seven Business Days in the case of an administrative error or omission) and save, in each case, as the result of any deduction therefrom or the imposition of withholding thereon in the circumstances described in Condition 9 (*Taxation*). Pursuant to the terms of Condition 6(c) (*Deferral of Interest*), non–payment of amounts due and payable on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class M Subordinated Notes as a result of the insufficiency of available Interest Proceeds will not constitute an Event of Default.

Subject always, in the case of Interest Amounts payable in respect of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes to Condition 6(c) (*Deferral of Interest*) and save as otherwise provided in respect of any unpaid Portfolio Management Fees (and VAT payable in respect thereof), in the event of non payment of any amounts referred to in the Interest Proceeds Priority of Payments or the Principal Proceeds Priority of Payments on any Payment Date, such amounts shall remain due and shall be payable on each subsequent Payment Date in the orders of priority provided for in this Condition 3 (*Status*). References to the amounts referred to in the Interest Proceeds Priority of Payments and the Principal Proceeds Priority of Payments of this Condition 3 (*Status*) shall include any amounts thereof not paid when due in accordance with this Condition 3 (*Status*) on any preceding Payment Date.

(e) Determination and Payment of Amounts

The Collateral Administrator will, in consultation with the Portfolio Manager, on each Determination Date, calculate the amounts payable on the applicable Payment Date pursuant to the Priorities of Payment and, no later than one Business Day prior to the applicable Payment Date, will notify the Issuer and the Trustee of such amounts. The Account Bank or the Custodian (acting in accordance with the Payment Date Report compiled by the Collateral Administrator on behalf of the Issuer) shall, on behalf of the Issuer not later than 12.00 noon (London time) on the Business Day preceding each Payment Date, cause the amounts standing to the credit of the Principal Account, the Unused Proceeds Account and if applicable the Interest Account and the Supplemental Reserve Account (together with, to the extent applicable, amounts standing to the credit of any other Account) to the extent required to pay the amounts referred to in the Interest Proceeds Priority of Payments and the Principal

Proceeds Priority of Payments which are payable on such Payment Date, to be transferred to the Payment Account in accordance with Condition 3(j) (*Payments to and from the Accounts*).

(f) De Minimis Amounts

The Collateral Administrator, on behalf of the Issuer, may, in consultation with the Portfolio Manager, adjust the amounts required to be applied in payment of principal on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class M Subordinated Notes from time to time pursuant to the Priorities of Payment so that the amount to be so applied in respect of each Note is a whole amount, not involving any fraction of a 0.01 Euro or, at the discretion of the Collateral Administrator, part of a Euro.

(g) Publication of Amounts

The Collateral Administrator, on behalf of the Issuer, will cause details of the amounts of interest and principal to be paid, and any amounts of interest payable but not paid, on each Payment Date in respect of the Notes to be notified at the expense of the Issuer to the Issuer, the Trustee, the Principal Paying Agent, the Registrar and the Irish Stock Exchange by no later than 11.00 am (London time) on the Business Day following the applicable Payment Date and included in the Payment Date Report.

(h) Notifications to be Final

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained or discretions exercised for the purposes of the provisions of this Condition 3 (*Status*) will (in the absence of manifest error) be binding on the Issuer, the Collateral Administrator, the Portfolio Manager, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders and (in the absence of any fraud, negligence or wilful misconduct on the part of the Collateral Administrator) no liability to the Issuer or the Noteholders shall attach to the Collateral Administrator in connection with the exercise, non exercise or delay in the exercise by it of its powers, duties and discretions under this Condition 3 (*Status*).

(i) Accounts

The Issuer shall, on or prior to the Issue Date, establish the following accounts with the Account Bank or (as the case may be) with the Custodian:

- the Principal Account;
- the Interest Account;
- the Unused Proceeds Account;
- the Payment Account;
- the Counterparty Downgrade Collateral Account;
- the Supplemental Reserve Account;
- the Unfunded Revolver Reserve Account;
- the Annual Interest Smoothing Account;
- the Semi-Annual Interest Smoothing Account;
- the Hedge Termination Account;
- the Currency Account;
- the Expense Reserve Account;

- the Reserve Account;
- the Contribution Account; and
- the Custody Account.

The Account Bank and the Custodian shall at all times be a financial institution satisfying the Rating Requirement applicable thereto, which is not resident or which is acting through an office which is not situated, in Ireland but which has the necessary regulatory capacity and licences (to the extent required) to perform the services required by it under the Transaction Documents. If the Account Bank or the Custodian at any time fails to satisfy the Rating Requirement, the Issuer shall use reasonable endeavours to procure that a replacement Account Bank or Custodian (as applicable) acceptable to the Trustee, which satisfies the Rating Requirement is appointed in accordance with the provisions of the Agency Agreement.

Amounts standing to the credit of the Accounts (other than the Unfunded Revolver Reserve Account, the Counterparty Downgrade Collateral Account and the Payment Account) from time to time may be invested by the Portfolio Manager on behalf of the Issuer in Eligible Investments.

All interest accrued (if any) on any of the Accounts (other than any Counterparty Downgrade Collateral Accounts) from time to time shall be paid into the Interest Account, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All principal amounts received in respect of Eligible Investments standing to the credit of any Account from time to time shall be credited to that Account upon maturity, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All interest accrued on such Eligible Investments (including capitalised interest received upon the sale, maturity or termination of any such investment) shall be paid to the Interest Account as, and to the extent provided, above.

To the extent that any amounts required to be paid into any Account pursuant to the provisions of this Condition 3 (*Status*) are denominated in a currency other than Euro, the Portfolio Manager, acting on behalf of the Issuer, may (other than in respect of any Counterparty Downgrade Collateral Accounts) convert such amounts into the currency of the Account at the Applicable FX Rate as determined by the Collateral Administrator at the direction of the Portfolio Manager.

Notwithstanding any other provisions of this Condition 3(i) (*Accounts*), all amounts standing to the credit of each of the Accounts (other than (i) the Interest Account, (ii) the Payment Account, (iii) the Annual Interest Smoothing Account, (iv) the Semi-Annual Interest Smoothing Account, (v) the Unfunded Revolver Reserve Account, (vi) the Expense Reserve Account, (vii) the Supplemental Reserve Account, (viii) the Reserve Account, (ix) the Contribution Account, (x) all interest accrued on the Accounts, (xi) the Counterparty Downgrade Collateral Account and (xiii) the Currency Account to the extent that the same represent Sale Proceeds in respect of Non-Euro Obligations sold subject to and in accordance with the terms of a Currency Hedge Transaction which shall be paid to the relevant Hedge Counterparty in accordance with the terms thereof outside the Priorities of Payment) shall be transferred to the Payment Account and shall constitute Principal Proceeds on the Business Day prior to any redemption of the Notes in full, and all amounts standing to the credit of each of the Interest Account, the Annual Interest Smoothing Account and the Semi-Annual Interest Smoothing Account (to the extent required), the Reserve Account, the Expense Reserve Account, the Supplemental Reserve Account and, to the extent not required to be repaid to any Hedge Counterparty, the Counterparty Downgrade Collateral Account shall be transferred to the Payment Account as Interest Proceeds on the Business Day prior to any redemption of the Notes in full.

For the avoidance of doubt, application of amounts in respect of Hedge Issuer Tax Credit Payments received by the Issuer shall be paid out of the Interest Account to the relevant Hedge Counterparty in accordance with the terms of the relevant Hedge Agreement, without regard to the Priorities of Payment.

(j) Payments to and from the Accounts

(i) Principal Account

The Issuer will procure that the following amounts are paid into the Principal Account promptly upon receipt thereof:

(A) all principal payments received in respect of any Collateral Debt Obligation including, without limitation:

(1) Scheduled Principal Proceeds, other than any Hedge Replacement Receipts or Hedge Counterparty Termination Payments;

(2) amounts received in respect of any maturity, scheduled amortisation, mandatory prepayment or mandatory sinking fund payment on a Collateral Debt Obligation;

(3) Unscheduled Principal Proceeds; and

(4) any other principal payments with respect to Collateral Debt Obligations or Eligible Investments (to the extent not included in the Sale Proceeds);

but excluding any such payments received in respect of any Revolving Obligation or Delayed Drawdown Obligation, to the extent required to be paid into the Unfunded Revolver Reserve Account;

(B) all interest and other amounts received in respect of any Defaulted Obligation or any Mezzanine Obligation for so long as it is a Defaulted Obligation or a Defaulted Deferring Mezzanine Obligation (as applicable) (save for Defaulted Obligation Excess Amounts and Defaulted Mezzanine Excess Amounts);

(C) all premiums (including prepayment premiums) receivable upon redemption of any Collateral Debt Obligation at maturity or otherwise or upon exercise of any put or call option in respect thereof which is above the outstanding principal amount of any Collateral Debt Obligation;

(D) all Sale Proceeds received in respect of a Collateral Debt Obligation;

(E) all Distributions and Sale Proceeds received in respect of Exchanged Securities;

(F) all Collateral Enhancement Obligation Proceeds;

(G) all Purchased Accrued Interest;

(H) amounts transferred to the Principal Account from any other Account as required below;

(I) all proceeds received from any additional issuance of the Notes that are not invested in Collateral Debt Obligations or required to be paid into the Interest Account and all Refinancing Proceeds;

(J) all cash amounts transferrable from the Counterparty Downgrade Collateral Accounts (or where such Counterparty Downgrade Collateral is in the form of securities and is transferred to the Custody Account, all proceeds of the sale of such securities) in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*);

(K) all amounts transferred from the Supplemental Reserve Account;

(L) all amounts transferred from the Expense Reserve Account;

(M) all amounts payable into the Principal Account pursuant to paragraph (U) of the Interest Proceeds Priority of Payments;

(N) all amounts payable into the Principal Account pursuant to paragraph (V) of the Interest Proceeds Priority of Payments upon the failure to meet the Reinvestment Overcollateralisation Test during the Reinvestment Period;

(O) all principal payments received in respect of any Non-Eligible Issue Date Collateral Debt Obligation or any other asset which did not satisfy the Eligibility Criteria on the date it was required to do so and which has not been sold by the Portfolio Manager in accordance with Portfolio Management Agreement;

(P) all amounts transferrable to the Principal Account from the Currency Account pursuant to paragraph (B) of Condition 3(j)(xi) (*Currency Accounts*) following exchange of such amounts into Euros (to the extent not already in Euros) by the Collateral Administrator on behalf of the Issuer following consultation with the Portfolio Manager;

(Q) all amounts transferred from the Reserve Account;

(R) all amounts transferred from the Contribution Account;

(S) amounts transferred from the Unused Proceeds Account in accordance with paragraph (3) or (4) of Condition 3(j)(iii) (*Unused Proceeds Account*);

(T) any other amounts which are not required to be paid into any other Account in accordance with this Condition 3(j) (*Payments to and from the Accounts*);

(U) at the discretion of the Portfolio Manager, amendment and waiver fees, late payment fees, commitment fees, syndication fees, delayed compensation and other fees and commissions received in connection with any Collateral Debt Obligations and Eligible Investments as determined by the Portfolio Manager in its reasonable discretion; and

(V) any deferred or capitalised interest on a PIK Security that is sold for cash proceeds (1) up to the greater of (I) the initial cash amount expended to purchase such PIK Security (by reference to the notional amount of such PIK Security (at the relevant time of purchase) and (II) the par amount of such PIK Security (at the relevant time of purchase) (the "**Threshold Amount**") and (2) at the discretion of the Portfolio Manager, exceeding the Threshold Amount.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Principal Account:

(1) on the Business Day prior to each Payment Date, all Principal Proceeds standing to the credit of the Principal Account to the Payment Account to the extent required for disbursement pursuant to the Principal Proceeds Priority of Payments, save for: (a) amounts deposited after the end of the related Due Period; and (b) any Principal Proceeds deposited prior to the end of the related Due Period to the extent such Principal Proceeds are permitted to be and have been designated for reinvestment by the Portfolio Manager (on behalf of the Issuer) pursuant to the Portfolio Management Agreement for a period beyond such Payment Date, *provided that* (i) if the Coverage Tests are not satisfied, Principal Proceeds from Defaulted Obligations may not be designated for reinvestment by the Portfolio Manager (on behalf of the Issuer) until after the following Payment Date and (ii) no such payment shall be made to the extent that such amounts are not required to be

distributed pursuant to the Principal Proceeds Priority of Payments on such Payment Date;

(2) at any time at the discretion of the Portfolio Manager, acting on behalf of the Issuer, in accordance with the terms of, and to the extent permitted under, the Portfolio Management Agreement, in the acquisition of Collateral Debt Obligations including amounts equal to the Unfunded Amounts of any Revolving Obligations or Delayed Drawdown Obligations which are required to be deposited in the Unfunded Revolver Reserve Account and including any initial Currency Hedge Issuer Principal Exchange Amounts or initial FX Forward Issuer Principal Exchange Amounts, pursuant to any Currency Hedge Transaction or any FX Forward Transaction, in each case, in connection with funding the acquisition of Non-Euro Obligations;

(3) on any Payment Date, at the discretion of the Portfolio Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Portfolio Management Agreement, in payment of the purchase price of any Notes purchased by the Issuer in accordance with Condition 7(k) (*Purchase*);

(4) on any Business Day, in each case, all Refinancing Proceeds in or towards redemption of the Class or Classes of Rated Notes the subject of a Refinancing, subject to and in accordance with, the provisions of Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(5) on any Business Day on or after the first anniversary of the Issue Date, at the discretion of the Portfolio Manager, acting on behalf of the Issuer, in payment of up to 50 per cent. of any Investment Gains realised during the then current Due Period in respect of any Collateral Debt Obligation, to the Interest Account, provided that following any such application (i) the Class E Par Value Ratio is at least equal to the Effective Date Class E Par Value Ratio; (ii) the Moody's Maximum Weighted Average Rating Factor Test is satisfied, and (iii) the Aggregate Principal Balance of all Collateral Debt Obligations that have a Moody's Default Probability Rating of "Caa1" or below may not exceed 7.5 per cent. of the Aggregate Collateral Balance; and

(6) no later than the third Determination Date immediately following the Effective Date, at the discretion of the Portfolio Manager, acting on behalf of the Issuer, an amount not exceeding 1.0 per cent. of the Target Par Amount may be transferred to the Interest Account in aggregate and without duplication, from the Principal Account and/or the Unused Proceeds Account (pursuant to paragraph (4) of Condition 3(j)(iii) (Unused Proceeds Account), *provided that* as at such date: (a) the Issuer has acquired or entered into binding commitments to acquire Collateral Debt Obligations, the Aggregate Principal Balance (*provided that*, for the purposes of determining the Aggregate Principal Balance, any repayments or prepayments of any Collateral Debt Obligations subsequent to the Issue Date, not subsequently reinvested shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its S&P Collateral Value and its Moody's Collateral Value) of which equals or exceeds the Target Par Amount; and (b) immediately following any such transfer, the Aggregate Collateral Balance shall be greater than or equal to the Reinvestment Target Par Balance;

(7) upon the occurrence of a Refinancing (after the application of all Refinancing Proceeds pursuant to paragraph (4) above) in relation to a redemption in whole on any Refinancing Date, to the Interest Account, up to the amount of any Excess Par Amount to the extent permitted pursuant to Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

(ii) Interest Account

The Issuer will procure that the following amounts are paid into the Interest Account promptly upon receipt thereof:

(A) all cash payments of interest in respect of the Collateral Debt Obligations other than any Purchased Accrued Interest or any Ramp Accrued Interest, together with all amounts received by the Issuer by way of gross up in respect of such interest and in respect of a claim under any applicable double taxation treaty but excluding (x) interest proceeds on any Non-Euro Obligation to the extent required to be paid into the Currency Account and (y) any interest received in respect of any Defaulted Obligations and Mezzanine Obligation for so long as it is a Defaulted Obligation or Defaulted Deferring Mezzanine Obligation (as applicable) other than Defaulted Obligation Excess Amounts and Defaulted Mezzanine Excess Amounts (as applicable);

(B) all interest accrued on the Balance standing to the credit of the Interest Account from time to time and all interest accrued in respect of the Balances standing to the credit of the other Accounts (including interest on any Eligible Investments standing to the credit thereof but excluding any interest on the Balance standing to the credit of the Counterparty Downgrade Collateral Accounts);

(C) at the discretion of the Portfolio Manager, amendment and waiver fees, late payment fees, commitment fees, syndication fees, delayed compensation and other fees and commissions received in connection with any Collateral Debt Obligations and Eligible Investments as determined by the Portfolio Manager in its reasonable discretion;

(D) all accrued interest included in the proceeds of sale of any other Collateral Debt Obligation that are designated by the Portfolio Manager as Interest Proceeds pursuant to the Portfolio Management Agreement (*provided that* no such designation may be made in respect of (i) any Purchased Accrued Interest, (ii) any Ramp Accrued Interest, (iii) (1) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts or (2) a Defaulted Obligation save for Defaulted Obligation Excess Amounts);

(E) all proceeds received during the related Due Period from any additional issuance of Class M Subordinated Notes pursuant to paragraph (z) of the preamble to Condition 17 (*Additional Issuances*) that are not reinvested or retained for reinvestment in Collateral Debt Obligations;

(F) all amounts representing the element of deferred interest in any payments received in respect of any Mezzanine Obligation which is not a Defaulted Deferring Mezzanine Obligation which by its contractual terms provides for the deferral of interest;

(G) amounts transferred to the Interest Account from the Unused Proceeds Account in the circumstances described under Condition 3(j)(iii) (*Unused Proceeds Account*) below;

(H) all scheduled commitment fees received by the Issuer in respect of any Revolving Obligations or Delayed Drawdown Obligations;

(I) all amounts received by the Issuer in respect of interest paid in respect of any collateral deposited by the Issuer with a third party as security for any reimbursement or indemnification obligations to any other lender under a Revolving Obligation or a Delayed Drawdown Obligation in an account established pursuant to an ancillary facility;

(J) all amounts transferred from the Supplemental Reserve Account;

(K) all amounts transferred from the Expense Reserve Account;

(L) at the discretion of the Portfolio Manager, any deferred or capitalised interest on a PIK Security that is sold for cash proceeds that are greater than the greater of (I) the initial cash amount expended to purchase such PIK Security (by reference to the notional amount of such PIK Security (at the relevant time of purchase) and (II) the par amount of such PIK Security (at the relevant time of purchase);

(M) any Annual Interest Smoothing Amounts which are required to be transferred from the Annual Interest Smoothing Account, and any Semi-Annual Interest Smoothing Amount which are required to be transferred from the Semi-Annual Interest Smoothing Account;

(N) any Hedge Issuer Tax Credit Payments received by the Issuer;

(O) any amounts payable to the Issuer under any Hedge Transaction save for Hedge Counterparty Termination Payments, Hedge Replacement Receipts or Counterparty Downgrade Collateral;

(P) all cash payments of interest in respect of any Non-Eligible Issue Date Collateral Debt Obligations or any other asset which did not satisfy the Eligibility Criteria on the date it was required to do so and that have not been sold by the Portfolio Manager, other than any Purchased Accrued Interest and Ramp Accrued Interest, together with all amounts received by the Issuer by way of gross up in respect of such interest and in respect of a claim under any applicable double taxation treaty in accordance with the Portfolio Management Agreement;

(Q) all amounts transferred from the Reserve Account; and

(R) at any time on or after the first anniversary of the Issue Date, the amount of any Investment Gains realised during the then current Due Period in respect of any Collateral Debt Obligation, transferred from the Principal Account in the circumstances described in Condition 3(j)(i)) (*Principal Account*) above.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Interest Account:

(1) on the Business Day prior to each Payment Date, all Interest Proceeds standing to the credit of the Interest Account shall be transferred to the Payment Account to the extent required for disbursement pursuant to the Interest Proceeds Priority of Payments save for amounts deposited after the end of the related Due Period and any amounts to be disbursed pursuant to (2) below on such Business Day or amounts representing Hedge Issuer Tax Credit Payments to be disbursed pursuant to (4) below;

(2) at any time in accordance with the terms of, and to the extent permitted under, the Portfolio Management Agreement, in the acquisition of Collateral

Debt Obligations to the extent that any such acquisition costs represent accrued interest;

(3) on the Business Day following each Determination Date any Semi-Annual Interest Smoothing Amount required to be transferred to the Semi-Annual Interest Smoothing Account and any Annual Interest Smoothing Amount required to be transferred to the Annual Interest Smoothing Account save for (a) the first Determination Date following the Issue Date; (b) a Determination Date following the occurrence of an Event of Default which is continuing; and (c) the Determination Date immediately prior to any redemption of the Notes in full; and

(4) any amounts payable by the Issuer under any Hedge Transaction at any time, save for Hedge Issuer Termination Payments or Hedge Replacement Payments.

(iii) Unused Proceeds Account

The Issuer will procure that the following amounts are credited to the Unused Proceeds Account:

(A) an amount equal to the net proceeds of issue of the Notes remaining after (1) the payment of certain fees and expenses due and payable by the Issuer on the Issue Date (2) amounts payable into the Expense Reserve Account and (3) amounts payable into the Reserve Account;

(B) all proceeds received during the Initial Investment Period from any additional issuance of Notes that are not invested in Collateral Debt Obligations or paid into the Interest Account;

(C) amounts transferred from the Reserve Account to the Unused Proceeds Account at the direction of the Portfolio Manager; and

(D) all Ramp Accrued Interest.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Unused Proceeds Account:

(1) on or about the Issue Date, such amounts equal to the aggregate of:

(a) the purchase price for certain Collateral Debt Obligations on or prior to the Issue Date, if any; and

(b) amounts required for repayment of any amounts borrowed by the Issuer (together with interest thereon) in order to finance the acquisition of certain Collateral Debt Obligations on or prior to the Issue Date;

(2) at any time up to and including the last day of the Initial Investment Period, in accordance with the terms of, and to the extent permitted under, the Portfolio Management Agreement, in the acquisition of Collateral Debt Obligations;

(3) in the event of the occurrence of an Effective Date Rating Event, the Balance standing to the credit of the Unused Proceeds Account, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment, either in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier, until an Effective Date Rating Event is no longer continuing, or to the

purchase of additional Collateral Debt Obligations until an Effective Date Rating Event is no longer continuing; and

(4) no later than the Determination Date immediately following the Effective Date, at the discretion of the Portfolio Manager acting on behalf of the Issuer, an amount not exceeding 1.0 per cent. of the Target Par Amount may be transferred to the Interest Account in aggregate and without duplication, from the Unused Proceeds Account and/or the Principal Account (pursuant to paragraph (6) of Condition 3(j)(i) (Principal Account), *provided that* as at such date: (a) the Issuer has acquired or entered into binding commitments to acquire Collateral Debt Obligations, the Aggregate Principal Balance (*provided that*, for the purposes of determining the Aggregate Principal Balance, any repayments or prepayments of any Collateral Debt Obligations subsequent to the Issue Date, not subsequently reinvested shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its S&P Collateral Value and its Moody's Collateral Value) of which equals or exceeds the Target Par Amount; and (b) immediately following any such transfer, the Aggregate Collateral Balance shall be greater than or equal to the Reinvestment Target Par Balance.

(iv) Payment Account

The Issuer will procure that, on the Business Day prior to each Payment Date, all amounts standing to the credit of each of the Accounts which are required to be transferred from the other accounts to the Payment Account pursuant to Condition 3(i) (*Accounts*) and Condition 3(j) (*Payments to and from the Accounts*) are so transferred and, on such Payment Date, the Collateral Administrator shall instruct the Account Bank (acting on the basis of the Payment Date Report), to disburse such amounts in accordance with the Priorities of Payment. No amounts shall be transferred to or withdrawn from the Payment Account at any other time or in any other circumstances.

(v) Counterparty Downgrade Collateral Accounts

The Issuer will procure that all Counterparty Downgrade Collateral transferred pursuant to a Hedge Agreement shall be deposited in a separate Counterparty Downgrade Collateral Account in respect of each Hedge Counterparty. All Counterparty Downgrade Collateral deposited from time to time in any Counterparty Downgrade Collateral Account shall be held and released pursuant to the terms set out below.

The funds or securities credited to each Counterparty Downgrade Collateral Account and any interest or distributions thereon or liquidation proceeds thereof are held separate from and do not form part of Principal Proceeds or Interest Proceeds (other than in the circumstances set out below) and accordingly, are not available to fund general distributions of the Issuer (save as set out below and in the applicable Hedge Agreement).

Amounts standing to the credit of each Counterparty Downgrade Collateral Account will not be available for the Issuer to make payments to the Noteholders nor any other creditor of the Issuer (other than in the circumstances set out below). The Issuer will procure the payment of the following amounts (and shall ensure that no other payments are made, save to the extent required hereunder):

(A) prior to the occurrence or designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" (as defined in such Hedge Agreement) entered into under such Hedge

Agreement pursuant to which all such "Transactions" under such Hedge Agreement are terminated early, solely in or towards payment or transfer of:

(1) any "Return Amounts" (if applicable and as defined in such Hedge Agreement);

(2) any "Interest Amounts" and "Distributions" (if applicable and each as defined in such Hedge Agreement); and

(3) any other return or transfer of collateral or other payment amounts in the nature of interest or distributions in respect of collateral in accordance with the terms of such Hedge Agreement (including without limitation in connection with any permitted novation or other transfer of the Hedge Counterparty's obligations in respect of all Hedge Transactions thereunder),

directly to the Hedge Counterparty thereto, in each case, in accordance with the terms of such Hedge Agreement;

(B) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under such Hedge Agreement are terminated early where (x) the relevant Hedge Counterparty is the Defaulting Hedge Counterparty and (y) the Issuer enters into one or more Replacement Hedge Agreements or any novation of the relevant Hedge Counterparty's obligations to a replacement Hedge Counterparty, in the following order of priority:

(1) first, in or towards payment of any Hedge Replacement Payments in respect of Replacement Hedge Transactions relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account);

(2) second, in or towards payment of any Hedge Issuer Termination Payments relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account); and

(3) third, the surplus cash amount standing to the credit of such Counterparty Downgrade Collateral Account (if any) to the Principal Account (or where such surplus Counterparty Downgrade Collateral is in the form of securities, to the Custody Account);

(C) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under such Hedge Agreement are terminated early (x) other than where the relevant Hedge Counterparty is the Defaulting Hedge Counterparty and (y) where the Issuer enters into one or more Replacement Hedge Agreements or any novation of the relevant Hedge Counterparty's obligations to a replacement Hedge Counterparty, in the following order of priority:

(1) first, in or towards payment of any Hedge Issuer Termination Payments relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account);

(2) second in or towards payment of any Hedge Replacement Payments in respect of Replacement Hedge Transactions relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account); and

(3) third, the surplus cash amount standing to the credit of such Counterparty Downgrade Collateral Account (if any) to the Principal Account (or where such surplus Counterparty Downgrade Collateral is in the form of securities, to the Custody Account),

(D) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under such Hedge Agreement are terminated early and if the Issuer, or the Portfolio Manager on its behalf, determines not to replace such terminated "Transactions" and Rating Agency Confirmation is received in respect of such determination or termination of such "Transactions" occurs on a Redemption Date or if for any reason the Issuer is unable to enter into one or more Replacement Hedge Agreements or any novation of the relevant Hedge Counterparty's obligations to a replacement Hedge Counterparty, in the following order of priority:

(1) first, in or towards payment of any Hedge Issuer Termination Payments relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account); and

(2) second, the surplus cash amount standing to the credit of such Counterparty Downgrade Collateral Account (if any) to the Principal Account (or where such surplus Counterparty Downgrade Collateral is in the form of securities, to the Custody Account).

(vi) Supplemental Reserve Account

The Issuer will procure that, on each Payment Date, any Supplemental Reserve Amount applied in payment into the Supplemental Reserve Account pursuant to paragraph (AA) of the Interest Proceeds Priority of Payments, is credited to the Supplemental Reserve Account.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Supplemental Reserve Account at the discretion of the Portfolio Manager:

(1) for application towards Permitted Uses;

(2) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Obligations, in accordance with the terms of the Portfolio Management Agreement;

(3) on the occurrence of an Effective Date Rating Event, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier until an Effective Date Rating Event is no longer continuing, or to the purchase of additional Collateral Debt Obligations until an Effective Date Rating Event is no longer continuing; and

(4) the Balance standing to the credit of the Supplemental Reserve Account to the Payment Account for distribution on such Payment Date in accordance with the Principal Proceeds Priority of Payments or the Post-Acceleration Priority of Payments (as applicable) (1) at the direction of the Portfolio Manager at any time prior to an Event of Default or (2) automatically upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*).

(vii) Unfunded Revolver Reserve Account

The Issuer shall procure the following amounts are paid into the Unfunded Revolver Reserve Account:

(A) upon the acquisition by or on behalf of the Issuer of any Revolving Obligation, Delayed Drawdown Obligation, an amount equal to the amount which would cause the Balance standing to the credit of the Unfunded Revolver Reserve Account to be at least equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Obligations (which Unfunded Amounts will be treated as part of the purchase price for the related Revolving Obligation or Delayed Drawdown Obligation) less amounts posted thereafter as collateral (which do not constitute Funded Amounts), in each case, pursuant to paragraph (2) or (3) below, as applicable;

(B) all principal payments received by the Issuer in respect of any Revolving Obligation or Delayed Drawdown Obligation, if and to the extent that the amount of such principal payments may be re borrowed under such Revolving Obligation or Delayed Drawdown Obligation or otherwise by the Portfolio Manager, acting on behalf of the Issuer; and

(C) all repayments of collateral to the Issuer originally paid by the Issuer pursuant to (2) below.

The Issuer shall procure payment of the following amounts (and shall ensure that no other amounts are paid) out of the Unfunded Revolver Reserve Account:

(1) all amounts required to fund any drawings under any Delayed Drawdown Obligation or Revolving Obligation;

(2) in respect of Delayed Drawdown Obligations or Revolving Obligations, all amounts required to be deposited in the Issuer's name with any third party which satisfies the Rating Requirement applicable to an Account Bank (or if the third party does not satisfy the Rating Requirement applicable to an Account Bank, subject to receipt of Rating Agency Confirmation) as collateral for any reimbursement or indemnification obligations of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Obligation (subject to such security documentation as may be agreed between such lender, the Portfolio Manager acting on behalf of the Issuer and the Trustee);

(3) (x) at any time at the direction of the Portfolio Manager (acting on behalf of the Issuer) or (y) upon the sale (in whole or in part) of a Revolving Obligation or the reduction, cancellation or expiry of any commitment of the Issuer to make future advances or otherwise extend credit thereunder, any excess of (a) the amount standing to the credit of the Unfunded Revolver Reserve Account over (b) the sum of the Unfunded Amounts of all Revolving Obligations and Delayed Drawdown Obligations after taking into account such sale or such reduction, cancellation or expiry of such commitment or notional amount to the Principal Account; and

(4) all interest accrued on the Balance standing to the credit of the Unfunded Revolver Reserve Account from time to time (including capitalised interest received upon the sale, maturity or termination of any Eligible Investment) to the Interest Account.

(viii) Annual Interest Smoothing Account

On the Business Day following each Determination Date save for:

(A) the first Determination Date following the Issue Date;

(B) a Determination Date following the occurrence of an Event of Default which is continuing;

(C) the Determination Date immediately prior to any redemption of the Notes in full); and

(D) a Determination Date in which amounts on deposit in the Interest Account are insufficient to pay the Interest Amount on the Class A Notes and the Class B Notes on the related Payment Date,

the Annual Interest Smoothing Amount shall be credited to the Annual Interest Smoothing Account from the Interest Account.

The Issuer shall procure on each Business Day falling after the Payment Date following the Determination Date on which any Annual Interest Smoothing Amount was transferred to the Annual Interest Smoothing Account, such Annual Interest Smoothing Amount to be transferred to the Interest Account.

(ix) Semi-Annual Interest Smoothing Account

On the Business Day following each Determination Date save for:

(A) the first Determination Date following the Issue Date;

(B) a Determination Date following the occurrence of an Event of Default which is continuing;

(C) the Determination Date immediately prior to any redemption of the Notes in full);

(D) any Determination Date on or following the occurrence of a Frequency Switch Event; and

(E) a Determination Date in which amounts on deposit in the Interest Account are insufficient to pay the Interest Amount on the Class A Notes and the Class B Notes on the related Payment Date,

the Semi-Annual Interest Smoothing Amount shall be credited to the Semi-Annual Interest Smoothing Account from the Interest Account.

The Issuer shall procure on the Business Day falling after the Payment Date following the Determination Date on which any Semi-Annual Interest Smoothing Amount was transferred to the Semi-Annual Interest Smoothing Account, such Semi-Annual Interest Smoothing Amount to be transferred to the Interest Account.

(x) Hedge Termination Account

The Issuer will procure that all Hedge Counterparty Termination Payments and Hedge Replacement Receipts are paid into the relevant Hedge Termination Account promptly upon receipt thereof.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made save to the extent otherwise permitted) out of the relevant Hedge Termination Account in payment as provided below:

(A) at any time, in the case of any Hedge Replacement Receipts paid into the relevant Hedge Termination Account, in payment of any Hedge Issuer

Termination Payment due and payable to a Hedge Counterparty under the Hedge Transaction being replaced or to the extent not required to make such payment, in payment of such amount to the Principal Account;

(B) at any time, in the case of any Hedge Counterparty Termination Payments paid into the relevant Hedge Termination Account, in payment of any Hedge Replacement Payment and any other amounts payable by the Issuer upon entry into a Replacement Hedge Transaction in accordance with the Portfolio Management Agreement; and

(C) in the case of any Hedge Counterparty Termination Payments paid into the relevant Hedge Termination Account, in the event that:

(1) the Issuer, or the Portfolio Manager on its behalf, determines not to replace the Hedge Transaction and Rating Agency Confirmation is received in respect of such determination (other than where such determination is made in connection with a Currency Hedge Transaction or FX Forward Transaction which has been terminated solely as a result of the sale or prepayment or redemption or repayment of the relevant Non-Euro Obligation or Principal Hedged Obligation (as applicable)); or

(2) termination of the Hedge Transaction under which such Hedge Counterparty Termination Payments are payable occurs on a Redemption Date pursuant to Condition 7(a) (*Final Redemption*), Condition 7(b) (*Optional Redemption*) (other than in connection with a Refinancing), Condition 7(g) (*Redemption following Note Tax Event*) or Condition 10 (*Events of Default*); or

(3) to the extent that such Hedge Counterparty Termination Payments are not required for application towards costs of entry into a Replacement Hedge Transaction,

in payment of such amounts (save for accrued interest thereon) to the Principal Account.

(xi) Currency Accounts

The Issuer will procure that all amounts received in respect of any Unhedged Collateral Debt Obligations, Currency Hedge Obligations and Principal Proceeds in respect of Principal Hedged Obligations (including Sale Proceeds and including any initial Currency Hedge Counterparty Principal Exchange Amounts or initial FX Forward Counterparty Principal Exchange Amounts, received by the Issuer from a Currency Hedge Counterparty or FX Forward Counterparty in connection with funding the acquisition of Currency Hedge Obligations or Principal Hedged Obligations pursuant to a Currency Hedge Transaction or an FX Forward Transaction, but excluding Hedge Replacement Receipts and Hedge Counterparty Termination Payments) to the extent not required to be paid directly to the Interest Account or Principal Account are paid into the appropriate Currency Account in the currency of receipt thereof. A separate Currency Account will be established in respect of each applicable currency.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made) out of the Currency Account:

(A) at any time, all amounts payable by the Issuer to a Currency Hedge Counterparty under any Currency Hedge Transaction or FX Forward Counterparty under any FX Forward Transaction (including, for the avoidance of doubt, any Scheduled Periodic Hedge Issuer Payments) (as applicable) save for:

(1) Currency Hedge Issuer Termination Payments (other than where such Currency Hedge Issuer Termination Payments arise in connection with the termination of a Currency Hedge Transaction in circumstances where no Replacement Hedge Transaction is entered into by the Issuer which gives rise to a Hedge Replacement Receipt, including where a Currency Hedge Transaction has been terminated solely as a result of the sale or prepayment or redemption or repayment of the relevant Currency Hedge Obligation);

(2) FX Forward Issuer Termination Payments (other than where such FX Forward Issuer Termination Payments arise in connection with the termination of an FX Forward Transaction in circumstances where no Replacement Hedge Transaction is entered into by the Issuer which gives rise to a Hedge Replacement Receipt, including where an FX Forward Transaction has been terminated solely as a result of the sale or prepayment or redemption or repayment of the relevant Principal Hedged Obligation);

(3) Hedge Replacement Payments; and

(4) any initial Currency Hedge Issuer Principal Exchange Amounts and initial FX Forward Issuer Principal Exchange Amounts in connection with funding the acquisition of Currency Hedge Obligations or Principal Hedged Obligations which for the avoidance of doubt shall be payable out of amounts standing to the credit of the Principal Account;

(B) cash amounts representing any excess standing to the credit of the Currency Account after paying, or provision for the payment of any amounts to be paid to, any Currency Hedge Counterparty or FX Forward Counterparty pursuant to paragraphs (A)(1) or (A)(2) above (as applicable) shall be converted into Euro at the Applicable FX Rate by the Collateral Administrator on behalf of the Issuer following consultation with the Portfolio Manager and transferred to the Principal Account; and

(C) at any time, in the amount of any initial Currency Hedge Counterparty Principal Exchange Amounts or initial FX Forward Counterparty Principal Exchange Amounts (as applicable) from (1) a Currency Hedge Counterparty under a Currency Hedge Transaction to be applied in connection with the acquisition of Non-Euro Obligations and (2) an FX Forward Counterparty under an FX Forward Transaction to be applied in connection with the acquisition of Principal Hedged Obligations, in each case in accordance with the terms of and to the extent permitted under the Portfolio Management Agreement.

(xii) Expense Reserve Account

The Issuer shall procure that the following amounts are paid into the Expense Reserve Account:

(A) on the Issue Date, an amount determined on the Issue Date for the payment

of amounts due or accrued in connection with the issue of the Notes, in accordance with (1) below; and

(B) any Ongoing Expense Reserve Amount applied in payment into the Expense Reserve Account pursuant to paragraph (D) of the Interest Proceeds Priority of Payments.

The Issuer shall procure payment of the following amounts (and shall procure that no other amounts are paid) out of the Expense Reserve Account:

(1) amounts due or accrued with respect to actions taken on or in connection with the Issue Date with respect to the issue of the Notes and the entry into the Transaction Documents;

(2) amounts standing to the credit of the Expense Reserve Account on or after the Determination Date immediately preceding the first Payment Date may be transferred to the Principal Account and/or the Interest Account in the sole discretion of the Issuer (or the Portfolio Manager acting on its behalf); and

(3) at any time, the amount of any Trustee Fees and Expenses and Administrative Expenses which have accrued and become payable prior to the immediately following Payment Date, upon receipt of invoices therefor from the relevant creditor, *provided that* any such payments, in aggregate, shall not cause the balance of the Expense Reserve Account to fall below zero.

(xiii) Reserve Account

The Issuer shall procure that on the Issue Date €1,700,000 is paid into the Reserve Account.

On any date prior to the second Determination Date, the Issuer, at the direction of the Portfolio Manager, may direct that all or any portion of funds in the Reserve Account be transferred to the Unused Proceeds Account to be used for the acquisition of Collateral Debt Obligations or to the Interest Account for application as Interest Proceeds on the related Payment Date in accordance with the Priorities of Payment. Amounts remaining in the Reserve Account after the second Payment Date will be transferred to the Interest Account for application as Interest Proceeds on the next Payment Date and/or transferred to the Principal Account for application as Principal Proceeds on the next Payment Date (as designated by the Portfolio Manager in its sole discretion).

(xiv) Contribution Account

At any time during the Reinvestment Period, any Contributor may make a Contribution to the Issuer, provided that no more than three such Contributions may be made and such Contribution shall not be less than €1,000,000. The Portfolio Manager, on behalf of the Issuer, may accept or reject any Contribution in its reasonable discretion and will notify the Trustee of any such acceptance; *provided that* in the case of clause (ii) of the definition of "Contribution", such notice must be provided no later than two (2) Business Days prior to the applicable Payment Date. Each accepted Contribution will be credited to the Contribution Account.

The Issuer will procure payment of Contributions standing to the credit of the Contribution Account (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Contribution Account for a Permitted Use as directed by the Contributor at the time the relevant Contribution is made or, if no direction is given by the Contributor, at the Portfolio Manager's reasonable discretion, as follows:

(1) at any time, to the Principal Account for distribution on the next following Payment Date in accordance with the Priorities of Payment;

(2) at any time, at the direction of the Issuer (or the Portfolio Manager acting on its behalf), to the Interest Account for distribution in accordance with the Priorities of Payment;

(3) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Obligations, in accordance with the terms of the Portfolio Management Agreement;

(4) at any time, at the direction of the Issuer (or the Portfolio Manager acting on its behalf), to purchase any Rated Notes in accordance with Condition 7(k) (*Purchase*);

(5) on the occurrence of an Effective Date Rating Event, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier until an Effective Date Rating Event is no longer continuing, or to the purchase of additional Collateral Debt Obligations until an Effective Date Rating Event is no longer continuing; and

(6) the Balance standing to the credit of the Contribution Account to the Payment Account for distribution on such Payment Date in accordance with the Principal Proceeds Priority of Payments or the Post-Acceleration Priority of Payments (as applicable) (1) at the direction of the Portfolio Manager at any time prior to an Event of Default or (2) automatically upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*).

No Contribution or portion thereof will be returned to the Contributor at any time (other than in accordance with the Priorities of Payment). All interest accrued on amounts standing to the credit of the Contribution Account will be transferred to the Interest Account for application as Interest Proceeds. For the avoidance of doubt, any amounts standing to the credit of the Contribution Account pursuant to clause (ii) of the definition of "Contribution" will be deemed for all purposes as having been paid to the Contributor pursuant to the Priorities of Payment.

(k) Unscheduled Payment Dates

The Issuer and the Portfolio Manager may agree to designate (and shall if so directed by the Class M Subordinated Noteholders acting by Ordinary Resolution) a date (other than a scheduled Payment Date and a Redemption Date) as a Payment Date (each an "**unscheduled Payment Date**") if the following conditions are met:

(i) the proposed unscheduled Payment Date is a Business Day falling after the date upon which the Rated Notes have been repaid or redeemed in full;

(ii) the unscheduled Payment Date falls no less than 5 Business Days after the Issuer (or the Portfolio Manager on behalf of the Issuer) has notified the Collateral Administrator, the Principal Paying Agent, the Trustee and the Noteholders (in accordance with Condition 16 (*Notices*)) of the intended date of the unscheduled Payment Date;

(iii) the proposed unscheduled Payment Date falls more than 5 Business Days prior to a scheduled Payment Date; and

(iv) the proposed unscheduled Payment Date falls no less than 5 Business Days after any previous scheduled or unscheduled Payment Date.

4. Security

(a) Security

Pursuant to the Trust Deed, the obligations of the Issuer under the Notes of each Class, the Trust Deed, the Agency Agreement and the Portfolio Management Agreement (together with the obligations owed by the Issuer to the other Secured Parties) are secured in favour of the Trustee for the benefit of the Secured Parties by:

(i) an assignment by way of security of all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Debt Obligations, Exchanged Securities, Equity Securities, Collateral Enhancement Obligations and Eligible Investments standing to the credit of each of the Accounts (other than any Counterparty Downgrade Collateral Accounts) and any other investments (other than any Counterparty Downgrade Collateral), in each case held by the Issuer from time to time (where such rights are contractual rights (other than contractual rights the assignment of which would require the consent of a third party or the entry by the Trustee into an intercreditor agreement or deed) and where such contractual rights arise other than under securities), including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(ii) a first fixed charge and first priority security interest granted over all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Debt Obligations, Exchanged Securities, Equity Securities, Collateral Enhancement Obligations and Eligible Investments standing to the credit of each of the Accounts (other than any Counterparty Downgrade Collateral Accounts) and any other investments (other than any Counterparty Downgrade Collateral), in each case held by the Issuer (where such assets are securities or contractual rights not assigned by way of security pursuant to paragraph (i) above and which are capable of being the subject of a first fixed charge and first priority security interest), including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(iii) a first fixed charge over all present and future rights of the Issuer in respect of each of the Accounts (other than any Counterparty Downgrade Collateral Accounts) and all moneys from time to time standing to the credit of such Accounts (other than any Counterparty Downgrade Collateral Accounts) and the debts represented thereby and including, without limitation, all interest accrued and other moneys received in respect thereof;

(iv) a first fixed charge and first priority security interest (where the applicable assets are securities) over, or an assignment by way of security (where the applicable rights are contractual rights) of, all present and future rights of the Issuer in respect of any Counterparty Downgrade Collateral standing to the credit of each Counterparty Downgrade Collateral Account; including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof and over each Counterparty Downgrade Collateral Account and all moneys from time to time standing to the credit of the Counterparty Downgrade Collateral Account and the debts represented thereby and including, without limitation, all interest accrued and other moneys received in respect thereof, subject, in each case, to the rights of any Hedge Counterparty to Counterparty Downgrade Collateral pursuant to the terms of the relevant Hedge Agreement (or any security interest entered into by the Issuer in relation thereto) and Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*);

(v) an assignment by way of security of all the Issuer's present and future rights against the Custodian under the Agency Agreement (to the extent it relates to the Custody Account) and a first fixed charge over all of the Issuer's right, title and interest in and to the Custody Account (including each cash account relating to the Custody Account) and any cash held therein and the debts represented thereby;

(vi) an assignment by way of security of all the Issuer's present and future rights under each Hedge Agreement (or any security interest entered into by the Issuer for the benefit of the relevant Hedge Counterparty) and each Hedge Transaction entered into thereunder (including the Issuer's rights under any guarantee or credit support annex entered into pursuant to any Hedge Agreement, *provided that* such assignment by way of security is without prejudice to, and after giving effect to, any contractual netting or set-off provision under the relevant Hedge Agreement and shall not in any way restrict the release of collateral granted thereunder in whole or in part at any time pursuant to the terms thereof);

(vii) an assignment by way of security of all the Issuer's present and future rights under the Portfolio Management Agreement and all sums derived therefrom;

(viii) a first fixed charge over all moneys held from time to time by the Principal Paying Agent and any other Agent for payment of principal, interest or other amounts on the Notes (if any);

(ix) an assignment by way of security of all the Issuer's present and future rights under the Agency Agreement and the Subscription Agreement and all sums derived therefrom;

(x) an assignment by way of security of all the Issuer's present and future rights under the Risk Retention Letter and all sums derived therefrom;

(xi) an assignment by way of security of all the Issuer's present and future rights under the Collateral Acquisition Agreements and all sums derived therefrom;

(xii) an assignment by way of security of all of the Issuer's present and future rights under any other Transaction Document and all sums derived therefrom; and

(xiii) a floating charge over the whole of the Issuer's undertaking and assets to the extent that such undertaking and assets are not subject to any other security created pursuant to the Trust Deed,

excluding for the purpose of paragraphs (i) to (xiii) above, (A) the Issuer's rights under the Corporate Services Agreement; and (B) amounts standing to the credit of the Issuer Irish Account.

The security described in paragraphs (i) to (xiii) above is granted to the Trustee for itself and as trustee for the other Secured Parties as continuing security for the payment of the Secured Obligations *provided that* the security granted by the Issuer over any collateral provided to the Issuer pursuant to a Hedge Agreement will only be available to the Secured Parties (other than with respect to the collateral provided to the relevant Hedge Counterparty pursuant to such Hedge Agreement and Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*)) when such collateral is expressed to be available to the Issuer and (if a title transfer arrangement) to the extent that no equivalent amount is owed to a Hedge Counterparty pursuant to the relevant Hedge Agreement and/or Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*). The security will extend to the ultimate balance of all sums payable by the Issuer in respect of the above, regardless of any intermediate payment or discharge in whole or in part.

If, for any reason, the purported assignment by way of security of, and/or the grant of first fixed charge over, the property, assets, rights and/or benefits described above is found to be ineffective in respect of any such property, assets, rights and/or benefits (together, the "**Affected Collateral**"), the Issuer shall hold to the fullest extent permitted under Irish mandatory law the benefit of the Affected Collateral and any sums received in respect thereof

or any security interest, guarantee or indemnity or undertaking of whatever nature given to secure such Affected Collateral (together, the "**Trust Collateral**") on trust for the Trustee for the benefit of the Secured Parties and shall (i) account to the Trustee for or otherwise apply all sums received in respect of such Trust Collateral as the Trustee may direct (*provided that*, subject to these Conditions and the terms of the Portfolio Management Agreement, if no Event of Default has occurred and is continuing, the Issuer shall be entitled to apply the benefit of such Trust Collateral and such sums in respect of such Trust Collateral received by it and held on trust under this paragraph 4(a) (*Security*) without prior direction from the Trustee), (ii) exercise any rights it may have in respect of the Trust Collateral at the direction of the Trustee and (iii) at its own cost take such action and execute such documents as the Trustee may in its sole discretion require.

The Issuer may from time to time grant security:

(1) by way of a first priority security interest to a Hedge Counterparty over the relevant Counterparty Downgrade Collateral Account and any Counterparty Downgrade Collateral deposited by such Hedge Counterparty in the relevant Counterparty Downgrade Collateral Account as security for the Issuer's obligations to make any payment and/or delivery to the relevant Hedge Counterparty pursuant to the terms of the applicable Hedge Agreement and Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*) (subject to such security documentation as may be agreed between such third party, the Portfolio Manager acting on behalf of the Issuer and the Trustee); and/or

(2) by way of first priority security interest over amounts representing all or part of the Unfunded Amount of any Revolving Obligation or Delayed Drawdown Obligation and deposited in its name with a third party as security for any reimbursement or indemnification obligation of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Obligation, subject to the terms of Condition 3(j)(vii) (*Unfunded Revolver Reserve Account*) (including Rating Agency Confirmation),

All deeds, documents, assignments, instruments, bonds, notes, negotiable instruments, papers and any other instruments comprising, evidencing, representing and/or transferring the Portfolio will be deposited with or held by or on behalf of the Custodian until the security over such obligations is irrevocably discharged in accordance with the provisions of the Trust Deed. In the event that the ratings of the Custodian are downgraded to below the Rating Requirement or withdrawn, the Issuer shall use reasonable endeavours to procure that a replacement Custodian with the Rating Requirement and who is appointed in accordance with the provisions of the Agency Agreement.

Pursuant to the terms of the Trust Deed, the Trustee is exempted from any liability in respect of any loss or theft or reduction in value of the Collateral, from any obligation to insure or monitor the insurance arrangements in respect of the Collateral and from any claim arising from the fact that the Collateral is held in a clearing system or in safe custody by the Custodian, a bank or other custodian. The Trustee has no responsibility for ensuring that the Custodian, the Account Bank or the Principal Paying Agent satisfies the Rating Requirement applicable to it or, in the event of its failure to satisfy such Rating Requirement, to procure the appointment of a replacement custodian, account bank, or principal paying agent. The Trustee has no responsibility for the management of the Portfolio by the Portfolio Manager or the supervision of the administration of the Portfolio by the Collateral Administrator or by any other party and is entitled to conclusively rely on the certificates or notices of any relevant party without enquiry and any liability. The Trust Deed also provides that the Trustee shall accept without

investigation, requisition or objection such right, benefit, title and interest, if any, as the Issuer may have in and to any of the Collateral and is not bound to make any investigation into the same or into the Collateral in any respect.

(b) Application of Proceeds upon Enforcement

The Trust Deed provides that the net proceeds of realisation of, or enforcement with respect to the security over, the Collateral constituted by the Trust Deed, shall be applied in accordance with the priorities of payment set out in Condition 11 (*Enforcement*).

(c) Limited Recourse

The obligations of the Issuer to pay amounts due and payable in respect of the Notes and to the other Secured Parties at any time shall be limited to the proceeds available at such time to make such payments in accordance with the Priorities of Payment. If the net proceeds of realisation of the security constituted by the Trust Deed, upon enforcement thereof in accordance with Condition 11 (*Enforcement*) and the provisions of the Trust Deed are less than the aggregate amount payable in such circumstances by the Issuer in respect of the Notes and to the other Secured Parties (such negative amount being referred to herein as a "**shortfall**"), the obligations of the Issuer in respect of the Notes of each Class and its obligations to the other Secured Parties in such circumstances will be limited to such net proceeds, which shall be applied in accordance with the Priorities of Payment. In such circumstances, the other assets (including the amounts standing to the credit of the Issuer Irish Account and the Issuer's rights under the Corporate Services Agreement) of the Issuer will not be available for payment of such shortfall which shall be borne by the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class M Subordinated Noteholders and the other Secured Parties in accordance with the Priorities of Payment (applied in reverse order). The rights of the Secured Parties to receive any further amounts in respect of such obligations shall be extinguished and none of the Noteholders of each Class or the other Secured Parties may take any further action to recover such amounts. None of the Noteholders of any Class, the Trustee or the other Secured Parties (nor any other person acting on behalf of any of them) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, examinership, insolvency, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer relating to the Notes of any Class, the Trust Deed or otherwise owed to the Secured Parties, save for lodging a claim in the liquidation of the Issuer which is initiated by another non-Affiliated party or taking proceedings to obtain a declaration as to the obligations of the Issuer and without limitation to the Trustee's right to enforce and/or realise the security constituted by the Trust Deed (including by appointing a receiver or an administrative receiver).

The provisions of this Condition 4(c) (*Limited Recourse*) shall survive the termination of the Trust Deed and the Final Distribution Date.

None of the Trustee, the Directors, the Initial Purchaser, the Portfolio Manager and any Agent has any obligation to any Noteholder of any Class for payment of any amount by the Issuer in respect of the Notes of any Class.

(d) Exercise of Rights in Respect of the Portfolio

Pursuant to the Portfolio Management Agreement, the Issuer authorises the Portfolio Manager, prior to enforcement of the security over the Collateral, to exercise all rights and remedies of the Issuer in its capacity as a holder of, or person beneficially entitled to, the Portfolio. In particular, the Portfolio Manager is authorised, subject to any specific direction given by the Issuer, to attend and vote at any meeting of holders of, or other persons interested or participating in, or entitled to the rights or benefits (or a part thereof) under, the Portfolio and to give any consent, waiver, indulgence, time or notification, make any declaration or agree any composition, compounding or other similar arrangement with respect to any obligations forming part of the Portfolio.

(e) Information Regarding the Collateral

The Issuer shall procure that a copy of each Monthly Report and any Payment Date Report is made available upon publication, to each Noteholder of each Class and certain other persons via the Collateral Administrator's website currently located at https://gctinvestorreporting.bnymellon.com. It is not intended that such Reports will be made available in any other format, save in limited circumstances with the Collateral Administrator's agreement. The Collateral Administrator's website does not form part of the information provided for the purposes of the Offering Circular and disclaimers may be posted with respect to the information posted thereon. Registration may be required for access to such website and persons wishing to access such website may be required to certify that they are Noteholders or otherwise entitled to access such website.

5. Covenants of and Restrictions on the Issuer

(a) Covenants of the Issuer

Unless otherwise provided in the Trust Deed, the Issuer covenants to the Trustee on behalf of the holders of the Notes that, for so long as any Note remains Outstanding, the Issuer will:

(i) take such steps as are reasonable to enforce all its rights:

(A) under the Trust Deed;

(B) in respect of the Collateral;

(C) under the Agency Agreement;

(D) under the Portfolio Management Agreement;

(E) under the Corporate Services Agreement;

(F) under the Collateral Acquisition Agreements;

(G) under the Risk Retention Letter; and

(H) under any Hedge Agreements;

(ii) comply with its obligations under the Notes, the Trust Deed, these Conditions, the Agency Agreement, the Portfolio Management Agreement and each other Transaction Document to which it is a party;

(iii) keep proper books of account;

(iv) at all times maintain its tax residence outside the United Kingdom and the United States and will not establish a permanent establishment, branch, agency (other than the appointment of the Portfolio Manager and the Collateral Administrator pursuant to and in accordance with the Portfolio Management Agreement) or fixed place of business or register as a company within the United Kingdom or United States, or elsewhere outside of Ireland, and shall not do or permit anything within its control which might result in its residence being considered to be outside Ireland for tax purposes;

(v) pay its debts generally as they fall due;

(vi) do all such things as are necessary to maintain its corporate existence;

(vii) use its best endeavours to obtain and maintain the listing on the Global Exchange Market of the Irish Stock Exchange of the outstanding Notes of each Class. If, however, it is unable to do so, having used such endeavours, or if the maintenance of such listings are agreed by the Trustee to be unduly onerous and the Trustee is satisfied that the interests of the holders of the Outstanding Notes of each Class would not thereby be materially prejudiced, the Issuer will instead use all reasonable

endeavours promptly to obtain and thereafter to maintain a listing for such Notes on such other stock exchange(s), provided that the Notes will thereby be "listed on a recognised stock exchange" for the purposes of section 1005 of the Income Tax Act 2007, as it may (with the approval of the Trustee) decide;

(viii) supply such information to the Rating Agencies as they may reasonably request;

(ix) ensure that its "centre of main interests" (as that term is referred to in article 3(1) of Council Regulation (EC) No. 1346/2000 on Insolvency Proceedings) and its tax residence is and remains at all times in Ireland;

(x) ensure an agent is appointed to assist in creating and maintaining the Issuer's website to enable the Rating Agencies to comply with Rule 17g-5;

(xi) ensure that the Notes will not be held by a company which is a direct or indirect shareholder in the Issuer (or by any subsidiary company of such a company);

(xii) use its best efforts to comply with the intergovernmental agreement between the United States and Ireland and any Irish legislation promulgated pursuant thereto that requires the Issuer to provide the name, address and taxpayer identification number of, and certain other information with respect to, certain holders of the Notes;

(xiii) maintain its central management and control and its place of effective management only in Ireland and in particular shall not be treated under any of the double taxation treaties entered into by Ireland as being resident in any other jurisdiction;

(xiv) conduct its business and affairs such that, at all times:

(A) it shall maintain its registered office in Ireland;

(B) it shall hold all meetings of its board of Directors in Ireland and ensure that all of its directors are resident in Ireland for tax purposes, that they will exercise their control over the business of the Issuer independently and that those directors (acting independently) exercise their authority only from and within Ireland by taking all key decisions relating to the Issuer in Ireland; and

(C) it shall not open any office or branch or place of business outside of Ireland; and

(xv) ensure that its tax residence is and remains at all times in Ireland.

(b) Restrictions on the Issuer

As more fully described in the Trust Deed, for so long as any of the Notes remain Outstanding, save as contemplated in the Transaction Documents, the Issuer covenants to the holders of such Outstanding Notes that (to the extent applicable) it will not, without the prior written consent of the Trustee (and in the case of (viii) only, subject to Rating Agency Confirmation from Moody's):

(i) sell, factor, discount, transfer, assign, lend or otherwise dispose of any of its right, title or interest in or to the Collateral, other than in accordance with the Portfolio Management Agreement, nor will it create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over the Collateral except in accordance with the Trust Deed, these Conditions or the Transaction Documents;

(ii) sell, factor, discount, transfer, assign, lend or otherwise dispose of, nor create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over, any of its other property or assets or any part thereof or interest therein other than in accordance with the Trust Deed, these Conditions or the Transaction Documents;

(iii) engage in any business other than:

(A) acquiring and holding any property, assets or rights that are capable of being effectively secured in favour of the Trustee or that are capable of being held on trust by the Issuer in favour of the Trustee under the Trust Deed;

(B) issuing and performing its obligations under the Notes;

(C) entering into, exercising its rights and performing its obligations under or enforcing its rights under the Trust Deed, the Agency Agreement, the Portfolio Management Agreement and each other Transaction Document to which it is a party, as applicable; or

(D) performing any act incidental to or necessary in connection with any of the above;

(iv) amend any term or Condition of the Notes of any Class (save in accordance with these Conditions and the Trust Deed);

(v) agree to any amendment to any provision of, or grant any waiver or consent under the Trust Deed, the Agency Agreement, the Portfolio Management Agreement, the Corporate Services Agreement or any other Transaction Document to which it is a party;

(vi) incur any indebtedness for borrowed money, other than in respect of:

(A) the Notes (including the issuance of additional Notes pursuant to Condition 17 (*Additional Issuances*)) or any document entered into in connection with the Notes or the sale thereof or any additional Notes or the sale thereof;

(B) any Refinancing; or

(C) as otherwise contemplated or permitted pursuant to the Trust Deed or the Portfolio Management Agreement;

(vii) amend its constitutional documents, other than as required or desirable to comply with applicable law or to amend the name of the Issuer in accordance with Condition 14(c) (*Modification and Waiver*);

(viii) have any subsidiaries or establish any offices, branches or other "establishment" (as that term is used in article 2(h) of Council Regulation (EC) No. 1346/2000 on Insolvency Proceedings) outside of Ireland;

(ix) have any employees (for the avoidance of doubt the Directors of the Issuer do not constitute employees);

(x) enter into any reconstruction, amalgamation, merger or consolidation;

(xi) convey or transfer all or a substantial part of its properties or assets (in one or a series of transactions) to any person, otherwise than as contemplated in these Conditions;

(xii) issue any shares (other than the share as is issued on the Issue Date) nor redeem or purchase any of its issued share capital;

(xiii) enter into any material agreement or contract with any Person (other than an agreement on customary market terms which for the avoidance of doubt will include agreements to buy and sell obligations and documentation relating to restructurings (including steering committee indemnity letters)), which terms do not contain the provisions below) unless such contract or agreement contains "limited recourse" and "non-petition" provisions and such Person agrees that, prior to the date that is one year and one day after all the related obligations of the Issuer have been paid in full

(or, if longer, the applicable preference period under applicable insolvency law), such Person shall not take any action or institute any proceeding against the Issuer under any insolvency law applicable to the Issuer or which would reasonably be likely to cause the Issuer to be subject to or seek protection of, any such insolvency law; *provided that* such Person shall be permitted to become a party to and to participate in any proceeding or action under any such insolvency law that is initiated by any other Person other than one of its Affiliates;

(xiv) otherwise than as contemplated in the Transaction Documents, release from or terminate the appointment of the Custodian or the Account Bank under the Agency Agreement, the Portfolio Manager or the Collateral Administrator under the Portfolio Management Agreement (including, in each case, any transactions entered into thereunder) or, in each case, from any executory obligation thereunder;

(xv) enter into any lease in respect of, or own, premises;

(xvi) act as an entity that issues notes to investors and uses the proceeds to grant new loans on its own account (as initial lender of record), but will purchase loans from one or more lenders (which may be as part of the primary syndicate process) and therefore is not considered a first lender (for the purpose of Regulation (EC) No 1075/2013 of the European Central Bank); or

(xvii) make an election to change its classification for U.S. federal income tax purposes.

6. Interest

(a) Payment Dates

(i) Rated Notes

The Rated Notes each bear interest from (and including) the Issue Date and such interest will be payable (A) in the case of interest accrued during the initial Accrual Period, for the period from (and including) the Issue Date to (but excluding) the Payment Date falling on or about 25 July 2018, (B) thereafter, at any time prior to the occurrence of a Frequency Switch Event, quarterly and (C) at any time following the occurrence of a Frequency Switch Event, semi-annually, in each case, for the period from (and including) the preceding Payment Date (or in the case of the first Payment Date, the Issue Date) to (but excluding) the following Payment Date and in each case in arrear on each Payment Date.

(ii) Class M Subordinated Notes

Interest shall be payable on the Class M Subordinated Notes to the extent funds are available in accordance with paragraph (BB) of the Interest Proceeds Priority of Payments, paragraph (S) of the Principal Proceeds Priority of Payments and paragraph (Y) of the Post-Acceleration Priority of Payments on each Payment Date and shall continue to be payable in accordance with this Condition 6 (*Interest*) notwithstanding redemption in full of any Class M Subordinated Note at its applicable Redemption Price.

Notwithstanding any other provision of these Conditions or the Trust Deed, all references herein and therein to the Class M Subordinated Notes being redeemed in full or at their Principal Amount Outstanding shall be deemed to be amended to the extent required to ensure that a minimum of €1 principal amount of the Class M Subordinated Notes remains Outstanding at all times and any amounts which are to be applied in redemption of the Class M Subordinated Notes pursuant hereto which are in excess of the Principal Amount Outstanding thereof minus €1, shall constitute interest payable in respect of such Notes and shall not be applied in redemption of the Principal Amount Outstanding thereof, provided always however that such €1 principal shall no longer remain Outstanding and the Class M Subordinated Notes shall be redeemed in full on the date on which all of the Collateral securing the Notes has been realised and is to be finally distributed to the Noteholders.

If the aggregate of income and gains earned by the Issuer during an accounting period exceeds the costs and expenses accrued for `that period, such excess shall accrue as additional interest on the Class M Subordinated Notes but shall only be payable on any Payment Date following payment in full of amounts payable pursuant to the Priorities of Payment on such Payment Date.

(b) Interest Accrual

(i) Rated Notes

Each Rated Note (or, as the case may be, the relevant part thereof due to be redeemed) will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 6 (*Interest*) (both before and after judgment) until whichever is the earlier of (A) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (B) the day following seven days after the Trustee or the Principal Paying Agent has notified the Noteholders of such Class of Notes in accordance with Condition 16 (*Notices*) of receipt of all sums due in respect of all the Notes of such Class up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

(ii) Class M Subordinated Notes

Payments on the Class M Subordinated Notes will cease to be payable in respect of each Class M Subordinated Note upon the date that all of the Collateral has been realised and no Interest Proceeds or Principal Proceeds remain available for distribution in accordance with the Priorities of Payment.

(c) Deferral of Interest

(i) The Issuer shall, and shall only be obliged to, pay any Interest Amount payable in respect of the Class A Notes and the Class B Notes in full on any Payment Date in each case to the extent that there are Interest Proceeds or Principal Proceeds available for payment thereof in accordance with the Priorities of Payment.

(ii) In the case of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, an amount of interest equal to any shortfall in payment of the Interest Amount which would, but for the first paragraph of this Condition 6(c) (*Deferral of Interest*), otherwise be due and payable in respect of any of such Classes of Notes on any Payment Date in accordance with the Interest Proceeds Priority of Payments (each such amount being referred to as "**Deferred Interest**") will not be due and payable on such Payment Date, but will be added to the principal amount of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, as applicable, and thereafter will accrue interest at the rate of interest applicable to that Class of Notes, and the failure to pay such Deferred Interest to the holders of such Notes, as applicable, will not be an Event of Default until the Maturity Date or any earlier date of redemption in full of the Notes.

(d) Payment of Deferred Interest

Deferred Interest in respect of any Class C Note, Class D Note, Class E Note or Class F Note shall only become payable by the Issuer in accordance with the Priorities of Payment, to the extent that Interest Proceeds or Principal Proceeds, as applicable, are available to make such payment in accordance with the Priorities of Payment (and, if applicable, the Note Payment Sequence). Deferred Interest on the Class C Notes and/or Class D Notes and/or Class E Notes and/or Class F Notes, as applicable will be added to the principal amount of the Class C Notes and/or Class D Notes and/or Class E Notes and/or Class F Notes, as applicable. An amount equal to any such Deferred Interest so paid shall be subtracted from the principal amount of the Class C Notes and/or Class D Notes and/or Class E Notes and/or Class F Notes, as applicable.

(e) Interest on the Rated Notes

(i) Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class E Notes and Class F Notes

The rate of interest from time to time in respect of the Class A-1 Notes (the "**Class A-1 Floating Rate of Interest**"), in respect of the Class B-1 Notes (the "**Class B-1 Floating Rate of Interest**"), in respect of the Class C-1 Notes (the "**Class C-1 Floating Rate of Interest**"), in respect of the Class C-2 Notes (the "**Class C-2 Floating Rate of Interest**"), in respect of the Class D-1 Notes (the "**Class D-1 Floating Rate of Interest**"), in respect of the Class D-2 Notes (the "**Class D-2 Floating Rate of Interest**"), in respect of the Class E Notes (the "**Class E Floating Rate of Interest**") and in respect of the Class F Notes (the "**Class F Floating Rate of Interest**") will be determined by the Calculation Agent on the following basis:

(A) On each relevant Interest Determination Date:

(1) in the case of the initial Accrual Period, the Calculation Agent will determine a straight line interpolation of the offered rate for 6 month and 9 month Euro deposits;

(2) in the case of an Accrual Period prior to the occurrence of a Frequency Switch Event, the Calculation Agent will determine the offered rate for three-month Euro deposits; and

(3) in the case of an Accrual Period following the occurrence of a Frequency Switch Event, the Calculation Agent will determine the offered rate for six-month Euro deposits or, in the case of the Accrual Period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls on 25 July 2029, the Calculation Agent will determine the offered rate for three-month Euro deposits,

in each case, as at 11.00 am (Brussels time) on the Interest Determination Date in question ("**EURIBOR**"). Such offered rate will be that which appears on the display designated on the Bloomberg Screen "**BTMM EU**" Page (or such other page or service as may replace it for the purpose of displaying EURIBOR rates). The Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C-1 Floating Rate of Interest, the Class C-2 Floating Rate of Interest, the Class D-1 Floating Rate of Interest, the Class D-2 Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest for such Accrual Period shall be the aggregate of the Applicable Margin (as defined below) and the applicable rate referred to in paragraph (A) above, in each case as determined by the Calculation Agent.

(B) If the offered rate so appearing is replaced by the corresponding rates of more than one bank then paragraph (A) shall be applied, with any necessary consequential changes, to the arithmetic mean (rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 being rounded upwards)) of the rates (being at least two) which so appear, as determined by the Calculation Agent. If for any other reason such offered rate does not so appear, or if the relevant page is unavailable, the Calculation Agent shall use reasonable endeavours to request each of four major banks in the Euro zone interbank market acting in each case through its principal Euro zone office appointed by the Issuer pursuant to Condition 6(e)(ii) (*Determination of Floating Rates of Interest and Calculation of Interest Amounts on the Floating Rate Notes*) below (the "**Reference**

Banks") to provide the Calculation Agent with its offered quotation to leading banks for Euro deposits in the Euro zone interbank market:

(1) in the case of the initial Accrual Period, for a straight line interpolation of the offered quotation for 6-month and 9-month Euro deposits;

(2) in the case of an Accrual Period prior to the occurrence of a Frequency Switch Event, for a period of 3 months; and

(3) in the case of an Accrual Period following the occurrence of a Frequency Switch Event, for a period of 6 months or, in the case of the Accrual Period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls on 25 July 2029 , for a period of 3 months (as determined by the Calculation Agent),

in each case, as at 11.00 am (Brussels time) on the Interest Determination Date in question. The Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C-1 Floating Rate of Interest, the Class C-2 Floating Rate of Interest, the Class D-1 Floating Rate of Interest, the Class D-2 Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest for such Accrual Period shall be the aggregate of the Applicable Margin (if any) and the arithmetic mean, in each case, (rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 being rounded upwards)) of, in respect of (i) the initial Accrual Period; the quotations referred to in paragraph (1) above; (ii) each three-month Accrual Period, the quotations referred to in paragraph (2) above or (ii) each six-month Accrual Period, the quotations referred to in paragraph (3) above, all as determined by the Calculation Agent.

(C) If on any Interest Determination Date one only or none of the Reference Banks provides such quotations, the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C-1 Floating Rate of Interest, the Class C-2 Floating Rate of Interest, the Class D-1 Floating Rate of Interest, the Class D-2 Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest, respectively, for the next Accrual Period shall be the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C-1 Floating Rate of Interest, the Class C-2 Floating Rate of Interest, the Class D-1 Floating Rate of Interest, the Class D-2 Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest in each case in effect as at the immediately preceding Accrual Period; *provided that* in respect of any Accrual Period during which a Frequency Switch Event occurs, the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C-1 Floating Rate of Interest, the Class C-2 Floating Rate of Interest, the Class D-1 Floating Rate of Interest, the Class D-2 Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest shall be calculated using the offered rate for six month Euro deposits using the rate available as at the previous Interest Determination Date and provided further that following the occurrence of a Frequency Switch Event, in respect of an Interest Determination Date falling on 25 July 2029, the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C-1 Floating Rate of Interest, the Class C-2 Floating Rate of Interest, the Class D-1 Floating Rate of Interest, the Class D-2 Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest, respectively, shall be determined using the offered rate for three month Euro deposits using the rate available as at the previous Interest Determination Date.

(D) Where:

"**Applicable Margin**" means:

(1) in the case of the Class A-1 Notes: 0.740 per cent. per annum (the "**Class A-1 Margin**");

(2) in the case of the Class B-1 Notes: 1.200 per cent. per annum (the "**Class B-1 Margin**");

(3) in the case of the Class C-1 Notes: 1.680 per cent. per annum (the "**Class C-1 Margin**");

(4) in the case of the Class C-2 Notes: 1.930 per cent. per annum during the Non-Call Period and 1.680 per cent. following the expiry of the Non-Call Period (the "**Class C-2 Margin**");

(5) in the case of the Class D-1 Notes: 2.550 per cent. per annum (the "**Class D-1 Margin**");

(6) in the case of the Class D-2 Notes: 2.800 per cent. per annum during the Non-Call Period and 2.550 per cent. following the expiry of the Non-Call Period (the "**Class D-2 Margin**");

(7) in the case of the Class E Notes: 4.40 per cent. per annum (the "**Class E Margin**"); and

(8) in the case of the Class F Notes: 5.900 per cent. per annum (the "**Class F Margin**").

Notwithstanding paragraphs (A), (B) and (C) above, if, in relation to any Interest Determination Date, EURIBOR as determined in accordance with paragraphs (A), (B) and (C) above would yield a rate less than zero, such rate shall be deemed to be zero for the purposes of determining the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C-1 Floating Rate of Interest, the Class C-2 Floating Rate of Interest (other than during the Non-Call Period only), the Class D-1 Floating Rate of Interest, the Class D-2 Floating Rate of Interest (other than during the Non-Call Period only), the Class E Floating Rate of Interest and the Class F Floating Rate of Interest pursuant to this Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class* E Notes and Class F Notes).

(ii) Determination of Floating Rates of Interest and Calculation of Interest Amounts on the Floating Rate Notes

The Calculation Agent will, as soon as practicable (and in any event not later than the Business Day following the relevant Interest Determination Date), determine each Floating Rate of Interest and calculate the interest amount payable in respect of original principal amounts of each Class of Floating Rate Notes equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period.

The amount of interest (an "**Interest Amount**") payable in respect of each Authorised Integral Amount applicable to any such Floating Rate Notes shall be calculated by applying the Class A-1 Floating Rate of Interest in the case of the Class A-1 Notes, the Class B-1 Floating Rate of Interest in the case of the Class B-1 Notes, the Class C-1 Floating Rate of Interest in the case of the Class C-1 Notes, the Class C-2 Floating Rate of Interest in the case of the Class C-2 Notes, the Class D-1 Floating Rate of Interest in the case of the Class D-1 Notes, the Class D-2 Floating Rate of Interest in the case of the Class D-2 Notes, the Class E Floating Rate of Interest in the case of the Class E Notes and the Class F Floating Rate of Interest in

the case of the Class F Notes, respectively, to an amount equal to the Principal Amount Outstanding in respect of such Authorised Integral Amount, multiplying the product by the actual number of days in the Accrual Period concerned, divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards).

(iii) Calculation of Fixed Amounts on the Class A-2 and Class B-2 Notes

The Calculation Agent will, as soon as practicable after 11.00 am (Brussels time) on each Interest Determination Date, but in no event later than the Business Day after such date, calculate the amount of interest (an "**Interest Amount**") payable in respect of the Authorised Integral Amount of the Class A-2 Notes and the Class B-2 Notes for the relevant Accrual Period by applying the Class A-2 Fixed Rate in the case of the Class A-2 Notes and the Class B-2 Fixed Rate in the case of the Class B-2 Notes, respectively, to an amount equal to the Principal Amount Outstanding in respect of such Authorised Integral Amount, multiplying the product by the number of days in the Accrual Period concerned (the number of days to be calculated on the basis of a year with 12 months of 30 days each) divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards);

where:

"**Class A-2 Fixed Rate**" means 1.164 per cent. per annum; and

"**Class B-2 Fixed Rate**" means 1.950 per cent. per annum.

(iv) Reference Banks and Calculation Agent

The Issuer will procure, so long as any Rated Notes remains Outstanding:

(1) that a Calculation Agent shall be appointed and maintained for the purposes of determining the interest rate and interest amount payable in respect of the Notes; and

(2) in the event that any Floating Rate of Interest in respect of any Class of Floating Rate Notes, is to be calculated by Reference Banks pursuant to paragraph (B) of Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class* E Notes and Class F Notes), the selection and appointment of such Reference Banks (subject to consultation with such parties as the Issuer may consider necessary) and the delivery to the Calculation Agent of the contact details thereof, in each case, for the purposes of such paragraphs.

If the Calculation Agent is unable or unwilling to continue to act as the Calculation Agent for the purpose of calculating interest hereunder or fails duly to establish any Floating Rate of Interest for any Accrual Period, or to calculate the Interest Amount on any Class of Floating Rate Notes, the Issuer shall (with the prior approval of the Trustee) appoint another leading bank to act as such in its place. The Calculation Agent may not resign its duties without a successor having been so appointed.

(f) Amounts payable in respect of Class M Subordinated Notes

(i) Solely in respect of the Class M Subordinated Notes, the Collateral Administrator will on each Determination Date calculate the amounts payable to the extent of available funds in respect of an original principal amount of the Class M Subordinated Notes equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The Interest Proceeds payable on each Payment Date in respect of an original principal amount of the Class M Subordinated Notes equal to the Authorised Integral Amount applicable thereto shall be calculated by multiplying

the amount of Interest Proceeds to be applied on the Class M Subordinated Notes on the applicable Payment Date pursuant to paragraph (BB) of the Interest Proceeds Priority of Payments, paragraph (S) of the Principal Proceeds Priority of Payments and paragraph (Y) of the Post-Acceleration Priority of Payments by a fraction equal to the Authorised Integral Amount applicable to the Class M Subordinated Notes, divided by the aggregate original principal amount of the Class M Subordinated Notes.

(g) Publication of Floating Rates of Interest, Interest Amounts and Deferred Interest

The Calculation Agent will cause the Floating Rates of Interest in respect of each Class of Floating Rate Notes and the Interest Amounts payable in respect of each Class of Rated Notes, the amount of any Deferred Interest due but not paid on any Class C Notes, Class D Notes, Class E Notes or Class F Notes for each Accrual Period and Payment Date and the Principal Amount Outstanding of each Class of Notes as of the applicable Payment Date to be notified to the Collateral Administrator, the Registrar, the Principal Paying Agent, the Transfer Agent, the Trustee and the Portfolio Manager, as soon as possible after their determination but in no event later than the fourth Business Day thereafter, and the Principal Paying Agent shall cause each such rate, amount and date (and, following receipt of notice thereof from the Portfolio Manager, the occurrence of a Frequency Switch Event) to be notified to the Noteholders of each Class in accordance with Condition 16 (*Notices*) as soon as possible following notification to the Principal Paying Agent but in no event later than the third Business Day after such notification. The Interest Amounts in respect of the Rated Notes or the Payment Date in respect of any Class of Notes so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Accrual Period. If the Notes become due and payable under Condition 10 (*Events of Default*), interest shall nevertheless continue to be calculated by the Calculation Agent in accordance with this Condition 6 (*Interest*) but no publication of the applicable Interest Amounts shall be made unless the Trustee so determines.

(h) Notifications, etc. to be Final

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6 (*Interest*), whether by the Reference Banks (or any of them) or the Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Reference Banks, the Calculation Agent, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders and (in the absence of manifest error in the case of the Reference Banks) no liability to the Issuer or the Noteholders of any Class shall attach to the Reference Banks or the Calculation Agent in connection with the exercise, non exercise or delay in exercise by them of their powers, duties and discretions under this Condition 6(h) (*Notifications, etc. to be Final*).

7. Redemption and Purchase

(a) Final Redemption

Save to the extent previously redeemed in full and cancelled, the Notes of each Class will be redeemed on the Maturity Date of such Notes. In the case of a redemption pursuant to this Condition 7(a) (*Final Redemption*), the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will be redeemed at their Redemption Price in accordance with the Note Payment Sequence and the Class M Subordinated Notes will be redeemed at their Redemption Price equal to their share of the amounts of Principal Proceeds to be applied towards such redemption pursuant to paragraph (S) of the Principal Proceeds Priority of Payments. Notes may not be redeemed other than in accordance with this Condition 7 (*Redemption and Purchase*).

(b) Optional Redemption

(i) Optional Redemption in Whole – Class M Subordinated Noteholders

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) and Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer at the applicable Redemption Prices:

(A) from Sale Proceeds or any Refinancing Proceeds (or a combination thereof), on any Business Day falling on or after expiry of the Non-Call Period at the direction of the Class M Subordinated Noteholders acting by Ordinary Resolution (with duly completed Redemption Notices); or

(B) from Sale Proceeds or any Refinancing Proceeds (or a combination thereof) upon the occurrence of a Collateral Tax Event on any Business Day falling after such occurrence at the direction of the Class M Subordinated Noteholders acting by Ordinary Resolution (with duly completed Redemption Notices).

(ii) Optional Redemption in Part – Class M Subordinated Noteholders or Portfolio Manager

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), the Rated Notes of any Class may be redeemed by the Issuer at the applicable Redemption Prices, solely from Refinancing Proceeds (in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below) on any Business Day falling on or after expiry of the Non-Call Period at the direction of the Class M Subordinated Noteholders acting by Ordinary Resolution (with duly completed Redemption Notices) or at the written direction of the Portfolio Manager. No such Optional Redemption may occur unless any Class of Rated Notes to be redeemed represents the entire Class of such Rated Notes.

(iii) Optional Redemption in Whole – Portfolio Manager

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer, at the applicable Redemption Prices, from Sale Proceeds (on any Business Day falling on or after expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period, the Aggregate Collateral Balance is less than 15 per cent. of the Target Par Amount and if directed in writing by the Portfolio Manager.

(iv) Terms and Conditions of an Optional Redemption

In connection with any Optional Redemption:

(A) the Issuer shall procure that at least 20 days' prior written notice of such Optional Redemption (such notice to state that such redemption is subject to satisfaction of the conditions set out in this Condition 7 (*Redemption and Purchase*) and include the applicable Redemption Date) and the relevant Redemption Price therefor, is given to the Trustee and the Noteholders in accordance with Condition 16 (*Notices*);

(B) the Rated Notes to be redeemed shall be redeemed at their applicable Redemption Prices;

(C) (other than pursuant to Condition 7(b)(v)(C) (*Refinancing in relation to a Redemption in Whole*) and Condition 7(b)(v)(D) (*Refinancing in relation to a Redemption in Part*)) the Portfolio Manager shall have no right or other ability to prevent an Optional Redemption directed by the Class M Subordinated Noteholders in accordance with this Condition 7(b) (*Optional Redemption*);

(D) any such redemption must comply with the procedures set out in Condition 7(b)(vii) (*Mechanics of Redemption*); and

(E) any redemption in part of the Notes pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Class M Subordinated Noteholders or Portfolio Manager*) may be effected solely from Refinancing Proceeds in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below.

(v) Optional Redemption effected in whole or in part through Refinancing

Following receipt by the Principal Paying Agent (on behalf of the Issuer) of (x) a direction from the Class M Subordinated Noteholders acting by way of Ordinary Resolution (with duly completed Redemption Notices); or (y) a direction in writing from the Portfolio Manager, as the case may be, to exercise any right of optional redemption pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Class M Subordinated Noteholders or Portfolio Manager*), the Issuer may:

(A) in the case of a redemption in whole of all Classes of Rated Notes (1), enter into a loan (as borrower thereunder) with one or more financial institutions or (2) issue replacement notes; and

(B) in the case of a redemption in part of the entire Class of a Class of Rated Notes, issue replacement notes (each, a "**Refinancing Obligation**"),

whose terms in each case will be negotiated by the Portfolio Manager on behalf of the Issuer (any such refinancing, a "Refinancing"). The terms of any Refinancing and the identity of any financial institutions acting as lenders or purchasers thereunder are subject to the prior written consent of the Portfolio Manager and each Refinancing is required to satisfy the conditions described in this Condition 7(b)(v) (Optional Redemption effected in whole or in part through Refinancing).

Refinancing Proceeds may be applied in addition to (or in place of) Sale Proceeds in the redemption of the Rated Notes in whole pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Class M Subordinated Noteholders*). In addition, Refinancing Proceeds may be applied in the redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Class M Subordinated Noteholders or Portfolio Manager*).

In connection with a Refinancing pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Class M Subordinated Noteholders*) or Condition 7(b)(ii) (*Optional Redemption in Part – Class M Subordinated Noteholders or Portfolio Manager*), the Portfolio Manager may designate Principal Proceeds as Interest Proceeds in an amount not to exceed the Excess Par Amount, which amount shall be transferred from the Principal Account to the Interest Account pursuant to Condition 3(j)(i)(6) (*Payments to and from the Accounts – Principal Account*) provided that the Portfolio Manager shall give notice to each Rating Agency of such designated amount.

(C) Refinancing in relation to a Redemption in Whole

In the case of a Refinancing in relation to the redemption of the Rated Notes in whole but not in part pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Class M Subordinated Noteholders*) as described above, such Refinancing will be effective only if:

(1) the Issuer provides prior written notice thereof to S&P and Moody's;

(2) all Refinancing Proceeds, all Sale Proceeds, if any, from the sale of Collateral Debt Obligations and Eligible Investments and all other available funds will be at least sufficient to pay any Refinancing Costs (including, for the avoidance of doubt, all Trustee Fees and Expenses and Administrative Expenses incurred in connection with such Refinancing) and all amounts due and payable in respect of all Classes of Notes save for the Class M Subordinated Notes (including without limitation Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) and all amounts payable in priority to the Class M Subordinated Notes pursuant to the Priorities of Payment on such Redemption Date when applied in accordance with the Post-Acceleration Priority of Payments;

(3) all Principal Proceeds, Refinancing Proceeds, Sale Proceeds, if any, and other available funds are used (to the extent necessary) to make such redemption;

(4) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed;

(5) all Refinancing Proceeds and all Sale Proceeds, if any, from the sale of Collateral Debt Obligations and Eligible Investments, are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date;

(6) the Portfolio Manager has consented in writing to such Refinancing;

(7) any issuance of replacement notes would not result in non-compliance by the Portfolio Manager with the EU Retention Requirements; and

(8) any issuance of replacement notes would not result in non-compliance by the Portfolio Manager with the U.S. Risk Retention Rules,

in each case, as certified to the Issuer and the Trustee by the Portfolio Manager.

(D) Refinancing in relation to a Redemption in Part

In the case of a Refinancing in relation to a redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Class M Subordinated Noteholders or Portfolio Manager*), such Refinancing will be effective only if:

(1) the Issuer provides prior written notice thereof to S&P and Moody's;

(2) the Refinancing Obligations are in the form of notes;

(3) any redemption of a Class of Notes is a redemption of the entire Class which is subject to the redemption;

(4) the sum of (A) the Refinancing Proceeds and (B) the amount of Interest Proceeds standing to the credit of the Interest Account in excess of the aggregate amount of Interest Proceeds which would

be applied in accordance with the Interest Priority of Payments prior to paying any amount in respect of the Class M Subordinated Notes (for the avoidance of doubt, after taking into account any amount of Portfolio Management Fees that the Portfolio Manager has elected to defer in accordance with these Conditions) will be at least sufficient to pay in full (a) the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption plus (b) all accrued and unpaid Trustee Fees and Expenses and Administrative Expenses in connection with such Refinancing;

(5) the Refinancing Proceeds are used (to the extent necessary) to make such redemption;

(6) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed;

(7) the aggregate principal amount of the Refinancing Obligations is equal to the aggregate Principal Amount Outstanding of the Class or Classes of Notes being redeemed with the Refinancing Proceeds;

(8) the maturity date of each class of Refinancing Obligation is the same as the Maturity Date of the Class or Classes of Notes being redeemed with the Refinancing Proceeds;

(9) the interest rate of any Refinancing Obligations will not be greater than the interest rate of the Rated Notes subject to such Optional Redemption;

(10) payments in respect of the Refinancing Obligations are subject to the Priorities of Payment and rank at the same priority pursuant to the Priorities of Payment as the relevant Class or Classes of Rated Notes being redeemed;

(11) the voting rights, consent rights, redemption rights (other than any modification to remove the right of the Class M Subordinated Noteholders or any other party to direct the Issuer to redeem by refinancing the Refinancing Obligations) and all other rights of the Refinancing Obligations (other than in respect of the Applicable Margin) are the same as the rights of the corresponding Class of Rated Notes being redeemed;

(12) all Refinancing Proceeds are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date;

(13) (other than with respect to an Optional Redemption in part directed by the Portfolio Manager) the Portfolio Manager has consented in writing to such Refinancing;

(14) any issuance of replacement notes would not result in non-compliance by the Portfolio Manager with the EU Retention Requirements; and

(15) any issuance of replacement notes would not result in non-compliance by the Portfolio Manager with the U.S. Risk Retention Rules,

in each case, as certified to the Issuer and the Trustee by the Portfolio Manager.

If, in relation to a proposed optional redemption of the Notes, any of the conditions specified in this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) are not satisfied, the Issuer shall cancel the relevant redemption of the Notes and shall give notice of such cancellation to the Trustee, the Portfolio Manager and the Noteholders in accordance with Condition 16 (*Notices*).

None of the Issuer, the Portfolio Manager, the Collateral Administrator or the Trustee shall be liable to any party, including the Class M Subordinated Noteholders, for any failure to obtain a Refinancing.

The Trustee will be entitled to conclusively rely and without enquiry or liability upon any evidence, confirmation or certificate provided by the Issuer or the Portfolio Manager pursuant to or in connection with this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

(E) Consequential Amendments

In connection with a Refinancing, the Trustee shall agree to the modification of the Trust Deed, the other Transaction Documents and the entry into new Transaction Documents (where required) to be entered into or become effective upon the Refinancing to the extent the Issuer certifies that any such modification or entry into new Transaction Documents is necessary to reflect the terms of the Refinancing (including any modification to remove the right of the Class M Subordinated Noteholders or any other party to direct the Issuer to redeem by refinancing the Refinancing Obligations), subject to as provided below. No further consent for such amendments and/or entry into new Transaction Documents shall be required from the holders of Notes other than from the holders of the Class M Subordinated Notes acting by way of an Ordinary Resolution.

The Trustee will not be obliged to enter into any modification that, in its opinion would have the effect of (1) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (2) adding to or increasing its duties, obligations or liabilities or decreasing its rights, powers, authorisations, indemnities or protections under the Trust Deed or any other Transaction Document, and the Trustee will be entitled to conclusively rely upon an officer's certificate and/or opinion of counsel as to matters of law (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering such opinion of counsel) provided by the Issuer or any other party to the Transaction Documents to the effect that such amendment meets the requirements specified above and is permitted under the Trust Deed and these Conditions without the consent of the holders of the Notes save as provided in the preceding paragraph (except that such officer or counsel will have no obligation to certify or opine as to the sufficiency of the Refinancing Proceeds).

(vi) Optional Redemption effected through Liquidation only

Following receipt of notice from the Issuer, or as the case may be, of confirmation from the Principal Paying Agent, of (A) a direction in writing from the requisite percentage of Class M Subordinated Noteholders, (B) a direction in writing from the requisite percentage of the Controlling Class or (C) a direction in writing from the Portfolio Manager, as the case may be, to exercise any right of optional redemption pursuant to this Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*) to be effected solely through the liquidation or realisation of the Portfolio, the Collateral Administrator shall, as soon as practicable, and in any event not later than 17 Business Days prior to the scheduled Redemption Date (the "**Redemption Determination Date**"), provided that the Collateral Administrator has received such notice or confirmation (as applicable) at

least 20 Business Days prior to the scheduled Redemption Date, calculate the Redemption Threshold Amount in consultation with the Portfolio Manager. The Portfolio Manager or any Portfolio Manager Related Person will be permitted to purchase Collateral Debt Obligations in the Portfolio where the Class M Subordinated Noteholders exercise their right of early redemption pursuant to this Condition 7(b) (*Optional Redemption*).

The Notes shall not be optionally redeemed where such Optional Redemption is to be effected solely through the liquidation or realisation of the Portfolio unless:

(A) at least five Business Days before the scheduled Redemption Date the Portfolio Manager shall have certified to the Trustee that the Portfolio Manager on behalf of the Issuer has entered into a binding agreement or agreements with a financial or other institution or institutions (which (1) either (x) has a short-term senior unsecured rating of "P-1" by Moody's or (y) in respect of which Rating Agency Confirmation from Moody's has been obtained and (2) either (x) if it has a short-term issuer credit rating of at least "A-1" by S&P then a long-term issuer credit rating of at least "A" by S&P, or if it does not have a short-term issuer credit rating of at least "A-1" by S&P, then a long-term issuer credit rating of at least "A+" by S&P, or (y) in respect of which a Rating Agency Confirmation from S&P has been obtained) to purchase (directly or by participation or other arrangement) from the Issuer, not later than the Business Day immediately preceding the scheduled Redemption Date in immediately available funds, all or part of the Portfolio at a purchase price at least sufficient, together with the Eligible Investments maturing, redeemable or putable to the issuer thereof at par on or prior to the scheduled Redemption Date, to meet the Redemption Threshold Amount; or

(B) (1) prior to selling any Collateral Debt Obligations and/or Eligible Investments, the Portfolio Manager certifies to the Trustee that, in its judgment, the aggregate sum of (a) expected proceeds from the sale of Eligible Investments, and (b) for each Collateral Debt Obligation, the product of its Principal Balance and its Market Value, shall be at least sufficient to meet the Redemption Threshold Amount; and (2) at least two Business Days before the scheduled Redemption Date, the Issuer shall have received proceeds of disposition of all or part of the Portfolio at least sufficient to meet the Redemption Threshold Amount.

Prior to the scheduled Redemption Date, the Collateral Administrator shall give notice to the Trustee in writing of the amount of all expenses of which it has written notice that there has been or will be incurred by the Issuer up to and including the scheduled Redemption Date in effecting such liquidation.

Any certification delivered by the Portfolio Manager pursuant to this section must include (I) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Debt Obligations and/or Eligible Investments and (II) all calculations required by this Condition 7(b) (*Optional Redemption*). Any Noteholder, the Portfolio Manager or any Portfolio Manager Related Person shall have the right, subject to the same terms and conditions afforded to other bidders, to bid on Collateral Debt Obligations to be sold as part of an Optional Redemption pursuant to this Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*).

The Trustee will be entitled to conclusively rely without enquiry or liability upon any evidence, confirmation or certificate of, or formalised by the Portfolio Manager pursuant to or in connection with this Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*).

If neither of the Conditions (A) or (B) above are satisfied, the Issuer shall cancel the redemption of the Notes and shall give notice of such cancellation to the Trustee, the

Portfolio Manager, the Collateral Administrator and the Noteholders in accordance with Condition 16 (*Notices*). Such cancellation shall not constitute an Event of Default.

If the condition in Condition (B)(1) above is satisfied and the condition in (B)(2) is not satisfied on the Business Day immediately prior to the Redemption Date solely as result of the fact that one or more of the trades has not been settled on or prior to that date, the Issuer shall give notice of such to the Trustee, the Collateral Administrator and the Noteholders in accordance with Condition 16 (*Notices*) and the Class M Subordinated Noteholders (acting by Ordinary Resolution) shall have the right subject to the written consent of the Portfolio Manager to elect to direct the Issuer to redeem the Notes on a date falling not less than 3 days after the first date notified to Noteholders as the date of such redemption (the "**Original Redemption Date**") and no more than 30 Business Days after the Original Redemption Date.

The provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and this Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*) shall apply as conditions to a redemption at the election of the Class M Subordinated Noteholders pursuant to this Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*), provided that, subject to the prior written consent of the Portfolio Manager, the notice period in Condition 7(b)(iv)(A) (*Terms and Conditions of an Optional Redemption*) shall be read as seven days' written notice (rather than 20 days' prior written notice) and the Redemption Determination Date shall be 3 Business Day prior to any such Redemption Date (rather than 17 Business Days prior to the scheduled Redemption Date).

(vii) Mechanics of Redemption

Following calculation by the Collateral Administrator (in consultation with the Portfolio Manager) of the relevant Redemption Threshold Amount, if applicable, the Collateral Administrator (in consultation with the Portfolio Manager) shall make such other calculations as it is required to make pursuant to the Portfolio Management Agreement and shall notify the Issuer, the Trustee, the Portfolio Manager and the Registrar, whereupon the Issuer shall notify the Noteholders (in accordance with Condition 16 (*Notices*)) of such amounts.

The Class M Subordinated Noteholders' and the Controlling Class' option in Condition 7(b) (*Optional Redemption*) and Condition 7(g) (*Redemption following Note Tax Event*) may be exercised by the Noteholders of a Definitive Certificate or Global Certificate (as applicable) representing Class M Subordinated Notes or the Controlling Class (as applicable) giving notice to the Registrar of the principal amount of Class M Subordinated Notes or Notes representing the Controlling Class (as applicable) in respect of which the option is exercised and presenting such Definitive Certificate or Global Certificate (as applicable) for endorsement of exercise within the time limit specified in Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*), as applicable.

Any exercise of a right of Optional Redemption by the Class M Subordinated Noteholders pursuant to this Condition 7(b) (*Optional Redemption*) or the Controlling Class pursuant to Condition 7(g) (*Redemption following Note Tax Event*) shall be effected by delivery to a Transfer Agent (copied to the Registrar), by the requisite amount of Class M Subordinated Noteholders or the requisite amount of Notes comprising the Controlling Class (as applicable) of duly completed Redemption Notices (i) in the case of a direction to redeem the Notes given by the Class M Subordinated Noteholders pursuant to Condition 7(b) (*Optional Redemption*) where the redemption is not funded solely from Refinancing Proceeds, not less than 45 days, (ii) in all other cases, not less than 30 days, prior to the proposed Redemption Date or such shorter period of time as the Issuer and the Trustee (in the case of (i)) or the Issuer and the Portfolio Manager (in all other cases) find reasonably acceptable (and no consent for such shorter period shall be required from the Trustee other than in the case of (i)).

No Ordinary Resolution or Extraordinary Resolution (or any associated Redemption Notice) or any direction given by the Portfolio Manager may be withdrawn without the prior consent of the Issuer. The Registrar shall copy each Redemption Notice or any direction given by the Portfolio Manager received to each of the Issuer, the Trustee, the Collateral Administrator and, if applicable, the Portfolio Manager. Notwithstanding anything else in this Condition 7 (*Redemption and Purchase*), where a right of Optional Redemption is to be exercised by way of an Ordinary Resolution or an Extraordinary Resolution of a meeting of the Class M Subordinated Noteholders or the Controlling Class (as applicable), no Redemption Notices shall be required to be issued in connection therewith.

The Portfolio Manager shall notify the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and the Principal Paying Agent upon satisfaction of all of the conditions set out in this Condition 7(b) (*Optional Redemption*) and shall arrange for liquidation and/or realisation of the Portfolio in whole or in part as necessary, on behalf of the Issuer in accordance with the Portfolio Management Agreement. The Issuer shall deposit, or cause to be deposited, the funds required for an optional redemption of the Notes in accordance with this Condition 7(b) in the Payment Account on or before the Business Day prior to the applicable Redemption Date (or, in the case of a Refinancing, on or before the applicable Redemption Date). Principal Proceeds and Interest Proceeds received in connection with a redemption in whole of all the Rated Notes shall be payable in accordance with the Post-Acceleration Priority of Payments. Any redemption in whole of a Class of Rated Notes (other than a redemption in whole of all Classes of Rated Notes) shall be paid to the holders of such Class of Notes.

(viii) Optional Redemption of Class M Subordinated Notes

The Class M Subordinated Notes may be redeemed at their Redemption Price, in whole but not in part, on any Business Day on or after the redemption or repayment in full of the Rated Notes, at the direction of either of (x) the Class M Subordinated Noteholders (acting by Ordinary Resolution, and with duly completed Redemption Notices) or (y) the Portfolio Manager.

(c) Mandatory Redemption upon Breach of Coverage Tests

(i) Class A Notes and Class B Notes

If the Class A/B Par Value Test is not met on any Determination Date on and after the Effective Date or if the Class A/B Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date and any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes and the Class B Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

(ii) Class C Notes

If the Class C Par Value Test is not met on any Determination Date on and after the Effective Date or if the Class C Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date and any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes and the Class C Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

(iii) Class D Notes

If the Class D Par Value Test is not met on any Determination Date on and after the Effective Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until the Class D Par Value Test is satisfied if recalculated following such redemption.

(iv) Class E Notes

If the Class E Par Value Test is not met on any Determination Date on and after the Effective Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until the Class E Par Value Test is satisfied if recalculated following such redemption.

(d) Special Redemption

Principal payments on the Notes shall be made in accordance with the Principal Proceeds Priority of Payments at the sole and absolute discretion of the Portfolio Manager (acting on behalf of the Issuer) if, at any time during the Reinvestment Period, the Portfolio Manager (acting on behalf of the Issuer) certifies to the Trustee that using reasonable endeavours it has been unable, for a period of 20 consecutive Business Days, to identify additional Collateral Debt Obligations that are deemed appropriate by the Portfolio Manager (acting on behalf of the Issuer) in its discretion which meet the Eligibility Criteria or, to the extent applicable, the Reinvestment Criteria, in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Principal Account that are to be invested in additional Collateral Debt Obligations (a "**Special Redemption**"). On the first Payment Date following the Due Period in which such notice is given (a "**Special Redemption Date**"), the funds in the Principal Account representing Principal Proceeds which, using reasonable endeavours, cannot be reinvested in additional Collateral Debt Obligations or Substitute Collateral Debt Obligations (the "**Special Redemption Amount**") will be applied in accordance with paragraph (O) of the Principal Proceeds Priority of Payments. Notice of payments pursuant to this Condition 7(d) (*Special Redemption*) shall be given by the Issuer in accordance with Condition 16 (*Notices*) not less than three Business Days prior to the applicable Special Redemption Date to each Noteholder and to each Rating Agency. For the avoidance of doubt, the exercise of a Special Redemption shall be at the sole and absolute discretion of the Portfolio Manager (acting on behalf of the Issuer) and the Portfolio Manager shall be under no obligation to, or have any responsibility for, any Noteholder or any other person for the exercise or non exercise (as applicable) of such Special Redemption.

The Trustee will be entitled to conclusively rely without enquiry or liability upon any evidence, confirmation or certificate provided by the Issuer or the Portfolio Manager pursuant to or in connection with this Condition 7(d) (*Special Redemption*).

(e) Redemption upon Effective Date Rating Event

In the event that as at the Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, either (i) the Issuer, at the direction of the Portfolio Manager, shall purchase additional Collateral Debt Obligations until an Effective Date Rating Event is no longer continuing or (ii) the Rated Notes shall be redeemed in accordance with the Note Payment Sequence on such Payment Date and thereafter on each Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment, in each case, until redeemed in full or, if earlier, until an Effective Date Rating Event is no longer continuing.

(f) Redemption Following Expiry of the Reinvestment Period

Following expiry of the Reinvestment Period, the Issuer shall, on each Payment Date occurring thereafter, apply Principal Proceeds transferred to the Payment Account immediately prior to the related Payment Date in redemption of the Notes at their applicable Redemption Prices in accordance with the Priorities of Payment.

(g) Redemption following Note Tax Event

Upon the occurrence of a Note Tax Event, the Issuer shall, subject to and in accordance with the terms of the Trust Deed, use all reasonable efforts to cure that Note Tax Event (which may include arranging for the substitution of a company incorporated in another jurisdiction, or changing the jurisdiction in which it is resident for tax purposes to another jurisdiction which, at the time of such change, would not give rise to a Note Tax Event). Upon the earlier of (a) the date upon which the Issuer certifies to the Trustee (upon which the Trustee may rely conclusively and without liability) and the Noteholders (in accordance with Condition 16 (*Notices*)) that it is not able to cure the Note Tax Event and (b) the date which is 90 days from the date upon which the Issuer first becomes aware of such Note Tax Event (*provided that* such 90 day period shall be extended by a further 90 days in the event that during the former period the Issuer has notified (or procured the notification of) the Trustee and the Noteholders that, based on advice received by it, it expects that it shall be able to cure the Note Tax Event by the end of the latter 90 day period), the Controlling Class acting by way of Extraordinary Resolution, or the Class M Subordinated Noteholders acting by way of Ordinary Resolution (and in each case with duly completed Redemption Notices), may elect that the Notes of each Class are redeemed, in whole but not in part on any Business Day thereafter at their respective Redemption Prices in accordance with the Note Payment Sequence, in which case the Issuer shall so redeem the Notes on such terms, *provided that* such Note Tax Event would affect payment of principal or interest in respect of the Controlling Class or, as the case may be, the Class M Subordinated Notes (in addition to any other Class of Notes) on such Business Day; provided further that such redemption of the Notes, whether pursuant to the exercise of such option by the Controlling Class or the Class M Subordinated Noteholders, shall take place in accordance with the procedures set out in Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and 7(b)(v)(A) (*Optional Redemption effected in whole or in part through Refinancing*) (if the relevant instructing party chooses to redeem the Notes by way of refinancing), Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*) (if the relevant instructing party chooses to redeem the Notes by way of liquidation) and (in all cases) Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(vii) (*Mechanics of Redemption*).

(h) Redemption

Unless otherwise specified in this Condition 7 (*Redemption and Purchase*), all Notes in respect of which any notice of redemption is given shall be redeemed on the Redemption Date at their applicable Redemption Prices and to the extent specified in such notice and in accordance with the requirements of this Condition 7 (*Redemption and Purchase*) and in accordance with the Priorities of Payment.

(i) Cancellation and Purchase

All Notes redeemed in full by the Issuer will be cancelled and may not be reissued or resold.

No Note may be surrendered (including in connection with any abandonment, donation, gift, contribution or other event or circumstance) except for payment as provided herein for cancellation pursuant to Condition 7(k) (*Purchase*) below, for registration of transfer, exchange or redemption, or for replacement in connection with any Note mutilated, defaced or deemed lost or stolen.

In respect of Notes represented by a Global Certificate, cancellation of any Note required by the Conditions of the Notes to be cancelled will be effected by reduction in the principal amount of the Notes on the Register, with a corresponding notation made on the applicable Global Certificate.

(j) Notice of Redemption

The Issuer shall procure that notice of any redemption in accordance with this Condition 7 (*Redemption and Purchase*) (which notice shall be irrevocable) is given to each Hedge Counterparty, the Trustee and the Noteholders in accordance with Condition 16 (*Notices*) and promptly in writing to the Rating Agencies.

(k) Purchase

On any Payment Date, at the discretion of the Portfolio Manager acting on behalf of the Issuer in accordance with and subject to the terms of the Portfolio Management Agreement, the Issuer may, subject to the conditions below, purchase any of the Rated Notes (in whole or in part), using (x) Principal Proceeds standing to the credit of the Principal Account, the Contribution Account or the Supplemental Reserve Account or (y) Deferred Subordinated Portfolio Management Amounts or (z) Additional Subordinated Note Proceeds.

No purchase of Rated Notes by the Issuer may occur unless each of the following conditions is satisfied:

(i) such purchase of Rated Notes shall occur in the following sequential order of priority: *first*, the Class A Notes until the Class A Notes are redeemed or purchased in full and cancelled; *second*, the Class B Notes, until the Class B Notes are redeemed or purchased in full and cancelled; *third*, the Class C Notes, until the Class C Notes are redeemed or purchased in full and cancelled; *fourth*, the Class D Notes, until the Class D Notes are redeemed or purchased in full and cancelled; *fifth*, the Class E Notes, until the Class E Notes are redeemed or purchased in full and cancelled; and *sixth*, the Class F Notes, until the Class F Notes are redeemed or purchased in full and cancelled;

(ii) (A) each such purchase of Rated Notes of any Class shall be made pursuant to an offer made to all holders of the Rated Notes of such Class, by notice to such holders, which notice shall specify the purchase price (as a percentage of par) at which such purchase will be effected, the maximum amount of Principal Proceeds and Supplemental Reserve Amounts that will be used to effect such purchase and the length of the period during which such offer will be open for acceptance;

(B) each such holder of a Rated Note shall have the right, but not the obligation, to accept such offer in accordance with its terms;

(iii) if the aggregate Principal Amount Outstanding of Notes of the relevant Class held by holders who accept such offer exceeds the amount of Principal Proceeds specified in such offer, a portion of the Notes of each accepting holder shall be purchased *pro rata* based on the respective Principal Amount Outstanding held by each such holder subject to adjustment for Authorised Denominations if required; each such purchase shall be effected only at prices discounted from par;

(iv) each such purchase of Rated Notes shall occur prior to the expiry of the Reinvestment Period;

(v) each Coverage Test is satisfied immediately prior to each such purchase and will be satisfied after giving effect to such purchase or, if any Coverage Test is not satisfied it shall be at least maintained or improved after giving effect to such purchase as it was immediately prior thereto;

(vi) if Sale Proceeds are used to consummate any such purchase, either:

(A) each requirement or test, as the case may be, of the Portfolio Profile Tests and the Collateral Quality Tests will be satisfied after giving effect to such purchase; or

(B) if any requirement or test, as the case may be, of the Portfolio Profile Tests and the Collateral Quality Tests was not satisfied immediately prior to such purchase, such requirement or test will be maintained or improved after giving effect to such purchase;

(vii) no Event of Default shall have occurred and be continuing;

(viii) any Rated Notes to be purchased shall be surrendered to the Registrar for cancellation and may not be reissued or resold;

(ix) each such purchase will otherwise be conducted in accordance with applicable law (including the laws of Ireland);

(x) such purchase of Rated Notes would not cause the issuance and offering of the Notes to cease to comply with the EU Retention Requirements; and

(xi) in the determination of the Portfolio Manager, such purchase of Rated Notes would not cause the Portfolio Manager to cease to comply with the U.S. Risk Retention Rules.

Upon instruction by the Issuer, the Registrar shall cancel any such purchased Rated Notes surrendered to it for cancellation. The cancellation (and/or decrease, as applicable) of any such surrendered Notes shall be taken into account for purposes of all relevant calculations. The Issuer shall procure that notice of any such purchase of Rated Notes by it is given promptly in writing to S&P, the Noteholders (in accordance with Condition 16 (*Notices*)) and the Trustee.

(l) The Trustee will be entitled to conclusively rely and without enquiry or liability upon any evidence, confirmation or certificate provided by the Issuer or the Portfolio Manager pursuant to or in connection with this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

8. Payments

(a) Method of Payment

Payments of principal upon final redemption in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of such Note at the specified office of the Principal Paying Agent by wire transfer. Payments of interest on each Note and, prior to redemption in full thereof, principal in respect of each Note, will be made by wire transfer. Upon application of the holder to the specified office of the Principal Paying Agent not less than five Business Days before the due date for any payment in respect of a Note, the payment may be made (in the case of any final payment of principal against presentation and surrender (or, in the case of part payment only of such final payment, endorsement) of such Note as provided above) by wire transfer, in immediately available funds, on the due date to a Euro account maintained by the payee with a bank in Western Europe.

Payments of principal and interest in respect of Notes represented by a Global Certificate will be made to the registered holder and, if no further payment falls to be made in respect of the relevant Notes, upon surrender of such Global Certificate to or to the order of the Principal Paying Agent or such other Transfer Agent as shall have been notified to the relevant Noteholders for such purpose. On each occasion on which a payment of interest (unless the Notes represented thereby do not bear interest) or principal is made in respect of the relevant Global Certificate, the Registrar shall note the same in the Register and cause the aggregate principal amount of the Notes represented by a Global Certificate to be decreased accordingly.

(b) Payments

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives (including FATCA), but without prejudice to the provisions of Condition 9 (*Taxation*). No commission shall be charged to the Noteholders.

(c) Payments on Presentation Days

A holder shall be entitled to present a Note for payment only on a Presentation Date and shall not, except as provided in Condition 6 (*Interest*), be entitled to any further interest or other payment if a Presentation Date falls after the due date.

If a Note is presented for payment at a time when, as a result of differences in time zones it is not practicable to transfer the relevant amount to an account as referred to above for value on the relevant Presentation Date, the Issuer shall not be obliged so to do but shall be obliged to transfer the relevant amount to the account for value on the first practicable date after the Presentation Date.

(d) Principal Paying Agent and Transfer Agents

The names of the initial Principal Paying Agent and Transfer Agent and their initial specified offices are set out below. The Issuer reserves the right at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of the Principal Paying Agent and any Transfer Agent and appoint additional or other Agents, *provided that* it will maintain a Principal Paying Agent as approved in writing by the Trustee and shall procure that it shall at all times maintain a Custodian, Account Bank, Portfolio Manager and Collateral Administrator. Notice of any change in any Agent or their specified offices or in the Portfolio Manager or Collateral Administrator will promptly be given to the Noteholders by the Issuer in accordance with Condition 16 (*Notices*).

9. Taxation

All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Ireland, or any other jurisdiction, or any political sub-division or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. For the avoidance of doubt, the Issuer shall not be required to gross up any payments made to Noteholders of any Class and shall withhold or deduct from any such payments any amounts on account of such tax where so required by law (including FATCA) or any such relevant taxing authority. Any such withholding or deduction shall not constitute an Event of Default under Condition 10(a) (*Events of Default*).

Subject as provided below, if the Issuer certifies (upon which certificate the Trustee may rely conclusively without enquiry or liability) to the Trustee that it has or will on the occasion of the next payment due in respect of the Notes of any Class become obliged to withhold or account for tax so that it would be unable to make payment of the full amount that (if not for such withholding) is, or would be, due because of the imposition of such tax, the Issuer (save as provided below) shall use all reasonable endeavours to arrange its affairs such that there is no such obligation to deduct or withhold (which may include arranging for the substitution of a company incorporated in another jurisdiction approved by the Trustee as the principal obligor under the Notes of such Class, or changing its tax residence to another jurisdiction approved by the Trustee), subject to receipt of Rating Agency Confirmation in relation to such change and in accordance with the Trust Deed.

Notwithstanding the above, if any taxes referred to in this Condition 9 (*Taxation*) arise:

(a) due to any present or former connection of any Noteholder (or between a fiduciary, settlor, beneficiary, member or shareholder of such Noteholder if such Noteholder is an estate, a trust, a partnership, or a corporation) with the jurisdiction in which the tax is imposed (including without limitation, such Noteholder (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having had a permanent establishment therein) otherwise than by reason only of the holding of any Note or receiving principal or interest in respect thereof;

(b) by reason of the failure by the relevant Noteholder to comply with any applicable procedures required to establish non residence or other similar claim for exemption from such tax or to

provide information concerning nationality, residency or connection with such jurisdiction or other applicable taxing authority;

(c) in connection with FATCA; or

(d) any combination of the preceding clauses (a) through (c) inclusive,

the requirement to arrange its affairs such that there is no such obligation to deduct or withhold shall not apply.

10. Events of Default

(a) Events of Default

Any of the following events shall constitute an "**Event of Default**":

(i) Non payment of interest

the Issuer fails to pay any interest in respect of any Class A-1 Note, Class A-2 Note, Class B-1 Note or Class B-2 Note when the same becomes due and payable (save, in each case, as the result of any deduction therefrom or the imposition of withholding thereon in the circumstances described in Condition 9 (*Taxation*)) and provided that any such failure to pay such interest in such circumstances continues for a period of at least five Business Days (save in the case of a failure to disburse due to an administrative error or omission only, where such failure continues for a period of at least seven Business Days);

(ii) Non payment of principal

the Issuer fails to pay any principal when the same becomes due and payable (save as the result of any deduction therefrom or the imposition or withholding thereon in the circumstances described in Condition 9 (*Taxation*)) on any Note on any Redemption Date (other than in respect of a Mandatory Redemption) *provided that*, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least seven Business Days after the Collateral Administrator receives written notice of, or has actual knowledge of, such administrative error or omission and provided further that, failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the Conditions or, in the case of an Optional Redemption with respect to which a Refinancing fails, will not constitute an Event of Default;

(iii) Default under Priorities of Payment

the failure on any Payment Date to disburse amounts (other than (i) or (ii) above) available in the Payment Account in excess of €1,000 and payable in accordance with the Priorities of Payment and continuation of such failure for a period of five Business Days or, in the case of a failure to disburse due to an administrative error or omission, or another non-credit-related reason (as determined by the Portfolio Manager acting in a commercially reasonable manner and certified in writing to the Trustee (upon which certification the Trustee may rely absolutely and without enquiry or liability), but without liability as to such determination) by the Issuer, the Collateral Administrator, Euroclear or Clearstream, Luxembourg, as the case may be, and such failure continues for ten Business Days after the Issuer or the Collateral Administrator receives written notice of, or has actual knowledge of, such administrative error or omission or failure to so disburse due to such other non-credit-related reason;

(iv) Collateral Debt Obligations

on any Measurement Date on and after the Effective Date, the fraction expressed as a percentage, (A) the numerator of which is equal to (1) the Aggregate Collateral Balance (excluding any Defaulted Obligations) *plus* (2) the aggregate Market Value

of all Defaulted Obligations on such date and (B) the denominator of which is equal to the Principal Amount Outstanding of the Class A Notes, is less than 102.5 per cent.;

(v) Breach of Other Obligations

except as otherwise provided in this definition of "Event of Default" a default in a material respect in the performance by, or breach in a material respect of any material covenant of, the Issuer under the Trust Deed or these Conditions (*provided that* any failure to meet any Portfolio Profile Test, Collateral Quality Test, Coverage Test or the Reinvestment Overcollateralisation Test is not an Event of Default and any failure to satisfy the Effective Date Determination Requirements is not an Event of Default, except in each case to the extent provided in paragraph (iv) above) or the failure of any material representation or warranty of the Issuer made in the Trust Deed or these Conditions or in any certificate or other writing delivered pursuant thereto or in connection therewith to be correct in each case in all material respects when the same shall have been made, and the continuation of such default, breach or failure for a period of 30 days after notice to the Issuer and the Portfolio Manager by hand, by registered or certified mail or courier, from the Trustee, the Issuer, or the Portfolio Manager, or to the Issuer, the Portfolio Manager and the Trustee from the Controlling Class acting pursuant to an Ordinary Resolution, specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Trust Deed; *provided that* if the Issuer (as notified to the Trustee by the Portfolio Manager in writing) has commenced curing such default, breach or failure during the 30 day period specified above, such default, breach or failure shall not constitute an Event of Default under this paragraph (v) unless it continues for a period of 60 days (rather than, and not in addition to, such 30 day period specified above) after notice thereof in accordance herewith. For the purposes of this paragraph (v), the materiality of such default, breach, covenant, representation or warranty shall be determined by the Trustee;

(vi) Insolvency Proceedings

proceedings are initiated against the Issuer under any applicable liquidation, insolvency, examinership, bankruptcy, composition, reorganisation or other similar laws (together, "**Insolvency Law**"), or a receiver, administrative receiver, trustee, administrator, custodian, examiner, conservator, liquidator, curator or other similar official (a "**Receiver**") is appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer and in any of the foregoing cases, except in relation to the appointment of a Receiver, is not discharged within 30 days; or the Issuer is subject to, or initiates or consents to judicial proceedings relating to itself under any applicable Insolvency Law, or seeks the appointment of a Receiver, or makes a conveyance or assignment for the benefit of its creditors generally or otherwise becomes subject to any reorganisation or amalgamation (other than on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Controlling Class);

(vii) Illegality

it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes; or

(viii) Investment Company Act

the Issuer or any of the Collateral becomes required to register as an "Investment Company" under the Investment Company Act and such requirement continues for 45 days.

(b) Acceleration

(i) If an Event of Default occurs and is continuing, the Trustee may, at its discretion and shall, at the request of the Controlling Class acting by way of Extraordinary Resolution, (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction) give notice to the Issuer and the Portfolio Manager that all the Notes are immediately due and repayable (such notice, an "**Acceleration Notice**"), *provided that* following an Event of Default described in paragraph (vi) of Condition 10(a) (*Events of Default*), an Acceleration Notice shall be deemed to have been given to the Issuer and the Portfolio Manager.

(ii) Upon any such Acceleration Notice being given (or deemed to have been given) to the Issuer and the Portfolio Manager in accordance with Condition 10(b)(i) (*Acceleration*), all of the Notes shall immediately become due and repayable at their applicable Redemption Price and the Issuer shall provide written notice thereof to each Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force.

(c) Curing of Default

At any time after an Acceleration Notice has been given (whether deemed or otherwise) pursuant to Condition 10(b) (*Acceleration*) following the occurrence of an Event of Default and prior to enforcement of the security pursuant to Condition 11 (*Enforcement*), the Trustee, subject to receipt of consent from the Controlling Class, may and shall, if so requested by the Controlling Class, in each case, acting by Ordinary Resolution, (and subject, in each case, to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction) rescind and annul such notice of acceleration under Condition 10(b)(i) (*Acceleration*) above and its consequences if:

(i) the Issuer has paid or deposited with the Trustee (or to its order) a sum sufficient to pay:

(A) all overdue payments of interest and principal on the Notes, other than the Class M Subordinated Notes;

(B) all due but unpaid taxes owing by the Issuer, as certified by an Authorised Officer of the Issuer to the Trustee;

(C) all unpaid Administrative Expenses and Trustee Fees and Expenses (in each case, without regard to the Senior Expenses Cap); and

(D) all amounts due and payable by the Issuer under any Hedge Transaction,

and, other than in relation to the amounts described in paragraph (C) above, excluding any amounts due solely as a result of the acceleration of the Notes under Condition 10(b) (*Acceleration*) above; and

(ii) the Trustee has determined that all Events of Default, other than the non-payment of the interest in respect of, or principal of, the Notes that have become due solely as a result of the acceleration thereof under Condition 10(b) (*Acceleration*) above due to such Events of Default, have been cured or waived.

Any previous rescission and annulment of a notice of acceleration pursuant to this Condition 10(c) (*Curing of Default*) shall not prevent the subsequent acceleration of the Notes if the Trustee, at its discretion or, as subsequently requested, accelerates the Notes or if the Notes are automatically accelerated in accordance with Condition 10(b)(i) (*Acceleration*) above.

All amounts received in respect of this Condition 10(c) (*Curing of Default*) shall be distributed two Business Days following receipt by or on behalf of the Trustee of such amounts in accordance with the Post-Acceleration Priority of Payments.

(d) Restriction on Acceleration of Notes

No acceleration of the Notes shall be permitted pursuant to this Condition 10 (*Events of Default*) by any Class of Noteholders, other than the Controlling Class as provided in Condition 10(b) (*Acceleration*).

(e) Notification and Confirmation of No Default

The Issuer shall immediately notify the Trustee, the Portfolio Manager, the Noteholders and the Rating Agencies in accordance with these Conditions upon becoming aware of the occurrence of an Event of Default. The Trust Deed contains provision for the Issuer to provide written confirmation to the Trustee and the Rating Agencies on an annual basis (and upon request) that no Event of Default has occurred and that no condition, event or act has occurred which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition would constitute an Event of Default and that no other matter which is required (pursuant thereto) to be brought to the Trustee's attention has occurred.

11. Enforcement

(a) Security Becoming Enforceable

Subject as provided in Condition 11(b) (*Enforcement*) below, the security constituted by the Trust Deed over the Collateral shall become enforceable upon an acceleration of the maturity of the Notes pursuant to Condition 10(b) (*Acceleration*).

(b) Enforcement

At any time after the Notes become due and repayable and the security under the Trust Deed becomes enforceable, the Trustee may, at its discretion, and shall, if so directed by the Controlling Class acting by Ordinary Resolution (subject, in each case, as provided in Condition 11(b)(ii) (*Enforcement*)), institute such proceedings or take any other action against the Issuer as it may think fit to enforce the terms of the Trust Deed and the Notes and pursuant and subject to the terms of the Trust Deed and the Notes, realise and/or otherwise liquidate or sell the Collateral in whole or in part and/or take such other action as may be permitted under applicable laws against any Obligor in respect of the Collateral and/or take any other action to enforce or realise the security over the Collateral in accordance with the Trust Deed (such actions together, "**Enforcement Actions**"), in each case without any liability as to the consequence of such action and without having regard (save to the extent provided in Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*)) to the effect of such action on individual Noteholders of any Class or any other Secured Party *provided however* that:

(i) no such Enforcement Action may be taken by the Trustee unless:

(A) subject to being indemnified and/or secured and/or prefunded to its satisfaction, the Trustee (or an agent or other appointee on its behalf) determines, as further provided in Condition 11(b)(iii) (*Enforcement*), that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith (including in respect of such determination)) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) other than the Class M Subordinated Notes and all amounts payable in priority to the Class M Subordinated Notes pursuant to the Post-Acceleration Priority of Payments (such amount the "**Enforcement Threshold**" and such determination being an "**Enforcement Threshold Determination**"), subject to consultation with the Portfolio Manager and subject to the Controlling Class agreeing with such determination by an Ordinary Resolution; or

(B) if the Enforcement Threshold will not have been met then the holders of the Controlling Class by way of Ordinary Resolution direct the Trustee to take Enforcement Action;

(ii) the Trustee shall not be bound to institute any Enforcement Action or take any other action unless it is directed to do so by the Controlling Class in accordance with this Condition 11(b) (*Enforcement*) and, in each case, the Trustee is indemnified and/or secured and/or prefunded to its satisfaction. Following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, the Trustee shall (provided it is indemnified and/or secured and/or prefunded to its satisfaction) act upon the directions of the Class M Subordinated Noteholders acting together by Extraordinary Resolution; and

(iii) subject to being indemnified and/or secured and/or prefunded to its satisfaction, the Trustee (or such agent or appointee) shall determine the anticipated proceeds that can be realised pursuant to any Enforcement Action by using reasonable efforts to obtain, with the cooperation of the Portfolio Manager, bid prices with respect to each asset comprising the Portfolio from two recognised dealers (as specified by the Portfolio Manager in writing) at the time making a market therein and shall compute the anticipated proceeds of sale or liquidation on the basis of the lower of such bid prices for each such asset. In the event that the Trustee (or such agent or appointee), with the cooperation of the Portfolio Manager, is only able to obtain bid prices with respect to an asset only from one recognised dealer at the time making a market therein, the Trustee (or such agent or appointee) shall compute the anticipated proceeds of sale or liquidation on the basis of such one bid price. In addition, for the purposes of determining issues relating to the execution of a sale or liquidation of the Portfolio and/or the making of an Enforcement Threshold Determination, the Trustee may obtain and rely on an opinion or advice of an independent investment banking firm or any other appropriate financial or legal adviser (the cost of which shall be payable as Trustee Fees and Expenses including from the proceeds of any realisation from Enforcement Action).

The Trustee shall notify the Noteholders, the Issuer, the Agents, the Portfolio Manager, each Hedge Counterparty and, so long as any of the Rated Notes remain Outstanding, the Rating Agencies in the event that it makes an Enforcement Threshold Determination at any time or takes any Enforcement Action at any time (such notice an "**Enforcement Notice**"). Following the delivery (whether actual or deemed) of an Acceleration Notice which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*) or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (*Optional Redemption*) or 7(g) (*Redemption following Note Tax Event*), Interest Proceeds, Principal Proceeds and the net proceeds of enforcement of the security over the Collateral (other than with respect to any Counterparty Downgrade Collateral and/or Hedge Issuer Tax Credit Payment which is required to be paid or returned to a Hedge Counterparty outside the Priorities of Payment in accordance with the relevant Hedge Agreement and/or Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*) and other than Sale Proceeds, prepayments or redemptions (in each case excluding amounts representing Scheduled Periodic Hedge Issuer Payments) in respect of Non-Euro Obligations sold subject to and in accordance with a Currency Hedge Transaction which shall be paid to the relevant Hedge Counterparty in accordance with the terms thereof outside the Priorities of Payment) shall be credited to the Payment Account and shall be distributed in accordance with the following order of priority but in each case only to the extent that all payments of a higher priority have been made in full (the "**Post-Acceleration Priority of Payments**"):

(A) to the payment of accrued and unpaid Trustee Fees and Expenses up to an amount equal to the Senior Expenses Cap, *provided that* the Senior Expenses Cap shall not apply in respect of Trustee Fees and Expenses either following an acceleration of the Notes or arising during the period from (and including) the date of an acceleration of the Notes or the occurrence of an Event of Default to (and including) the date upon which such Event of Default is cured or waived and provided further that any Trustee Fees and Expenses outstanding as at the date of an acceleration of the Notes or the

occurrence of such Event of Default, shall not be taken into account in any determination regarding whether the Senior Expenses Cap is exceeded;

(B) to the payment of Administrative Expenses in the priority stated in the definition thereof in an amount equal to the Senior Expenses Cap in respect of the related Due Period less any amounts paid pursuant to paragraph (A) above, *provided that* upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) the Senior Expenses Cap shall not apply;

(C) to the payment:

(1) *firstly*, to the payment to the Portfolio Manager of the Senior Portfolio Management Fee due and payable on such Payment Date and any VAT in respect thereof (payable to the Portfolio Manager) save for any Deferred Senior Portfolio Management Amounts which shall not be paid pursuant to this paragraph (C)(1); and

(2) *secondly*, to the Portfolio Manager, any previously due and unpaid Senior Portfolio Management Fees (other than Deferred Senior Portfolio Management Amounts) and any VAT in respect thereof (payable to the Portfolio Manager);

(D) to the payment on a *pro rata* basis, of (1) any Scheduled Periodic Hedge Issuer Payments (to the extent not paid out of the Currency Account), (2) any Currency Hedge Issuer Termination Payments (to the extent not paid out of the Currency Account, any relevant Counterparty Downgrade Collateral Accounts or the relevant Hedge Termination Account and other than Defaulted Currency Hedge Termination Payments), (3) any Interest Rate Hedge Issuer Termination Payments (to the extent not paid out of the Interest Account, any relevant Counterparty Downgrade Collateral Accounts or the relevant Hedge Termination Account and other than Defaulted Interest Rate Hedge Termination Payments) and (4) any FX Forward Issuer Termination Payments (to the extent not paid out of the Currency Account, any relevant Counterparty Downgrade Collateral Accounts or the relevant Hedge Termination Account and other than Defaulted FX Forward Termination Payments);

(E) to the payment on a *pro rata* and *pari passu* basis of all Interest Amounts due and payable on the Class A Notes;

(F) to the redemption on a *pro rata* and *pari passu* basis of the Class A Notes, until the Class A Notes have been redeemed in full;

(G) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts due and payable on the Class B Notes;

(H) to the redemption on a *pro rata* and *pari passu* basis of the Class B Notes, until the Class B Notes have been redeemed in full;

(I) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class C Notes;

(J) to the payment on a *pro rata* and *pari passu* basis of any Deferred Interest on the Class C Notes;

(K) to the redemption on a *pro rata* and *pari passu* basis of the Class C Notes, until the Class C Notes have been redeemed in full;

(L) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class D Notes;

(M) to the payment on a *pro rata* and *pari passu* basis of any Deferred Interest on the Class D Notes;

(N) to the redemption on a *pro rata* and *pari passu* basis of the Class D Notes, until the Class D Notes have been redeemed in full;

(O) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class E Notes;

(P) to the payment on a *pro rata* and *pari passu* basis of any Deferred Interest on the Class E Notes;

(Q) to the redemption on a *pro rata* and *pari passu* basis of the Class E Notes, until the Class E Notes have been redeemed in full;

(R) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class F Notes;

(S) to the payment on a *pro rata* and *pari passu* basis of any Deferred Interest on the Class F Notes;

(T) to the redemption on a *pro rata* and *pari passu* basis of the Class F Notes, until the Class F Notes have been redeemed in full;

(U) to the payment:

(1) *firstly*, to the payment to the Portfolio Manager of the Subordinated Portfolio Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Portfolio Manager or directly on the relevant taxing authority);

(2) *secondly*, to the Portfolio Manager of any previously due and unpaid Subordinated Portfolio Management Fee (other than Deferred Subordinated Portfolio Management Amounts) and any VAT in respect thereof (whether payable to the Portfolio Manager or directly to the relevant taxing authority); and

(3) *thirdly*, to the Portfolio Manager in payment of any Deferred Senior Portfolio Management Amounts and Deferred Subordinated Portfolio Management Amounts, the deferral of which has been rescinded by the Portfolio Manager;

(V) to the payment of Trustee Fees and Expenses (if any) not paid by reason of the Senior Expenses Cap;

(W) to the payment of Administrative Expenses (if any) not paid by reason of the Senior Expenses Cap, in relation to each item thereof in the order of priority stated in the definition thereof, *provided that*, following an enforcement of the Notes in accordance with this Condition 11 (*Enforcement*), such payment shall only be made to recipients thereof that are Secured Parties specified in paragraphs (a) and (c)(iii) of the definition of Administrative Expenses in relation to each item thereof on a *pro rata* and *pari passu* basis, in each case not paid by reason of the Senior Expenses Cap (if any);

(X) to the payment on a *pro rata* and *pari passu* basis of any Defaulted Hedge Termination Payments due to any Hedge Counterparty not paid in accordance with paragraph (D) above; and

(Y) (1) if the Incentive Portfolio Management Fee IRR Threshold has not been reached, any remaining Interest Proceeds and Principal

Proceeds to the payment on the Class M Subordinated Notes on a *pro rata* and *pari passu* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Class M Subordinated Notes held by Class M Subordinated Noteholders bore to the Principal Amount Outstanding of the Class M Subordinated Notes immediately prior to such redemption), until the Incentive Portfolio Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Class M Subordinated Noteholders and any distributions to be made to Class M Subordinated Noteholders on such Payment Date including pursuant to paragraph (Y)(1) above, paragraph (BB) of the Interest Proceeds Priority of Payments and paragraph (S) of the Principal Proceeds Priority of Payments the Incentive Portfolio Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(I) *firstly*, 20 per cent. of any remaining Interest Proceeds and Principal Proceeds, to the payment to the Portfolio Manager as an Incentive Portfolio Management Fee;

(II) *secondly*, to the payment of any VAT in respect of the Incentive Portfolio Management Fee referred to in (I) above (whether payable to the Portfolio Manager or directly to the relevant taxing authority); and

(III) *thirdly*, any remaining Interest Proceeds and Principal Proceeds, to the payment of principal and, thereafter, interest on the Class M Subordinated Notes on a *pro rata* and *pari passu* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Class M Subordinated Notes held by Class M Subordinated Noteholders bore to the Principal Amount Outstanding of the Class M Subordinated Notes immediately prior to such redemption).

If the Issuer must account to the recipient of any payment for any amounts in respect of VAT or in respect of any other taxes attributable to any of the items referred to in paragraphs (B) to (Y)(1) above, then such amounts in respect of such taxes shall be paid *pro rata* and *pari passu* with such items. If such amounts are paid pursuant to the Post-Acceleration Priority of Payments above as a result of the enforcement of the security pursuant to this Condition 11(b) (*Enforcement*), the Issuer shall only account for the tax liabilities of a Secured Party.

(c) Only Trustee to Act

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Noteholders or, in respect of the Collateral, of any of the other Secured Parties under the Trust Deed and the Notes and no Noteholder or other Secured Party may proceed directly against the Issuer or any of its assets unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails or neglects to do so within a reasonable period after having received notice of such failure and such failure or neglect continues for at least 30 days following receipt of such notice by the Trustee. Any proceeds received by a Noteholder or other Secured Party pursuant to any such proceedings brought by a Noteholder or other Secured Party shall be paid promptly following receipt thereof to the Trustee for application pursuant to the terms of the Trust Deed. After realisation of the security which has become enforceable and distribution of the net proceeds in accordance with the Priorities of Payment, no Noteholder or other Secured Party may take any further steps against the Issuer to recover any sum still unpaid in respect of the Notes or the Issuer's obligations to such

Secured Party and all claims against the Issuer to recover any sum still unpaid in respect of the Notes or the Issuer's obligations to such Secured Party and all claims against the Issuer in respect of such sums unpaid shall be extinguished. In particular, none of the Trustee, any Noteholder or any other Secured Party shall be entitled in respect thereof to petition or take any other step for the winding up of the Issuer except to the extent permitted under the Trust Deed.

(d) Purchase of Collateral by Noteholders

Upon any sale of any part of the Collateral following the acceleration of the Notes under Condition 10(b) (*Acceleration*), whether made under the power of sale under the Trust Deed or by virtue of judicial proceedings, any Noteholder may (but shall not be obliged to) bid for and purchase the Collateral or any part thereof and, upon compliance with the terms of sale, may hold, retain, possess or dispose of such property in its or their own absolute right without accountability. In addition, any purchaser in any such sale which is a Noteholder may deliver Notes held by it in place of payment of the purchase price for such Collateral where the amount payable to such Noteholder in respect of such Notes pursuant to the Priorities of Payment out of the net proceeds of such sale is equal to or exceeds the purchase moneys so payable.

12. Prescription

Claims in respect of principal and interest payable on redemption in full of the relevant Notes will become void unless presentation for payment is made as required by Condition 7 (*Redemption and Purchase*) within a period of five years, in the case of interest, and ten years, in the case of principal, from the date on which payment is respect of such Notes is received by the Principal Paying Agent.

Notwithstanding the above, claims against the Issuer in respect of principal and interest on the Notes while the Notes are represented by a Global Certificate will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the date on which any payment first becomes due.

13. Replacement of Notes

If any Note is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of any Transfer Agent, subject in each case to all applicable laws and Irish Stock Exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (*provided that* the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes must be surrendered before replacements will be issued.

14. Meetings of Noteholders, Modification, Waiver and Substitution

(a) Provisions in Trust Deed

The Trust Deed contains provisions for convening meetings of the Noteholders of each Class (and of passing Written Resolutions) to consider matters affecting the interests of the Noteholders including, without limitation, modifying or waiving certain of the provisions of these Conditions and the substitution of the Issuer in certain circumstances. The provisions in this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) are descriptive of the detailed provisions of the Trust Deed.

(b) Decisions and Meetings of Noteholders

(i) General

Decisions may be taken by Noteholders by way of Ordinary Resolution or Extraordinary Resolution, in each case, either acting together or, to the extent specified in any applicable Transaction Document, as a Class of Noteholders acting independently. Such Resolutions can be effected either at a duly convened meeting of the applicable Noteholders or by the applicable Noteholders resolving in writing, in each case, in at least the minimum percentages specified in the table "Minimum

Percentage Voting Requirements" in Condition 14(b)(iii) (*Minimum Voting Rights*) below. Meetings of the Noteholders may be convened by the Issuer, the Trustee or by one or more Noteholders holding not less than 10 per cent. in principal amount of the Notes Outstanding of a particular Class, subject to certain conditions including minimum notice periods.

The holder of each Global Certificate will be treated as being one person for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Noteholders and, at any such meeting, as having one vote in respect of (in the case of the Rated Notes) each €500 and (in the case of the Class M Subordinated Notes) each €100 of principal amount of Notes for which the relevant Global Certificate may be exchanged.

Notice of any Resolution passed by the Noteholders will be given to S&P and Moody's by the Issuer in writing.

(ii) Quorum

The quorum required for any meeting convened to consider an Ordinary Resolution or Extraordinary Resolution, in each case, of all the Noteholders or of any Class of Noteholders, or at any adjourned meeting to consider such a Resolution, shall be as set out in the relevant column and row corresponding to the type of resolution in the table "Quorum Requirements" below.

Quorum Requirements

Type of Resolution	Any meeting other than a meeting adjourned for want of quorum	Meeting previously adjourned for want of quorum
Extraordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)	One or more persons holding or representing any Notes (or of the relevant Class or Classes only, if applicable) regardless of the aggregate Principal Amount Outstanding of Notes so held or represented
Ordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than 10 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)	One or more persons holding or representing any Notes (or of the relevant Class or Classes only, if applicable) regardless of the aggregate Principal Amount Outstanding of Notes so held or represented

The Trust Deed does not contain any provision for higher quorums in any circumstances.

(iii) Minimum Voting Rights

Set out in the table "Minimum Percentage Voting Requirements" below are the minimum percentages required to pass the Resolutions specified in such table which, (A) in the event that such Resolution is being considered at a duly convened meeting of Noteholders, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes held or represented by any person or persons who vote in favour of such Resolution represents of the aggregate Principal Amount Outstanding of all applicable Notes which are represented at such meeting and are voted or, (B) in the case of any Written Resolution, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes entitled to be voted in respect of such Resolution and which are voted in favour thereof represent of the aggregate Principal Amount Outstanding of all the Notes entitled to vote in respect of such Written Resolution.

Minimum Percentage Voting Requirements

Type of Resolution	Per cent.
Extraordinary Resolution of the Noteholders (or of a certain Class or Classes only)	At least 66⅔ per cent.
Ordinary Resolution of the Noteholders (or of a certain Class or Classes only)	More than 50 per cent.

(iv) Written Resolutions

Any Written Resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant Noteholders. Any Extraordinary Resolution or Ordinary Resolution may be passed by way of a Written Resolution.

(v) All Resolutions Binding

Subject to Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*) and in accordance with the Trust Deed, any Resolution of the Noteholders (including any resolution of a specified Class or Classes of Noteholders, where the resolution of one or more other Classes is not required) duly passed shall be binding on all Noteholders (regardless of Class and regardless of whether or not a Noteholder was present at the meeting at which such Resolution was passed).

(vi) Extraordinary Resolution

Any Resolution to sanction any of the following items will be required to be passed by an Extraordinary Resolution (in each case, subject to anything else specified in the Trust Deed, the Portfolio Management Agreement or the relevant Transaction Document, as applicable) and excluding, for the avoidance of doubt, any modifications as may be contemplated or required to facilitate an Optional Redemption, in whole or in part by way of a Refinancing and the relevant Refinancing Obligations and/or any other modifications as may be contemplated in connection with an Optional Redemption in whole or in part by way of a Refinancing and the relevant Refinancing Obligations which in each case may be passed by an Ordinary Resolution of each relevant Class (subject to the consent of the Portfolio Manager):

(A) the exchange or substitution for the Notes of a Class, or the conversion of the Notes of a Class into, shares, bonds or other obligations or securities of the Issuer or any other entity and/or cash;

(B) the modification of any provision relating to the timing and/or circumstances of the payment of interest or redemption of the Notes of the relevant Class at maturity or otherwise (including the circumstances in which the maturity of such Notes may be accelerated);

(C) the modification of any of the provisions of the Trust Deed or these Conditions which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note;

(D) the adjustment of the outstanding principal amount of the Notes Outstanding of the relevant Class other than in connection with a further issue of Notes pursuant to Condition 17 (*Additional Issuances*);

(E) a change in the currency of payment of the Notes of a Class;

(F) any change in the Priorities of Payment or of any payment items in the Priorities of Payment;

(G) the modification of the provisions concerning the quorum required at any meeting of Noteholders or the minimum percentage required to pass a

Resolution or any other provision of the Trust Deed or these Conditions which requires the written consent of the holders of a requisite principal amount of the Notes of any Class Outstanding;

(H) any modification of any Transaction Document having a material adverse effect on the security over the Collateral constituted by the Trust Deed;

(I) any item requiring approval by Extraordinary Resolution pursuant to these Conditions or any Transaction Document; and

(J) any modification of this Condition 14(b) (*Decisions and Meetings of Noteholders*).

(vii) Ordinary Resolution

Any meeting of the Noteholders shall, subject to these Conditions and the Trust Deed, have power by Ordinary Resolution to approve any other matter relating to the Notes not referred to in Condition 14(b)(vi) (*Extraordinary Resolution*) above.

(viii) Resolutions Affecting Other Classes

If and for so long as any Notes of more than one Class are Outstanding, in relation to any meeting of Noteholders:

(A) subject to paragraphs (C) and (D) below, a Resolution which in the opinion of the Trustee affects only the Notes of a Class or Classes (the "**Affected Class(es)**"), but not another Class or Classes, as the case may be, shall be deemed to have been duly passed if passed at a meeting of the holders of the Notes of each Affected Class and such Resolution shall be binding on all the Noteholders, including the holders of Notes which are not an Affected Class;

(B) subject to paragraphs (C) and (D) below, a Resolution which in the opinion of the Trustee affects the Notes of each Class shall be deemed to have been duly passed only if passed at meetings of the Noteholders of each Class;

(C) a Resolution passed by the Controlling Class to exercise any rights granted to them pursuant to the Conditions or any Transaction Document shall be duly passed if passed at a meeting of the Controlling Class and such resolution shall be binding on all the Noteholders; and

(D) a Resolution passed by the Class M Subordinated Noteholders (or any of them) to exercise the rights granted to them pursuant to the Conditions or any Transaction Document shall be passed if passed only at a meeting of such Class M Subordinated Noteholders and such resolution shall be binding on all the Noteholders.

(c) Modification and Waiver

The Issuer may, without the consent of the Noteholders (other than as set out below), amend, modify, supplement and/or waive the relevant provisions of the Trust Deed and/or the Portfolio Management Agreement and/or any other Transaction Document (subject to the consent of the other parties thereto) (as applicable) and the Trustee shall consent to (without the consent of the Noteholders, subject as provided below) such amendment, modification, supplement or waiver (other than in the case of an amendment, modification, supplement or waiver, pursuant to Conditions 14(c)(xiii) and (xv) (*Modification and Waiver*) below, which shall be subject to the prior written consent of the Trustee in accordance with the relevant paragraph), for any of the following purposes:

(i) to add to the covenants of the Issuer for the benefit of the Noteholders or to surrender any right or power in the Trust Deed or the Portfolio Management Agreement (as applicable) conferred upon the Issuer;

(ii) to charge, convey, transfer, assign, mortgage or pledge any property to or with the Trustee or add to the conditions, limitations or restrictions on the authorised amount, terms and purposes of the issue, authentication and delivery of the Notes;

(iii) to correct or amplify the description of any property at any time subject to the security of the Trust Deed, or to better assure, convey and confirm unto the Trustee any property subject or required to be subject to the security of the Trust Deed (including, without limitation, any and all actions necessary or desirable as a result of changes in law or regulations) or subject to the security of the Trust Deed any additional property;

(iv) to modify the provisions of the Trust Deed relating to the creation, perfection and preservation of the security interests of the Trustee in the Collateral to conform with applicable law;

(v) to evidence and provide for the acceptance of appointment under the Trust Deed by a successor Trustee subject to and in accordance with the terms of the Trust Deed and to add to or change any of the provisions of the Trust Deed as shall be necessary to facilitate the administration of the trusts under the Trust Deed by more than one Trustee, pursuant to the requirements of the relevant provisions of the Trust Deed;

(vi) to make such changes as shall be necessary or advisable in order for the Notes of each Class to be (or to remain) listed and admitted to trading on the Global Exchange Market of the Irish Stock Exchange or any other exchange;

(vii) to take any action required to prevent the Issuer from being subject to any withholding or other taxes;

(viii) to amend, modify, enter into, accommodate the execution or facilitate the transfer by the relevant Hedge Counterparty of any Hedge Agreement upon terms satisfactory to the Portfolio Manager and subject to receipt of Rating Agency Confirmation (unless any such amended or modified Hedge Agreement constitutes a Form Approved Hedge);

(ix) save as contemplated in Condition 14(d) (*Substitution*) below, to take any action advisable to prevent the Issuer from becoming subject to (or to otherwise minimise) withholding or other taxes, fees or assessments;

(x) to take any action advisable to prevent the Issuer from being treated as resident outside Ireland for tax purposes or otherwise subject to tax on net income, profits or gains outside Ireland or subject to VAT in respect of any Portfolio Management Fees;

(xi) to take any action advisable to prevent the Issuer from being treated as engaged in a United States trade or business or otherwise be subject to United States federal, state or local income tax on a net income basis;

(xii) subject to the consent of the Controlling Class, acting by way of Ordinary Resolution, to enter into any additional agreements not expressly prohibited by the Trust Deed or the Portfolio Management Agreement (as applicable) unless required in accordance with (xxvi) below;

(xiii) to make any other modification of any of the provisions of the Trust Deed, the Portfolio Management Agreement or any other Transaction Document which, in the opinion of the Trustee, is of a formal, minor or technical nature or is made to correct a manifest error;

(xiv) subject to (A) Conditions 14(c)(xviii) and 14(c)(xxi) (*Modification and Waiver*) below (B) Rating Agency Confirmation and (C) the consent of the Controlling Class, acting by way of Ordinary Resolution, to make any modifications to the Collateral Quality Tests, Portfolio Profile Tests, Reinvestment Overcollateralisation Test,

Reinvestment Criteria or Eligibility Criteria and all related definitions (including in order to reflect changes in the methodology applied by the Rating Agencies);

(xv) to make any other modification (save as otherwise provided in the Trust Deed, the Portfolio Management Agreement or the relevant Transaction Document), and/or give any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed or any other Transaction Document which in the opinion of the Trustee is not materially prejudicial to the interests of the Noteholders of any Class;

(xvi) to amend the name of the Issuer;

(xvii) to make any amendments to the Trust Deed to enable the Issuer to comply with FATCA or the CRS or any other similar regime for the reporting and exchanging of tax information;

(xviii) notwithstanding Condition 14(c)(xiv) (*Modification and Waiver*) above, to modify or amend any components of the S&P CDO Monitor BDR, the S&P CDO Monitor SDR or any component of the S&P CDO Monitor Test, subject to receipt of the applicable Rating Agency Confirmation;

(xix) notwithstanding Condition 14(c)(xiv) (*Modification and Waiver*) above, to modify or amend any component of the Moody's Test Matrix, subject to receipt of Rating Agency Confirmation from Moody's;

(xx) to make any changes necessary to permit any additional issuances of Notes or to issue replacement notes in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(xxi) (A) notwithstanding Conditions 14(c)(xiv), 14(c)(xviii) and 14(c)(xix) (*Modification and Waiver*) above to evidence any waiver or modification by any Rating Agency in its rating methodology or as to any requirement or condition, as applicable, of such Rating Agency set forth in the Transaction Documents or (B) to conform the Transaction Documents to the Offering Circular;

(xxii) to modify the Transaction Documents in order to comply with Rule 17g-5 of the Exchange Act;

(xxiii) to modify the terms of the Transaction Documents and/or the Conditions in order to enable the Issuer to comply with any requirements which apply to it under EMIR, AIFMD, the Dodd-Frank Act or CRA3 (including any implementing regulations, technical standards and guidance respectively related thereto and/or in the case of CRA3, adopted in replacement thereof) and/or as the Portfolio Manager determines are required to accommodate any EU Retention Cure Action;

(xxiv) to make any other modification of any of the provisions of the Trust Deed, the Portfolio Management Agreement or any other Transaction Document to comply with changes in the EU Retention Requirements, the corresponding retention requirements under Directive 2009/65/EC, as may be amended from time to time or the U.S. Risk Retention Rules;

(xxv) to make any other modifications of the Trust Deed, the Portfolio Management Agreement or any other Transaction Document to enable the Issuer to comply with any FTT that it is or becomes subject to;

(xxvi) to make such changes or enter into such new Transaction Documents (including those which create additional security) as shall be necessary to facilitate the Issuer to effect a Refinancing in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(xxvii) to accommodate settlement of the Notes in book-entry form through the facilities of Euroclear and/or Clearstream, Luxembourg or otherwise;

(xxviii) to reduce the permitted Minimum Denomination of the Notes; *provided that* any such reduction in Minimum Denomination shall not be materially prejudicial to the interests of the Noteholders or the Issuer (in respect of any legal or regulatory requirement or tax treatment of the Issuer);

(xxix) to make such changes as are necessary to facilitate the transfer of any Hedge Agreement to a replacement counterparty or the roles of any Agent to a replacement agent, in each case in circumstances where such Hedge Counterparty or Agent does not satisfy the applicable Rating Requirement and subject to such replacement counterparty or agent (as applicable) satisfying the applicable requirements in the Transaction Documents including, without limitation, the applicable Rating Requirement;

(xxx) subject to Rating Agency Confirmation (other than to the extent otherwise permitted pursuant to Condition 14(c)(xxiii) (*Modification and Waiver*) above), to amend, modify or supplement any Hedge Agreement to the extent necessary to allow the Issuer or the relevant Hedge Counterparty to comply with any enactment, promulgation, execution or ratification of, or any change in or amendment to, any law or regulation (or in the application or official interpretation of any law or regulation) that occurs after the parties enter into the Hedge Agreement, *provided that* Rating Agency Confirmation shall not be required in the event that the relevant Hedge Agreement will be a Form Approved Hedge following such amendment, modification or supplement;

(xxxi) to modify the Transaction Documents to comply with or implement the Securitisation Regulation;

(xxxii) to make any change necessary to preserve the Issuer's status under the Investment Company Act, to prevent the Issuer from being required to register as an investment company thereunder; and

(xxxiii) to enter into one or more supplemental trust deeds or any other modification, authorisation or waiver of the provisions of the Transaction Documents to permit the use of an Alternative Base Rate for the purpose of (i) changing the reference rate, or the methodology of calculating the reference rate in respect of the Floating Rate Notes from EURIBOR, (ii) replacing references to "LIBOR", "EURIBOR", "London Interbank Offered Rate" and "Euro Interbank Offered Rate" or any other similar term referring to an applicable reference rate as the context requires when used with respect to a calculation relating to a Floating Rate Collateral Debt Obligation, (iii) amending provisions which refer to an index intended to have an equivalent frequency and setting date to a Floating Rate Collateral Debt Obligation to the extent that no such index is available and (iv) making such other amendments as are necessary or advisable in the reasonable judgment of the Portfolio Manager to facilitate the foregoing changes (in each case. a "**EURIBOR Replacement Modification**"), provided that:

(A) such amendments and modifications are only undertaken after the Portfolio Manager has notified the Trustee and the Issuer of (x) a material disruption to LIBOR or EURIBOR, (y) a change in the methodology of calculating LIBOR or EURIBOR (or any other applicable or related benchmark) or (z) LIBOR or EURIBOR (or another applicable or related benchmark) ceasing to be available or published (or of the Portfolio Manager's reasonable expectation that any of the events specified in sub-clause (x), (y) or (z) will occur) (in each case, a "**EURIBOR Disruption**"); and

(B) if no EURIBOR Replacement Modification has been entered into within fifteen (15) Business Days of the Portfolio Manager notifying the Trustee and the Issuer of a EURIBOR Disruption, then the Portfolio Manager shall select (in its commercially reasonable discretion) an Alternative Base Rate to be used for the applicable EURIBOR Replacement Modification, and such EURIBOR Replacement Modification shall take effect without the

execution of a supplemental trust deed or other modification, authorisation or waiver.

Notwithstanding anything to the contrary herein and in the Trust Deed, the Issuer shall not agree to amend, modify or supplement any provisions of the Transaction Documents without the prior written consent of a Hedge Counterparty if such change would have a material adverse effect on the rights or obligations of such Hedge Counterparty.

The Issuer shall notify each Hedge Counterparty of any proposed amendment to any provisions of the Transaction Documents and seek the prior consent of such Hedge Counterparty in respect thereof, in each case to the extent required in accordance with and subject to the terms of the relevant Hedge Agreement. For the avoidance of doubt, such notice shall only be given and such consent shall only be sought to the extent required pursuant to this Condition 14(c) (*Modification and Waiver*) or in accordance with and subject to the terms of the relevant Hedge Agreement. If a Hedge Agreement allows a certain period for the relevant Hedge Counterparty to consider and respond to such a consent request, during such period and pending a response from the relevant Hedge Counterparty, the Issuer shall not make any such proposed amendment.

For the avoidance of doubt, the Trustee shall, without the consent or sanction of any of the Noteholders or any other Secured Party (unless otherwise specified above), concur with the Issuer, in making any modification, amendment, waiver or supplement pursuant to the paragraphs above (other than a modification, waiver or supplement pursuant to Condition 14(c)(xiii) or (xv) (*Modification and Waiver*) above) to the Transaction Documents which the Issuer certifies to the Trustee as being made subject to and in accordance with such paragraphs (upon which certification the Trustee will be entitled to conclusively rely without enquiry or liability), *provided that* the Trustee shall not be obliged to agree to any modification or other matter which, in the opinion of the Trustee, would have the effect of (1) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (2) adding to or increasing the obligations, liabilities or duties, or decreasing the rights, powers, authorisations, indemnities or protections, of the Trustee in respect of the Transaction Documents.

In the case of a modification, amendment, waiver or supplement pursuant to Conditions 14(c)(xiii) and (xv) (*Modification and Waiver*) above, under no circumstances shall the Trustee be required to give such consent on less than 21 days' notice and the Trustee shall be entitled to obtain the advice or opinion of an independent investment banking firm or any other appropriate financial or legal adviser, at the expense of the Issuer, and rely on such advice in connection with giving such consent as it sees fit.

The Issuer may, without the consent of any other Person, make such amendments to the Corporate Services Agreement as shall be necessary to document the resignation, replacement and/or appointment of one or more Directors, provided that following such amendments, such documents shall be in substantially the same form as those entered into on the Issue Date. Upon the effectiveness of such amendments, the Issuer shall provide notice thereof to the Trustee and each of the other parties to the Corporate Services Agreement.

(d) Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require (without the consent of the Noteholders of any Class), to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes of each Class, if required for taxation purposes, *provided that* such substitution would not be materially prejudicial to the interests of the Noteholders of any Class. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, but subject to receipt of Rating Agency Confirmation (subject to receipt of such information and/or opinions as the Rating Agencies may require), to a change of the law governing the Notes and/or the Trust Deed, *provided that* such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of any Class. Any substitution agreed by the Trustee pursuant to this Condition 14(d) (*Substitution*) shall be

binding on the Noteholders, and shall be notified by the Issuer to the Noteholders as soon as practicable in accordance with Condition 16 (*Notices*).

The Trustee may, subject to the satisfaction of certain conditions specified in the Trust Deed, including receipt of Rating Agency Confirmation, agree to a change in the place of residence of the Issuer for taxation purposes without the consent of the Noteholders of any Class, provided the Issuer does all such things as the Trustee may reasonably require in order that such change in the place of residence of the Issuer for taxation purposes is fully effective and complies with such other requirements which are in the interests of the Noteholders as it may reasonably direct.

The Issuer shall procure that, so long as the Notes are listed on the Global Exchange Market of the Irish Stock Exchange any material amendments or modifications to the Conditions of the Notes, the Trust Deed or such other conditions made pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) shall be notified to the Irish Stock Exchange.

(e) Entitlement of the Trustee and Conflicts of Interest

In connection with the exercise of its trusts, powers, duties and discretions (including but not limited to those referred to in this Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*)), the Trustee shall have regard to the interests of each Class of Noteholders as a Class and shall not have regard to the consequences of such exercise for individual Noteholders of such Class and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders except to the extent already provided for in Condition 9 (*Taxation*).

In considering the interests of Noteholders while the Global Certificates are held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its account holders with entitlements to each Global Certificate and may consider such interests as if such account holders were the holders of any Global Certificate.

The Trust Deed provides that in the event of any conflict of interest between or among the holders of the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D-1 Notes, the Class D-2 Notes, the Class E Notes, the Class F Notes and the Class M Subordinated Notes, the interests of the holders of the Controlling Class will prevail. If the holders of the Controlling Class do not have an interest in the outcome of the conflict, the Trustee shall give priority to the interests of (i) the Class B Noteholders over the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class M Subordinated Noteholders, (ii) the Class C Noteholders over the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class M Subordinated Noteholders, (iii) the Class D Noteholders over the Class E Noteholders, the Class F Noteholder and the Class M Subordinated Noteholders, (iv) the Class E Noteholders over the Class F Noteholders and the Class M Subordinated Noteholders and (v) the Class F Noteholders over the Class M Subordinated Noteholders. If the Trustee receives conflicting or inconsistent requests from two or more groups of holders of a Class, given priority as described in this Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*), each representing less than the majority by principal amount of such Class, the Trustee shall give priority to the group which holds the greater aggregate principal amount of Notes Outstanding of such Class. The Trust Deed provides further that the Trustee will act upon the directions of the holders of the Controlling Class (or other Class given priority as described in this Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*)) in such circumstances subject to being indemnified and/or secured and/or prefunded to its satisfaction, and shall not be obliged to consider the interests of and is exempted from any liability to the holders of any other Class of Notes.

In addition, the Trust Deed provides that, so long as any Note is Outstanding, the Trustee shall have no regard to the interests of any Secured Party other than the Noteholders or, at any time, to the interests of any other person.

15. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility in certain circumstances, including provisions relieving it from instituting proceedings to enforce repayment or to enforce the security constituted by or pursuant to the Trust Deed, unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer or any other party to any Transaction Document and any entity related to the Issuer or any other party to any Transaction Document without accounting for any profit. The Trustee is exempted from any liability in respect of any loss or theft of the Collateral from any obligation to insure, or to monitor the provisions of any insurance arrangements in respect of, the Collateral (for the avoidance of doubt, under the Trust Deed the Trustee is under no such obligation) and from any claim arising from the fact that the Collateral is held by the Custodian or is otherwise held in safe custody by a bank or other custodian. The Trustee shall not be responsible for the performance by the Custodian of any of its duties under the Agency Agreement or for the performance by the Portfolio Manager of any of its duties under the Portfolio Management Agreement, for the performance by the Collateral Administrator of its duties under the Portfolio Management Agreement or for the performance by any other person appointed by the Issuer in relation to the Notes or by any other party to any Transaction Document. The Trustee shall not have any responsibility for the administration, management or operation of the Collateral including the request by the Portfolio Manager to release any of the Collateral from time to time.

The Trust Deed contains provisions for the retirement of the Trustee and the removal of the Trustee by Extraordinary Resolution of the Controlling Class, but no such retirement or removal shall become effective until a successor trustee is appointed.

16. Notices

Notices to Noteholders will be valid if posted to the address of such Noteholder appearing in the Register at the time of publication of such notice by pre paid, first class mail (or any other manner approved by the Trustee which may be by electronic transmission) and (for so long as the Notes are listed on the Global Exchange Market of the Irish Stock Exchange and the rules of the Irish Stock Exchange so require) shall be sent to the Company Announcements Office of the Irish Stock Exchange. Any such notice shall be deemed to have been given to the Noteholders (a) in the case of inland mail three days after the date of dispatch thereof, (b) in the case of overseas mail, seven days after the dispatch thereof or, (c) in the case of electronic transmission, on the date of dispatch.

The Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders (or a category of them) if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Notes are then listed and *provided that* notice of such other method is given to the Noteholders in such manner as the Trustee shall require.

Notwithstanding the above, so long as any Notes are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled account holders in substitution for delivery thereof as required by the Conditions of such Notes *provided that* such notice is also made to the Company Announcements Office of the Irish Stock Exchange for so long as such Notes are listed on the Global Exchange Market of the Irish Stock Exchange and the rules of the Irish Stock Exchange so require. Such notice will be deemed to have been given to the Noteholders on the date of delivery of the relevant notice to the relevant clearing system.

17. Additional Issuances

The Issuer may at any time during the Reinvestment Period with respect to the Rated Notes and from time to time with respect to the Class M Subordinated Notes create and issue: (x) additional Notes of each Class (on a *pro rata* basis with respect to each existing Class of Notes, except that a larger proportion of Class M Subordinated Notes may be issued pursuant to paragraph (z) below); (y) additional secured or unsecured notes of one or more new classes that are junior in right of payment to the Rated Notes; and/or (z) additional Class M Subordinated Notes only (on a *pro rata* basis with respect to each such Class of Notes) (in each case, any such Notes, "**Additional Notes**"), and use the proceeds to purchase additional Collateral Debt Obligations or, solely with the proceeds of an issuance

of additional Class M Subordinated Notes, to purchase Collateral Enhancement Obligations or for other Permitted Uses or as otherwise permitted under the Trust Deed; *provided that* the following conditions are met:

(a) such issuance is approved by the Class M Subordinated Noteholders, acting by Ordinary Resolution and the Portfolio Manager;

(b) in the case of an issuance of Additional Notes of an existing Class, such issuance may not exceed 100 per cent. of the original outstanding amount of the applicable Class or Classes of Rated Notes;

(c) in the case of an issuance of Additional Notes of an existing Class, the terms of the issued Notes must be identical to the respective terms of previously issued Notes of the applicable Class (except that the interest due on additional Rated Notes will accrue from the issue date of such additional Rated Notes and the interest rate and price of such Notes do not have to be identical to those of the initial Notes of that Class);

(d) the proceeds of any Additional Notes (net of fees and expenses incurred in connection with such issuance) will be treated as Principal Proceeds, used to purchase additional Collateral Debt Obligations or, solely with the proceeds of an issuance of additional Class M Subordinated Notes, Collateral Enhancement Obligations, or for other Permitted Uses or applied as otherwise permitted under the Trust Deed; *provided that* the proceeds of an additional issuance may only be applied to purchase Collateral Enhancement Obligations or for Permitted Uses if only additional Class M Subordinated Notes were issued in connection with such additional issuance;

(e) the Issuer must notify the Rating Agencies then rating any Notes of such additional issuance and (with respect to any additional issuance pursuant to paragraph (x) above, other than in relation to any Class M Subordinated Notes) obtain Rating Agency Confirmation from each Rating Agency in respect of such additional issuance;

(f) each Coverage Test will be satisfied immediately after giving effect to such additional issuance of Notes or, if any Coverage Test will not be satisfied it shall be at least maintained or improved after giving effect to such additional issuance of Notes compared with what it was immediately prior thereto;

(g) an opinion of tax counsel of nationally recognised standing in the United Kingdom experienced in such matters will be delivered to the Trustee that provides such additional issuance will not (i) result in the Issuer becoming subject to United Kingdom taxation with respect to its net income, (ii) result in the Issuer being treated as being engaged in a trade or business within the United Kingdom or (iii) have a material adverse effect on the United Kingdom tax treatment of the Issuer or the United Kingdom tax consequences to the holders of any Class of Notes outstanding at the time of issuance;

(h) (so long as the existing Notes of the Class of Notes to be issued are listed on the Global Exchange Market of the Irish Stock Exchange) the additional Notes of such Class to be issued are in accordance with the requirements of the Irish Stock Exchange and are listed on the Global Exchange Market of the Irish Stock Exchange (for so long as the rules of the Irish Stock Exchange so requires);

(i) such additional issuances are in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer;

(j) such additional issuance will be accomplished in a manner that will allow the Issuer to accurately provide the information required to be provided to the Noteholders, including Noteholders of additional Rated Notes, under U.S. Treasury regulations section 1.1275-3(b)(1);

(k) the Issuer and the Trustee will have received advice of tax counsel of nationally recognised standing in the United States experienced in such matters to the effect that any additional Class A Notes, Class B Notes, Class C Notes and Class D Notes will be treated, and any

additional Class E Notes should be treated, as indebtedness for U.S. federal income tax purposes, *provided, however*, that the advice of tax counsel described in this clause (k) will not be required with respect to any Additional Notes that bear a different International Securities Identification Number (or equivalent identifier) from the Notes of the same Class that were issued on the Issue Date and are Outstanding at the time of the additional issuance;

(l) an officer's certificate of the Issuer is delivered to the Trustee stating that the foregoing Conditions (a) through (i) have been satisfied;

(m) the Retention Holder purchasing a sufficient amount of each Class of Notes which are the subject of such additional issuance such that its holding equals not less than 5 per cent. of the nominal value of such Class or Classes of Notes; and

(n) an opinion of counsel of nationally recognised experience in such matter has been delivered to the Issuer and the Trustee confirming that as a result of such additional issuance neither the Issuer nor the Portfolio will be required to register under the Investment Company Act.

Any Additional Notes of an existing Class issued as described above will, to the extent reasonably practicable, be offered first to holders of that Class in such amounts as are necessary to preserve their *pro rata* holdings of Notes of such Class.

References in these Conditions to the "Notes" include (unless the context requires otherwise) any other notes issued pursuant to this Condition 17 (*Additional Issuances*) and forming a single series with the Notes. Any further securities forming a single series with Notes constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.

18. Third Party Rights

No person shall have any right to enforce any term or Condition of the Note under the Contracts (Rights of Third Parties) Act 1999.

19. Governing Law

(a) Governing Law

The Trust Deed and the Notes and any dispute, controversy, proceedings or claim of whatever nature (whether contractual or non-contractual) arising out of or in any way relating to the Trust Deed or the Notes are governed by and shall be construed in accordance with English law. The Corporate Services Agreement is governed by and shall be construed in accordance with Irish law.

(b) Jurisdiction

The courts of England are to have jurisdiction to settle any disputes (whether contractual or non-contractual) which may arise out of or in connection with the Notes, and accordingly any legal action or proceedings arising out of or in connection with the Notes ("**Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts and waives any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Noteholders and the Trustee and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Agent for Service of Process

The Issuer appoints TMF Global Services (UK) Limited (having an office, at the date hereof, at 6 St. Andrew Street, 5th Floor, London EC4A 3AE, United Kingdom) as its agent in England to receive service of process in any Proceedings in England based on any of the Notes. If for any reason the Issuer ceases to have an agent in England, it will promptly appoint a substitute process agent and notify the Trustee and the Noteholders of such appointment.

Nothing herein shall affect the right to service of process in any other manner permitted by law.

USE OF PROCEEDS

The estimated net proceeds of the issue of the Notes after payment of fees, expenses and other amounts payable on or about the Issue Date (including, without duplication amounts deposited into the Expense Reserve Account) are expected to be approximately €452,830,000.00. Such proceeds will be used by the Issuer on the Issue Date for the repayment of any amounts borrowed by the Issuer (together with any interest thereon) under the Warehouse Arrangements and all other amounts due in order to finance the acquisition of warehoused Collateral Debt Obligations purchased by the Issuer prior to the Issue Date and to fund the Reserve Account. The remaining proceeds shall be retained in the Unused Proceeds Account.

FORM OF THE NOTES

The following description of the Notes does not purport to be complete and is qualified by reference to the detailed provisions of such Notes. Capitalised terms used in this section and not defined in this Offering Circular shall have the meaning given to them in the Notes.

References below to Notes and to the Global Certificates and the Definitive Certificates representing such Notes are to each respective Class of Notes, except as otherwise indicated.

Initial Issue of Notes

The Regulation S Notes of each Class sold outside the United States to non-U.S. Persons in reliance on Regulation S will be represented on issue by beneficial interests in one or more Regulation S Global Certificates in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Regulation S Global Certificate may at any time be held only through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg. See "*Book Entry Clearance Procedures*". Interests in any Regulation S Note may not at any time be held by any U.S. Person or U.S. Resident. By acquisition of a beneficial interest in a Regulation S Global Certificate, the purchaser thereof will be deemed to represent, among other things, that it is not a U.S. Person and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest only to a person whom the seller reasonably believes (a) to be a non-U.S. Person, in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (b) to be a person who takes delivery in the form of an interest in a Rule 144A Global Certificate. See "*Transfer Restrictions*".

The Rule 144A Notes of each Class of Notes sold in reliance on Rule 144A to persons who are QIB/QPs will be represented on issue by one or more Rule 144A Global Certificates in fully registered form, without interest coupons or principal receipts deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Rule 144A Global Certificate may at any time only be held through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg. See "*Book Entry Clearance Procedures*". By acquisition of a beneficial interest in a Rule 144A Global Certificate, the purchaser thereof will be deemed to represent, amongst other things, that it is a QIB/QP and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest in accordance with the procedures and restrictions contained in the Trust Deed. See "*Transfer Restrictions*".

Beneficial interests in Global Certificates will be subject to certain restrictions on transfer set forth herein and in the Trust Deed and as set forth in Rule 144A, and the Notes will bear the applicable legends regarding the restrictions set forth under "*Transfer Restrictions*". A beneficial interest in a Regulation S Global Certificate may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate only upon receipt by the Transfer Agent of a written certification (in the form provided in the Trust Deed) to the effect that the transferor reasonably believes (following reasonable diligence) that the transferee is a QIB/QP (and the transferee has certified in writing to that effect) and that such transaction is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. Beneficial interests in the Rule 144A Global Certificates may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate only upon receipt by the Transfer Agent of a written certification (in the form provided in the Trust Deed) from the transferor to the effect that the transfer is being made to a non-U.S. Person and in accordance with Regulation S.

Any beneficial interest in a Regulation S Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate will, upon transfer, cease to be an interest in such Regulation S Global Certificate and become an interest in the Rule 144A Global Certificate, and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Rule 144A Global Certificate for as long as it remains such an interest. Any beneficial interest in a Rule 144A Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate will, upon transfer, cease to be an interest in a Rule 144A Global Certificate and become an interest in the Regulation S Global Certificate and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Regulation S Global Certificate for so long as it remains such an interest. No service charge will be made for any registration of transfer or exchange

of Notes, but the Transfer Agent may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Except in the limited circumstances described below, Notes in definitive, certificated, fully registered form ("**Definitive Certificates**") will not be issued in exchange for beneficial interests in either the Regulation S Global Certificates or the Rule 144A Global Certificates.

Each investor in a Class E Note, Class F Note or a Class M Subordinated Note will be deemed to represent, among other things, that (i) for so long as it holds such Notes or interest herein, it is not, or is not acting on behalf of, a Benefit Plan Investor, and (ii) that if it is a governmental, church, non-U.S. plan or other plan, (x) it is not, and for so long as it holds such Notes or interest therein will not be, subject to Similar Law and (y) its acquisition, holding and disposition of such Notes or interest therein will not constitute or result in a violation of any Other Plan Law, and such investors will be deemed to agree to certain transfer restrictions regarding its interest in such Notes.

Transfers of interests in the Notes are subject to certain restrictions and must be made in accordance with the procedures set forth in the Trust Deed. See "*Book Entry Clearance Procedures*" and "*Transfer Restrictions*". Each purchaser of Notes in making its purchase will be required to make, or will be deemed to have made, certain acknowledgements, representations and agreements. See "*Transfer Restrictions*". The transfer of Notes in breach of certain of such representations and agreements will result in affected Notes becoming subject to certain forced transfer provisions. See Condition 2(h) (*Forced Transfer of Rule 144A Notes*), Condition 2(i) (*Forced Sale pursuant to FATCA or CRS*) and Condition 2(j) (*Forced Transfer pursuant to ERISA*).

The Notes are not issuable in bearer form.

PM Voting, Non-Voting and Non-Voting Exchangeable Notes

A beneficial interest in a Rule 144A Global Certificate in the form of PM Non-Voting Exchangeable Notes may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate or Regulation S Global Certificate in the form of PM Non-Voting Notes or an entity that is not an Affiliate of the transferor and not a U.S. Person who takes delivery in the form of an interest in a Rule 144A Global Certificate or Regulation S Global Certificate in the form of PM Voting Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate or a Regulation S Global Certificate, in each case only upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor.

A beneficial interest in a Rule 144A Global Certificate or Regulation S Global Certificate in the form of PM Voting Notes may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate or Regulation S Global Certificate in the form of PM Non-Voting Notes or PM Non-Voting Exchangeable Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate or Regulation S Global Certificate only upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor.

A beneficial interest in a Regulation S Global Certificate in the form of PM Non-Voting Exchangeable Notes may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate or a Rule 144A Global Certificate in the form of PM Non-Voting Notes or an entity that is not an Affiliate of the transferor and not a U.S. Person who takes delivery in the form of an interest in a Regulation S Global Certificate or a Rule 144A Global Certificate in the form of PM Voting Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Regulation S Global Certificate or a Rule 144A Global Certificate, in each case only upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor.

A beneficial interest in a Regulation S Global Certificate in the form of PM Voting Notes may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate or a Rule 144A Global Certificate in the form of PM Non-Voting Notes or PM Non-Voting Exchangeable Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Regulation S Global Certificate or a Rule 144A Global Certificate only upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor.

A Noteholder holding a beneficial interest in a Regulation S Global Certificate or a Rule 144A Global Certificate representing Notes in the form of PM Non-Voting Exchangeable Notes may request by the delivery

to a Transfer Agent of a written request that such beneficial interest be exchanged for a beneficial interest in a Regulation S Global Certificate or a Rule 144A Global Certificate representing Notes in the form of PM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of such Noteholder and not a U.S. Person, as provided above.

Beneficial interests in a Regulation S Global Certificate or a Rule 144A Global Certificate representing Notes in the form of PM Non-Voting Exchangeable Notes shall not be exchanged for a beneficial interest in a Regulation S Global Certificate or a Rule 144A Global Certificate representing Notes in the form of PM Voting Notes in any other circumstances.

Beneficial interests in a Global Certificate representing Notes in the form of PM Non-Voting Notes shall not be exchangeable at any time for a beneficial interest in a Global Certificate representing Notes in the form of PM Voting Notes or PM Non-Voting Exchangeable Notes.

Exchange for Definitive Certificates

Exchange

Each Global Certificate will be exchangeable, free of charge to the holder, on or after its Definitive Exchange Date (as defined below), in whole but not in part, for Definitive Certificates if a Global Certificate is held (directly or indirectly) on behalf of Euroclear, Clearstream, Luxembourg or an alternative clearing system and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces its intention to permanently cease business or does in fact do so.

The Registrar will not register the transfer of, or exchange of interests in, a Global Certificate for Definitive Certificates during the period from (but excluding) the Record Date to (and including) the date for any payment of principal or interest in respect of the Notes.

If only one of the Global Certificates (the "**Exchanged Global Certificate**") becomes exchangeable for Definitive Certificates in accordance with the above paragraphs, transfers of Notes may not take place between, on the one hand, persons holding Definitive Certificates issued in exchange for beneficial interests in the Exchanged Global Certificate and, on the other hand, persons wishing to purchase beneficial interests in the other Global Certificate.

"**Definitive Exchange Date**" means a day falling not less than 30 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Registrar and any Transfer Agent is located.

Delivery

In such circumstances, the relevant Global Certificate shall be exchanged in full for Definitive Certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar or any relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient Definitive Certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in a Global Certificate must provide the Registrar with (a) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Certificates and (b) in the case of the Rule 144A Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange or, in the case of simultaneous sale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive Certificates issued in exchange for a beneficial interest in the Rule 144A Global Certificate shall bear the legends applicable to transfers pursuant to Rule 144A, as set out under "*Transfer Restrictions*" below.

Legends

The holder of a Definitive Certificate in registered definitive form, as applicable, may transfer the Notes represented thereby in whole or in part in the applicable minimum denomination by surrendering it at the specified office of the Registrar or any Transfer Agent, together with the completed form of transfer including, where applicable, confirmation that such transferee represents, among other things, that it is not a Benefit Plan Investor. Upon the transfer, exchange or replacement of a Definitive Certificate in registered definitive form, as applicable, bearing the legend referred to under "*Transfer Restrictions*" below, or upon specific request for

removal of the legend on a Definitive Certificate in registered definitive form, as applicable, the Issuer will deliver only Definitive Certificates that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Issuer and the Registrar such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Issuer that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act and the Investment Company Act.

Exchange of Definitive Certificates for Interests in Global Certificates

Regulation S

If a holder of Class E Notes, Class F Notes or Class M Subordinated Notes represented by a Definitive Certificate wishes at any time to transfer its interest in such Notes to a person who wishes to take delivery thereof in the form of a beneficial interest in a Regulation S Global Certificate, such holder may effect such transfer only upon receipt by the Registrar of: (a) notification from the common depositary for Euroclear and Clearstream, Luxembourg of the Regulation S Global Certificate that the appropriate credit entry has been made in the accounts of the relevant participants of Euroclear and Clearstream, Luxembourg, (but in no case for less than the minimum authorised denomination applicable to such Notes); and (b) a certificate in the form of part 7 (*Form of Definitive Certificate to Regulation S Global Certificate Transfer Certificate*) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (a copy of which is provided to the Registrar) given by the holder of the beneficial interests in such Notes.

Each person who becomes an owner of a beneficial interest in a Regulation S Global Certificate will be deemed to have represented and agreed to the representations set forth in this Offering Circular relating to such Notes under the heading "*Transfer Restrictions*".

Rule 144A

If a holder of Class E Notes or Class F Notes represented by a Definitive Certificate wishes at any time to transfer its interest in such Notes to a person who wishes to take delivery thereof in the form of a beneficial interest in a Rule 144A Global Certificate, such holder may effect such transfer only upon receipt by the Registrar of: (a) notification from the common depositary for Euroclear and Clearstream, Luxembourg of the Rule 144A Global Certificate that the appropriate credit entry has been made in the accounts of the relevant participants of Euroclear and Clearstream, Luxembourg (but in no case for less than the minimum authorised denomination applicable to Notes of such Class); and (b) a certificate in the form of part 6 (*Form of Definitive Certificate to Rule 144A Global Certificate Transfer Certificate*) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (in each case, copies of which are provided to the Registrar as applicable) given by the proposed transferee.

Each person who becomes an owner of a beneficial interest in a Rule 144A Global Certificate will be deemed to have represented and agreed to the representations set forth in this Offering Circular relating to such Notes under the heading "*Transfer Restrictions*".

BOOK ENTRY CLEARANCE PROCEDURES

The information set out below has been obtained from sources that the Issuer believes to be reliable, but prospective investors are advised to make their own enquiries as to such procedures. In particular, such information is subject to any change in or interpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the "**Clearing Systems**") currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Trustee, the Initial Purchaser or any Agent (or any Affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act), will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

Euroclear and Clearstream, Luxembourg

Custodial and depositary links have been established between Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Notes and cross-market transfers of the Notes associated with secondary market trading (See "*Book Entry Clearance Procedures – Book Entry Ownership – Settlement and Transfer of Notes*" below).

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in such Global Certificates directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and together with Direct Participants, "**Participants**") through organisations which are accountholders therein.

Book Entry Ownership

Euroclear and Clearstream, Luxembourg

Each Regulation S Global Certificate and each Rule 144A Global Certificate will have an ISIN and a Common Code and will be registered in the name of, and deposited with, a nominee of the common depositary on behalf of, Euroclear and Clearstream, Luxembourg.

Relationship of Participants with Clearing Systems

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note represented by a Global Certificate must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the Issuer to the holder of such Global Certificate and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg. The Issuer expects that, upon receipt of any payment in respect of Notes represented by a Global Certificate, the common depositary by whom such Note is held, or nominee in whose name it is registered, will immediately credit the relevant Participants' or accountholders' accounts in the relevant Clearing System with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Global Certificate as shown on the records of the relevant Clearing System or its nominee. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of beneficial interests in any Global Certificate held through such Direct Participants in any Clearing System will be governed by standing instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Certificate and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Global Certificate in respect of each amount so paid. None

of the Issuer, the Trustee or any Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in any Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Settlement and Transfer of Notes

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such Notes on the Clearing System's records. The ownership interest of each actual purchaser of each such Note (the "**Beneficial Owner**") will in turn be recorded on the Direct Participant and Indirect Participant's records. Beneficial Owners will not receive written confirmation from any Clearing System of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Notes held within the Clearing System will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes, unless and until interests in any Global Certificate held within a Clearing System is exchanged for Definitive Certificates.

No Clearing System has knowledge of the actual Beneficial Owners of the Notes held within such Clearing System and their records will reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Trading between Euroclear and/or Clearstream, Luxembourg Participants

Secondary market sales of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds.

RATINGS OF THE NOTES

General

It is a Condition of the issue and sale of the Notes that the Notes (except for the Class M Subordinated Notes) be issued with at least the following ratings: the Class A-1 Notes: "Aaa (sf)" from Moody's and "AAA (sf)" from S&P; the Class A-2 Notes: "Aaa (sf)" from Moody's and "AAA (sf)" from S&P; the Class B-1 Notes: "Aa2 (sf)" from Moody's and "AA (sf)" from S&P; the Class B-2 Notes: "Aa2 (sf)" from Moody's and "AA (sf)" from S&P; the Class C-1 Notes: "A2 (sf)" from Moody's and "A (sf)" from S&P; the Class C-2 Notes: "A2 (sf)" from Moody's and "A (sf)" from S&P; the Class D-1 Notes: "Baa2 (sf)" from Moody's and "BBB (sf)" from S&P; the Class D-2 Notes: "Baa2 (sf)" from Moody's and "BBB (sf)" from S&P; the Class E Notes: "Ba2 (sf)" from Moody's and "BB (sf)" from S&P; and the Class F Notes: "B2 (sf)" from Moody's and "B- (sf)" from S&P. The Class M Subordinated Notes will not be rated.

The ratings assigned by S&P to the Class A Notes and the Class B Notes address the timely payment of interest and the ultimate payment of principal. The ratings assigned by S&P to the Class C Notes, Class D Notes, the Class E Notes and the Class F Notes address the ultimate payment of principal and interest. The ratings assigned by Moody's to the Rated Notes address the expected loss posed to investors by the legal final maturity on the Maturity Date. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the applicable rating agency.

Moody's Ratings

Moody's analysis of the likelihood that each Collateral Debt Obligation will default is based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as securities with lower ratings are added to the portfolio) and an additional default assumption to account for future fluctuations in defaults. Moody's then determines the level of credit protection necessary to achieve the expected loss associated with the rating of the structured securities, taking into account the expected volatility of the default rate of the portfolio based on the level of diversification by region, issuer and industry. There can be no assurance that the actual default rates on the Collateral Debt Obligations held by the Issuer will not exceed the rates assumed by Moody's in its analysis.

In addition to these quantitative tests, Moody's Ratings take into account qualitative features of a transaction, including the experience of the Portfolio Manager, the legal structure and the risks associated with such structure and other factors that Moody's deem relevant.

S&P Ratings

S&P will rate the Rated Notes in a manner similar to the manner in which it rates other structured issues. This requires an analysis of the following:

(a) the credit quality of the portfolio of Collateral Debt Obligations securing the Notes;

(b) the cash flow used to pay liabilities and the priorities of these payments; and

(c) legal considerations.

Based on these analyses, S&P determines the necessary level of credit enhancement needed to achieve a desired rating. In this connection, the S&P CDO Monitor Test is applied from the period beginning as of the Effective Date and ending on the expiry of the Reinvestment Period.

S&P's analysis includes the application of its proprietary default expectation computer model (the "**S&P CDO Monitor**"), which is used to estimate the default rate S&P projects the Portfolio is likely to experience and which will be provided to the Portfolio Manager on or before the Issue Date. The S&P CDO Monitor calculates the cumulative default rate of a pool of Collateral Debt Obligations and Eligible Investments consistent with a specified benchmark rating level based upon S&P's proprietary corporate debt default studies. The S&P CDO Monitor takes into consideration the rating of each Obligor, the number of Obligors, the Obligor industry concentration and the remaining weighted average maturity of each of the Collateral Debt Obligations included in the Portfolio. The risks posed by these variables are accounted for by effectively adjusting the necessary default level needed to achieve a desired rating. The higher the desired rating, the higher the level of defaults the

Portfolio must withstand. For example, the higher the Obligor industry concentration or the longer the weighted average maturity, the higher the default level is assumed to be.

Credit enhancement to support a particular rating is then provided on the results of the S&P CDO Monitor, as well as other more qualitative considerations such as legal issues and management capabilities. Credit enhancement is typically provided by a combination of over collateralisation/subordination, cash collateral/reserve account, excess spread/interest and amortisation. A cash flow model (the "**Transaction Specific Cash Flow Model**") is used to evaluate the Portfolio and determine whether it can comfortably withstand the estimated level of default while fully repaying the class of debt under consideration.

There can be no assurance that actual losses on the Collateral Debt Obligations will not exceed those assumed in the application of the S&P CDO Monitor or that recovery rates and the timing of recovery with respect thereto will not differ from those assumed in the Transaction Specific Cash Flow Model. None of S&P, the Issuer, the Portfolio Manager, the Collateral Administrator, the Trustee, any Agent or the Retention Holder, makes any representation as to the expected rate of defaults on the Portfolio or as to the expected timing of any defaults that may occur.

S&P's ratings of the Rated Notes will be established under various assumptions and scenario analyses. There can be no assurance that actual defaults on the Collateral Debt Obligations will not exceed those assumed by S&P in its analysis, or that recovery rates with respect thereto (and, consequently, loss rates) will not differ from those assumed by S&P.

RULE 17G-5 AND SECURITISATION REGULATION COMPLIANCE

THE ISSUER, IN ORDER TO PERMIT THE RATING AGENCIES TO COMPLY WITH THEIR OBLIGATIONS UNDER RULE 17G-5 PROMULGATED UNDER THE EXCHANGE ACT ("**RULE 17G-5**"), HAS AGREED TO POST (OR HAVE ITS AGENT POST) ON A PASSWORD-PROTECTED INTERNET WEBSITE (THE "**RULE 17G-5 WEBSITE**"), AT THE SAME TIME SUCH INFORMATION IS PROVIDED TO THE RATING AGENCIES, ALL INFORMATION (WHICH WILL NOT INCLUDE ANY REPORTS FROM THE ISSUER'S INDEPENDENT PUBLIC ACCOUNTANTS) THAT THE ISSUER (OR OTHER PARTIES ON ITS BEHALF, INCLUDING THE PORTFOLIO MANAGER) PROVIDES TO THE RATING AGENCIES FOR THE PURPOSES OF DETERMINING THE INITIAL CREDIT RATING OF THE RATED NOTES OR UNDERTAKING CREDIT RATING SURVEILLANCE OF THE RATED NOTES; PROVIDED, HOWEVER, THAT, PRIOR TO THE OCCURRENCE OF AN EVENT OF DEFAULT, WITHOUT THE PRIOR WRITTEN CONSENT OF THE PORTFOLIO MANAGER NO PARTY OTHER THAN THE ISSUER (OR ANY PERSON ACTING ON ITS BEHALF) MAY PROVIDE INFORMATION TO THE RATING AGENCIES ON THE ISSUER'S BEHALF. ON THE ISSUE DATE, THE ISSUER WILL REQUEST THE INFORMATION AGENT, IN ACCORDANCE WITH THE PORTFOLIO MANAGEMENT AGREEMENT, TO ASSIST THE ISSUER IN COMPLYING WITH CERTAIN OF THE POSTING REQUIREMENTS UNDER RULE 17G-5 (IN SUCH CAPACITY, THE "**INFORMATION AGENT**"). ANY NOTICES OR REQUESTS TO, OR ANY OTHER WRITTEN COMMUNICATIONS WITH OR WRITTEN INFORMATION PROVIDED TO, THE RATING AGENCIES, OR ANY OF ITS OFFICERS, DIRECTORS OR EMPLOYEES, PURSUANT TO, IN CONNECTION WITH OR RELATED, DIRECTLY OR INDIRECTLY, TO THE TRUST DEED, THE PORTFOLIO MANAGEMENT AGREEMENT, ANY TRANSACTION DOCUMENT RELATING THERETO, THE PORTFOLIO OR THE NOTES, WILL BE IN EACH CASE FURNISHED DIRECTLY TO THE RATING AGENCIES AFTER A COPY HAS BEEN DELIVERED TO THE INFORMATION AGENT OR THE ISSUER FOR POSTING TO THE RULE 17G–5 WEBSITE.

IN THE EVENT THAT THE SECURITISATION REGULATION APPLIES IN THE FORM THAT COMES INTO FORCE, THE ISSUER MAY, BUT IS NOT OBLIGED TO, AMEND THE TRANSACTION DOCUMENTS. ANY COSTS INCURRED BY THE ISSUER IN CONNECTION WITH SATISFYING THE REQUIREMENTS OF THE SECURITISATION REGULATION MAY BE PAID BY THE ISSUER AS ADMINISTRATIVE EXPENSES.

THE ISSUER

General

The Issuer is a special purpose vehicle established for the purpose of issuing limited recourse obligations for the purpose of purchasing Collateral Debt Obligations and entering into other related contracts and was incorporated in Ireland as a designated activity company on 12 July 2017 under the Companies Acts 2014 (as amended) with the name of Cadogan Square CLO X D.A.C. and with the company registration number of 607884. The registered office of the Issuer is at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland. The telephone number of the registered office of the Issuer is +353 1 614 6240 and the facsimile number is +353 1 614 6250.

The authorised share capital of the Issuer is €100,000,000 divided into 100,000,000 ordinary shares of €1.00 each (the "**Shares**"). The Issuer has issued one Share, which is fully paid up and is held on trust by TMF Management (Ireland) Limited (as "**Share Trustee**") under the terms of a declaration of trust (the "**Declaration of Trust**") dated 25 July 2017, whereby the Share Trustee holds the Share on trust for charitable purposes. The Share Trustee will have no beneficial interest in and will derive no benefit (other than its fees for acting as Share Trustee) from its holding of the Shares of the Issuer. The Share Trustee will apply any income derived from the Issuer in respect of the Share solely for the above purposes.

TMF Administration Services Limited (the "**Corporate Services Provider**"), an Irish company, acts as the corporate services provider for the Issuer. The office of the Corporate Services Provider serves as the general business office of the Issuer. Through the office and pursuant to the terms of the corporate services agreement entered into on 6 September 2017 between the Issuer and the Corporate Services Provider (the "**Corporate Services Agreement**"), the Corporate Services Provider performs various management functions on behalf of the Issuer, including the provision of certain clerical, reporting, accounting, administrative and other services until termination of the Corporate Services Agreement. In consideration of the foregoing, the Corporate Services Provider receives various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses. The terms of the Corporate Services Agreement provide that either party may terminate the Corporate Services Agreement upon the occurrence of certain stated events, including any material breach by the other party of its obligations under the Corporate Services Agreement which is either incapable of remedy or which is not cured within 30 days from the date on which it was notified of such breach. In addition, either party may terminate the Corporate Services Agreement at any time.

The Corporate Services Provider's principal office is at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Business

The principal objects of the Issuer are set forth in Article 3 of its constitution and include, *inter alia*, the power to issue securities and to raise or borrow money, to grant security over its assets for such purposes, to lend with or without security and to enter into derivative transactions. Cash flow derived from the Collateral securing the Notes will be the Issuer's only source of funds to fund payments in respect of such Notes.

So long as any of the Notes remain outstanding, the Issuer will be subject to the restrictions set out in the Conditions and in the Trust Deed. In particular, the Issuer has undertaken not to carry out any business other than the issue of the Notes and acquiring, holding and disposing of the Portfolio in accordance with the Conditions and the Portfolio Management Agreement, entering into the Trust Deed, the Agency Agreement, the Portfolio Management Agreement, the Corporate Services Agreement, the deed of release in respect of the Warehouse Arrangements, any Collateral Acquisition Agreements, the Subscription Agreement and any Hedge Agreements and exercising the rights and performing the obligations under each such agreement and all other transaction documents incidental thereto. The Issuer will not have any substantial liabilities other than in connection with the Notes and any secured obligations. The Issuer will not have any subsidiaries and, save in respect of the fees and expenses generated in connection with the issue of the Notes (referred to below), any related profits and the proceeds of any deposits and investments made from such fees or from amounts representing the proceeds of the Issuer's issued share capital, the Issuer will not accumulate any surpluses.

The Issuer has, and will have, no material assets other than the Portfolio held from time to time, the Balances standing to the credit of the Accounts and the benefit of the Agency Agreement, the Portfolio Management Agreement, the Collateral Acquisition Agreements and any Hedge Agreements and any other Transaction Documents entered into by or on behalf of the Issuer from time to time, such fees (as agreed) payable to it in

connection with the issue of the Notes, the sum of €1 representing the proceeds of its issued and paid up share capital and the remainder of the amounts standing to the credit of the Issuer Irish Account. The only assets of the Issuer available to meet claims of the holders of the Notes and the other Secured Parties are the assets comprised in the Collateral.

The Notes are obligations of the Issuer alone and are not the obligation of, or guaranteed in any way by, the Directors, the Company Secretary, the Trustee, the Custodian, the Portfolio Manager, the Collateral Administrator, any Hedge Counterparty or any Obligor under any part of the Portfolio.

Directors and Company Secretary

The Issuer's constitution provides that the Board of Directors of the Issuer will consist of at least two Directors.

The Directors of the Issuer as at the date of this Offering Circular are John Hackett and Padraic Lee. The business address of the Directors is 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

The Company Secretary is TMF Administration Services Limited of 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Business Activity

Prior to the Issue Date, the Issuer entered into the Warehouse Arrangements and certain forward purchase agreements with the Portfolio Manager in order to enable the Issuer to acquire certain Collateral Debt Obligations on or before the Issue Date. Amounts owing under the Warehouse Arrangements will be fully repaid on the Issue Date using the proceeds from the issuance of the Notes.

The Issuer has not previously carried on any business or activities other than those incidental to its incorporation, the authorisation and entry into of the Warehouse Arrangements and certain forward purchase agreements with the Portfolio Manager, the acquisition of the Portfolio, the authorisation and issue of the Notes and activities incidental to the exercise of its rights and compliance with its obligations under the Collateral Acquisition Agreements, the Notes, the Subscription Agreement, the Agency Agreement, the Trust Deed, the Portfolio Management Agreement, the Corporate Services Agreement, the deed of release in respect of the Warehouse Arrangements, each Hedge Agreement and the other documents and agreements entered into in connection with the issue of the Notes and the purchase of the Portfolio.

Indebtedness

The Issuer has no indebtedness as at the date of this Offering Circular, other than that which the Issuer has incurred or shall incur in relation to the transactions contemplated herein (including the funding provided pursuant to the Warehouse Arrangements, which will be repaid in full on the Issue Date).

Subsidiaries

The Issuer has no subsidiaries.

Administrative Expenses of the Issuer

The Issuer is expected to incur certain Administrative Expenses (as defined in Condition 1 (*Definitions*) of the Conditions).

Financial Statements

Since its date of incorporation, save as disclosed herein, the Issuer has not commenced operations and no financial statements of the Issuer have been prepared as at the date of this Offering Circular. The Issuer intends to publish its first financial statements in respect of the period ending on 31 December 2018. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 December in each year.

The Issuer's profit and loss account and balance sheet can be obtained free of charge from the registered office of the Issuer. The Issuer must hold its first annual general meeting within 18 months of the date of its

incorporation (and no more than 9 months after the financial year end) and thereafter the gap between its annual general meetings must not exceed 15 months. One annual general meeting must be held in each calendar year.

The Issuer has not appointed auditors as of the date of this Offering Circular. The Issuer intends to appoint auditors who are chartered accountants and are members of the Institute of Chartered Accountants and registered auditors qualified in practice in Ireland.

THE PORTFOLIO MANAGER

The information appearing in this section has been prepared by the Portfolio Manager and has not been independently verified by the Issuer, the Initial Purchaser or any other party. Accordingly, notwithstanding anything to the contrary herein, none of the Issuer, the Initial Purchaser or any party other than the Portfolio Manager assumes any responsibility for the accuracy, completeness or applicability of such information.

General

Certain advisory and monitoring functions with respect to the Collateral will be performed by the Portfolio Manager under the Portfolio Management Agreement. In accordance with the Collateral Quality Tests and the Coverage Tests and other requirements set forth in the Portfolio Management Agreement, the Portfolio Manager will select and monitor the portfolio of Collateral Debt Obligations and provide the Issuer with advice with respect to the composition and characteristics of the Collateral Debt Obligations, and with respect to any disposition or tender of Collateral Debt Obligations and the application of the proceeds thereof. The Portfolio Manager will also advise the Issuer with respect to entering into Hedge Agreements, and will instruct the Trustee from time to time with respect to the investment of retained funds in Eligible Investments. The portfolio management activities of the Portfolio Manager on behalf of the Issuer will be subject to certain restrictions contained in the Portfolio Management Agreement.

Credit Suisse Asset Management Limited ("**CSAM**"), located at One Cabot Square, London, E14 4QJ, United Kingdom, will serve as the Portfolio Manager. CSAM is focused on alternatives, emerging markets and asset allocation and advisory solutions.

The present transaction is the tenth European collateralised loan obligation managed by the Portfolio Manager or its Affiliates. The first European collateralised loan obligation by the Portfolio Manager or its Affiliates is Cadogan Square CLO B.V. with an initial capitalisation of approximately €450 million, which closed on 15 December 2005, the second is Cadogan Square CLO II B.V. with an initial capitalisation of approximately €460 million, which closed on 29 June 2006, the third is Cadogan Square CLO III B.V. with an initial capitalisation of approximately €500 million, which closed on 19 December 2006, the fourth is Cadogan Square CLO IV B.V. with an initial capitalisation of approximately €500 million, which closed on 30 May 2007, the fifth is Cadogan Square CLO V B.V. with an initial capitalisation of approximately €309 million, which closed on 13 August 2013, the sixth is Cadogan Square CLO VI B.V. with an initial capitalisation of approximately €414 million, which closed on 30 June 2015, the seventh is Cadogan Square CLO VII B.V. with an initial capitalisation of approximately €411.65 million, which closed on 19 May 2016, the eighth is Cadogan Square CLO VIII D.A.C. with an initial capitalisation of approximately €479 million, which closed on 29 December 2016 and the ninth is Cadogan Square CLO IX D.A.C. with an initial capitalisation of approximately €440.82 million, which closed on 6 July 2017.

The Portfolio Manager is authorised and regulated by the United Kingdom Financial Conduct Authority and as an investment adviser pursuant to the Investment Advisers Act and is an indirect wholly owned subsidiary of Credit Suisse Group AG.

CSAM is and has been involved in various judicial, regulatory and/or arbitration proceedings covering matters arising in connection with the conduct of its businesses. CSAM's ultimate parent, Credit Suisse Group AG, files annual reports on Form 20 F with the SEC. These reports are publicly available and include information about CSAM-related legal proceedings. Additional information can be found in CSAM's Form ADV filings, which are available upon written request to Credit Suisse Asset Management, LLC, One Madison Avenue, New York, New York 10010, Attention: Legal and Compliance Department.

Credit Suisse Group AG ("**CS Group**") is a leading global financial services company headquartered in Zurich, whose primary subsidiary Credit Suisse AG, a Swiss bank, was founded in 1856. CS Group provides its clients with investment banking, private banking and asset management services worldwide. CS Group offers advisory services, comprehensive solutions and innovative products to companies, institutional clients and high-net-worth private clients globally, as well as retail clients in Switzerland. CS Group's registered shares (CSGN) are listed in Switzerland and, in the form of American Depositary Shares (CS), in New York. CSAM is an Affiliate of CS Group.

The settlement in 2017 and the settlements in 2014 (each described below) ("**Settlements**") do not involve the Issuer or the activities of CSAM. The Settlements will not have any material impact on the Issuer or on the

ability of the Portfolio Manager to perform services on behalf of the Issuer in connection with the transaction described herein.

Credit Suisse AG ("**CSAG**") is the indirect parent company of the Portfolio Manager. Neither the Portfolio Manager nor the Issuer were named in the Plea Agreement (as defined below) or other settlements relating to the conduct set out in the Plea Agreement. The conduct set out in the Plea Agreement did not involve the Issuer or the Portfolio Manager with respect to its collateral management activities relating to the Issuer or any other collateralised loan obligation vehicles (the "**CLO Vehicles**") managed by the Portfolio Manager. The Portfolio Manager believes that the Settlements will not have any effect on its ability to perform services for the Issuer or any other CLO Vehicles managed by the Portfolio Manager.

On 19 May 2014, the U.S. Department of Justice (the "**Department of Justice**") filed a one-count criminal information (the "**Information**") in the District Court for the Eastern District of Virginia charging CSAG with conspiracy to commit tax fraud related to accounts CSAG established for cross-border clients. The Department of Justice and CSAG entered into a plea agreement (the "**Plea Agreement**") settling the action pursuant to which CSAG pleaded guilty to the charge set out in the Information. The Plea Agreement requires CSAG to pay over $1.8 billion to the U.S. government, including the U.S. Internal Revenue Service. The Plea Agreement also requires CSAG to lawfully undertake certain remedial actions to address the conduct described in the Plea Agreement.

As indicated above, CSAG has entered into other settlements relating to the conduct set out in the Plea Agreement. CSAG has entered into a Consent Order with the Federal Reserve Board (the "**Federal Reserve**") to resolve certain findings by the Federal Reserve, including that the activities of CSAG regarding opening of foreign accounts for U.S. taxpayers, provision of investment services to U.S. clients, and operation of CSAG's New York representative office prior to 2009 lacked adequate enterprise wide risk management and compliance policies and procedures sufficient to ensure that all of its activities comply with U.S. laws and regulations. In addition, CSAG has entered into a Consent Order with the New York State Department of Financial Services (the "**DFS**") to resolve the DFS's investigation into the conduct described in the Plea Agreement. The settlement with the Federal Reserve requires CSAG to pay $100 million to the Federal Reserve, and the settlement with the DFS requires CSAG to pay $715 million to the DFS.

These Settlements follow a settlement by CS Group, the parent company of CSAG, with the SEC on 21 February 2014 to resolve an investigation by the SEC into solicitation and provision of broker-dealer and investment advisory services to certain U.S. cross-border clients by CS Group while not registered with the SEC as a broker-dealer or investment adviser. As part of the settlement, CS Group retained an independent consultant to evaluate its policies and procedures and examine its broker-dealer and investment adviser activities to fully verify that the business that was the subject of the SEC investigation has been completely exited. CS Group also agreed to pay approximately $197,000,000, which includes disgorgement, interest and penalties.

On 18 January 2017, Credit Suisse announced that it has reached a final settlement with the Department of Justice related to its legacy residential mortgage-backed securities ("**RMBS**") business – a business conducted through 2007. This settlement releases Credit Suisse from potential civil claims by the Department of Justice related to its securitisation, underwriting and issuance of RMBS. Under the terms of the settlement, Credit Suisse will pay to the Department of Justice a civil monetary penalty of $2.48 billion. In addition, Credit Suisse will provide consumer relief totalling $2.8 billion within five years post settlement. These consumer relief measures include affordable housing payments and 1st and 2nd lien principal and interest forgiveness. The Department of Justice and Credit Suisse agreed to the appointment of an independent monitor to oversee the completion of the consumer relief requirements of the settlement.

The Credit Investments Group

The Credit Investments Group of CSAM currently serves as Portfolio Manager for 32 CLO Vehicles. 24 of the CLO Vehicles invest in predominantly U.S. high-yield loans and bonds and the remaining eight CLO Vehicles invest in predominantly European high-yield loans and bonds. The initial aggregate capitalisation of those CLO Vehicles, comprising 24 US CLO Vehicles and 8 European CLO Vehicles, was approximately $17.5 billion and €3.5 billion, respectively. CIG manages $46.8 billion of assets under management as of 30 September 2017, which includes leveraged loans, high-yield bonds, and other credit investments. Past performance of the CLO Vehicles is not indicative of the Issuer's performance.

In addition to the CLO Vehicles, CIG also acts as adviser or sub-adviser to funds and separate accounts which invest in varying mixtures of leveraged loans and high yield bonds. CSAM and its Affiliates currently advise

and may in the future sponsor or advise other investment vehicles or portfolios with investment objectives, policies and restrictions similar or identical to those of the Issuer.

Various potential and actual conflicts of interest may exist from the overall investment activities of the Portfolio Manager, its officers, agents, and Affiliates, and their employees investing for their own accounts or for the accounts of others. See "*Risk Factors – Certain Conflicts of Interest – Certain Conflicts of Interest Involving the Portfolio Manager and its Affiliates*".

Affiliates of the Portfolio Manager may have placed or underwritten certain of the Collateral Debt Obligations when such Collateral Debt Obligations were originally issued and may have provided or be providing investment banking services and other services to issuers of certain Collateral Debt Obligations. It is expected that from time to time the Portfolio Manager may purchase or sell Collateral Debt Obligations through, from or to one of its Affiliates, subject to such procedures and restrictions as are appropriate to comply with applicable law with respect to transactions in which an Affiliate of CSAM is acting as principal, including with the prior consent of the Conflicts Review Board. It is the intention of the Portfolio Manager that all Collateral Debt Obligations will be purchased by or for the Issuer on terms prevailing in the market at the time of purchase. The fees and expenses of the Conflicts Review Board will be payable by the Issuer as part of its expenses in accordance with the Priorities of Payment (or, with respect to amounts due on the Issue Date, from the gross proceeds of the sale of the Notes). The Conflicts Review Board is also entitled to indemnification from the Issuer in relation to its performance of its services, which will be payable as part of the Issuer's expenses in accordance with the Priorities of Payment. See "*Risk Factors – Certain Conflicts of Interest – Certain Conflicts of Interest Involving the Portfolio Manager and its Affiliates*".

Investment Approach

The Portfolio Manager's objective in investing in Collateral Debt Obligations on behalf of the Issuer is to minimise the possibility of principal loss while enhancing return through active portfolio management. The Portfolio Manager's selection of Collateral Debt Obligations is based primarily on fundamental, company-specific credit analysis and secondarily on technical factors which may influence trading levels and pricing, such as high yield mutual fund flows, new issue calendar volumes, research coverage and track record of the lead underwriter or agent.

The Portfolio Manager will invest in loans that it believes are appropriately priced, properly structured and able to be adequately serviced from the operating cash flow of the borrower. The Portfolio Manager will also evaluate the ability of a borrower to liquidate assets to generate cash in the event a borrower's operating cash flow is not sufficient to service its debt obligations. An additional factor considered by the Portfolio Manager in assessing how a borrower might address its debt obligations in the event of a shortfall in operating cash flow is the financial capacity of the borrower's controlling shareholders to invest additional capital.

With respect to high yield debt investments, the Portfolio Manager generally targets those rated "BB" and "B" which it believes offer the potential for total return through deleveraging and possible ratings upgrade.

The Portfolio Manager will generally emphasise credit selection over trading. In so doing, the Portfolio Manager will seek to identify and capture relative value among (a) industry sectors, (b) different security classes of a given issuer and (c) comparable companies.

Investment Analysis

Investment opportunities consist primarily of (i) senior secured and second lien loans originated and syndicated by money centre banks, major investment banks and financial institutions active in the below investment grade senior secured loan market and (ii) new issue offerings in the high yield debt market. The Portfolio Manager also reviews (i) senior secured and second lien loans available from banks, institutional loan investors and dealers in the secondary market and (ii) previously underwritten high yield debt securities available from dealers the secondary market.

The Portfolio Manager believes its relationships with leading investment and commercial banks, other financial intermediaries and private equity firms allow it to review a number of potential investment opportunities from which to select Collateral Debt Obligations. In evaluating the creditworthiness of potential investments, the Portfolio Manager focuses on, among other things, historical operating performance. The Portfolio Manager may develop proprietary financial projections and performs sensitivity analyses to assess the credit impact of alternative operating scenarios.

The Portfolio Manager may also consider a borrower's debt as a multiple of operating cash flow, operating cash flow as a multiple of interest expense and capital expenditure requirements. Generally, the Portfolio Manager performs comparable company credit and valuation analysis in considering an investment and also gives consideration to other factors, including the equity sponsor, the underwriters, the agent lenders, covenants, legal documentation, research coverage and prospects for secondary market liquidity. The Portfolio Manager monitors the financial performance of the companies it invests in, as well as that of comparable credits and industry trends in an effort to identify potential weakening of credits at the earliest possible time.

Key Personnel

Set forth below is information regarding certain persons who currently hold positions within CIG and perform services for the Portfolio Manager, although such persons may not necessarily continue to hold such positions or be involved in the performance of asset management services for the Issuer during the entire term of the Portfolio Management Agreement. Additional personnel may be retained by the Portfolio Manager without notice to the Issuer or the Holders of the Notes. Prior to January 1, 2011, employees of CSAM were employed by Credit Suisse Alternative Capital, LLC. See "*Risk Factors—Relating to the Portfolio Manager—The Issuer will depend on the managerial expertise available to the Portfolio Manager and its key personnel*".

Messrs. Popp, Marshak, and Flannery have worked together since 1998. Unless otherwise specified, members of CIG are resident in New York. Titles are as of January 1, 2018.

John G. Popp
Managing Director
Global Head and Chief Investment Officer

John G. Popp is a Managing Director of CSAM, based in New York. He is the Global Head and Chief Investment Officer of CIG, with primary responsibility for investment decisions, portfolio monitoring processes and business development for CIG's global investment strategies. Mr. Popp serves as the President and Chief Executive Officer of the Credit Suisse Funds, the Credit Suisse Asset Management Income Fund, Inc. and the Credit Suisse High Yield Bond Fund. Mr. Popp is a member of the CIG Credit Committee.

Prior to joining CIG, Mr. Popp was a Founding Partner and Head of Asset Management for First Dominion Capital, LLC, overseeing the management of $2.5 billion in CLO Vehicles. From 1992 through 1997, Mr. Popp was a Managing Director of Indosuez Capital and also served as President of Indosuez Capital Asset Advisors, Inc., and President of 1211 Investors, Inc. While at Indosuez, Mr. Popp was responsible for building the firm's asset management business, including the development of three CLO Vehicles aggregating $1.3 billion. In 1989, Mr. Popp joined the Corporate Finance Department of Kidder Peabody & Co., Inc. as Senior Vice President, previously serving as Vice President in the Mergers and Acquisitions department of Drexel Burnham Lambert.

Mr. Popp is a member of the Council on Foreign Relations, the Brookings Institution's Foreign Policy Leadership Committee and the Leadership Advisory Board of the Wharton School. Mr. Popp graduated with a B.A. from Pomona College and an M.B.A. from the Wharton Graduate Division of the University of Pennsylvania.

Andrew H. Marshak
Managing Director
European Portfolio Manager

Andrew Marshak is a Managing Director and Head of Europe for CIG, with primary responsibility for European loans and high-yield bonds. Mr. Marshak has global responsibility for overseeing CIG's portfolio management and trading. Mr. Marshak is a member of the CIG Credit Committee.

Prior to joining CIG, Mr. Marshak was a Managing Director and a founding partner of First Dominion Capital, LLC, which he joined in 1997 from Indosuez Capital, where he served as a Vice President. Prior to joining Indosuez Capital in 1992, Mr. Marshak was an Analyst in the Investment Banking Department of Donaldson, Lufkin & Jenrette. He holds a B.S., Summa Cum Laude, from the Wharton School of the University of Pennsylvania and is currently resident in London.

Thomas J. Flannery
Managing Director
US Portfolio Manager

Thomas J. Flannery is a Managing Director of CSAM, based in New York. He is a Portfolio Manager for CIG, responsible for trading, directing investment decisions, and analyzing investment opportunities. Mr. Flannery is also a member of the CIG Credit Committee.

Mr. Flannery joined Credit Suisse in November 2000 through the merger with Donaldson, Lufkin & Jenrette. Previously, Mr. Flannery served as an Associate at First Dominion Capital, LLC, which he joined in 1998. Mr. Flannery began his career with Houlihan Lokey Howard & Zukin, Inc., where he served as an Analyst in the Financial Restructuring Group, working on a variety of debtor and creditor representation assignments. Mr. Flannery graduated with a B.S. from Georgetown University.

Louis I. Farano
Managing Director
US Portfolio Manager

Louis I. Farano is a Managing Director of CSAM, based in New York. He is a Portfolio Manager for CIG with responsibility for senior loans. Mr. Farano is also a member of the CIG Credit Committee. Prior to joining CIG in 2006, Mr. Farano served as a Vice President in the High Yield department at SG America Securities Inc. Mr. Farano holds a B.B.A. in Accounting from James Madison University and an M.B.A. in Finance from UCLA's Anderson School.

Wing Chan, CFA
Managing Director
Portfolio Manager, US High Yield

Wing Chan is a Managing Director of CSAM, based in New York. Ms. Chan is a Portfolio Manager of CIG with primary responsibility for high-yield bonds and is a member of the CIG Credit Committee.

Prior to joining CIG in 2005, Ms. Chan served as an Associate Portfolio Manager in Invesco's High Yield group. Previously, Ms. Chan worked at JP Morgan Fleming Asset Management where she shared responsibility for the management of Structured and Long Duration products. Ms. Chan earned a double B.S. in Economics and Finance from the Massachusetts Institute of Technology. Ms. Chan is a CFA charterholder, and holds a Series 3 license.

Amir Vardi
Managing Director
Portfolio Manager, Structured Products

Amir Vardi is a Managing Director of CSAM, based in New York. Mr. Vardi is a Portfolio Manager for CIG, responsible for analyzing, trading, and managing structured products. In addition, Mr. Vardi runs the new issue CLO formation efforts for CIG. Mr. Vardi began his career in leveraged finance research – portfolio strategy at Credit Suisse First Boston. Subsequent to his work in that group, Mr. Vardi was a founding member of the Leveraged Finance Strategy and Portfolio Products team at Credit Suisse. Mr. Vardi received his B.S. and B.A. from the Wharton School of the University of Pennsylvania where he graduated summa cum laude from a dual-degree program.

David Mechlin, CFA
Director
U.S. Associate Portfolio Manager

David Mechlin, CFA, is a Director of CSAM, based in New York. He joined CIG as a credit analyst in 2006 and is currently an Associate Portfolio Manager for CIG with responsibility for senior loans. He earned his B.S. in Finance and Accounting from the Stern School of Business at New York University and is a CFA charterholder.

Ramin Kamali
Director
Head of Research

Ramin Kamali is a Director and Head of Research of CSAM, based in New York. He joined CIG in 2005 as a credit analyst. Prior to joining the group, Mr. Kamali was in Credit Suisse's Investment Banking Division in the Global Industrial and Services Group. Mr. Kamali joined Credit Suisse in July 2001 as an analyst and was promoted to Associate in July 2004. He holds a B.S. in Economics from the Wharton School of the University of Pennsylvania.

Lauri Whitlock
Director
Co-Chief Operating Officer

Lauri Whitlock is a Director of CSAM, based in New York. Ms. Whitlock is the Co-Chief Operating Officer for CIG, which she joined in 2001 as manager of the Middle Office.

Prior to joining CIG, Ms. Whitlock managed the Post-Venture Distribution Management Operations team for CSAM beginning in 2000. From 1997 to 2000, Ms. Whitlock served as manager of Financial and Regulatory Reporting at Salomon Smith Barney. Prior to joining Salomon Smith Barney, Ms. Whitlock served as Assistant Controller at Raymond James and Associates. Ms. Whitlock began her career at Price Waterhouse auditing financial services companies. Ms. Whitlock holds a B.S. in Accounting from the University of Maryland.

William Cirocco
Director
Co-Chief Operating Officer

William Cirocco is a Director of CSAM, based in New York. Mr. Cirocco is the Co-Chief Operating Officer for CIG, which he joined in 2006 as Middle Office manager. Prior to joining CIG, Mr. Cirocco has held various Operations and Internal Audit roles within Credit Suisse, which he joined in 1994. Previous to joining Credit Suisse, Mr. Cirocco worked for Deloitte in the auditing services group. Mr. Cirocco is a former CPA (retired), holds a B.S. in accounting from Rutgers University and an M.B.A. in Finance from the Stern Business School at New York University.

Kevin T. Buddhdew
Director

Kevin T. Buddhdew is a Director of CSAM, based in New York. He joined CIG in 2014 as a credit analyst. Prior to joining the group, Mr. Buddhdew was in the Corporate Lending Group in the Investment Banking Division, where he was responsible for advising industry bankers and clients on bank loans, negotiating credit agreements as well as commitment letters, and serving as a point of contact for both borrowers and loan investors where Credit Suisse functioned as the administrative agent. Mr. Buddhdew was also an Associate in Citigroup's CMBS group and JP Morgan's Middle Market Banking Group prior to joining CIG in 2008. He received a B.S. in Finance from Rutgers College.

Michael Chaisanguanthum
Director

Michael Chaisanguanthum is a Director of CSAM, based in New York. He joined CIG in 2007 and is currently an analyst covering restructurings, workouts, and stressed and distressed credits. Prior to joining the group, Mr. Chaisanguanthum was an Associate in the Business Finance & Restructuring Department of Weil, Gotshal & Manges LLP. Mr. Chaisanguanthum holds a B.S. in Business Administration from the University of California, Berkeley and a J.D. from Harvard Law School.

Adrienne Dale
Director

Adrienne Dale is a Director of CSAM, based in New York. She joined CIG in 2005 as a credit analyst. Prior to joining the group, Ms. Dale worked as a senior high-yield research analyst at CIBC World Markets, where she covered the Automotive Supplier and Retailer sectors. Ms. Dale earned her B.A. from the University of Pennsylvania and her M.B.A. from the Stern School of Business at New York University.

Edward DeBruyn
Director

Edward DeBruyn is a Director of CSAM, based in New York. He joined CIG in 2002 as a credit analyst and currently covers the paper/packaging and diversified manufacturing sectors. Prior to joining CIG, Mr. DeBruyn worked at Morgan Stanley, where he was a credit analyst in the Global High Yield research department covering primarily paper and packaging high-yield debt issuers located in North America, South America and Asia. Before joining the research department at Morgan Stanley, Mr. DeBruyn spent two years working on Morgan Stanley's Global High Yield Sales Desk. Mr. DeBruyn holds a B.S. in Business Management with a concentration in Finance from Merrimack College.

Ilan Friedman
Director

Ilan Friedman is a Director of CSAM, based in New York. He joined CIG in 2006 as a trader. Prior to joining the group, Mr. Friedman served on the Loan Sales and Trading Desk at SG Americas Securities Inc. Mr. Friedman holds a B.A. in Finance from Pennsylvania State University and an M.B.A. from the Stern School of Business at New York University.

Roberta Girard
Director

Roberta Girard is a Director of CSAM. She joined CIG in 2006 as a credit analyst and is resident in London. Prior to joining CIG, Ms. Girard was an Associate in Credit Suisse's European Mergers and Acquisitions Group and was previously an Analyst in Credit Suisse's Global Industrial and Services Group. Ms. Girard joined Credit Suisse in 2002 and is currently a credit analyst covering European credits. Ms. Girard holds a B.A. in Economics from Bocconi University in Milan.

Sima Goldenberg
Director

Sima Goldenberg is a Director of CSAM, based in New York. She joined CIG as the Deputy Chief Operating Officer in 2014. Prior to joining CIG, Mrs. Goldenberg worked as a Senior Financial Analyst for CSAM beginning in 2006. Starting in 2003, Mrs. Goldenberg worked as a Hedge Fund Accountant at BKF Asset Management (Formerly John A. Levin & Co.). Prior to joining BKF Asset Management, Mrs. Goldenberg worked as a Mutual Fund Accountant at First Investors. Mrs. Goldenberg holds a B.S. in Business Management & Finance from City University of New York – Brooklyn College.

Grey Harris
Director

Grey Harris is a Director of CSAM, based in New York. Mr. Harris is a Fixed Income Trader focusing on high-yield debt and investment grade bonds. Prior to joining CIG in 1999, Mr. Harris worked in over-the-counter derivatives with Paloma Partners Institutional Investors. Mr. Harris holds a B.S. in finance from the University of Delaware.

Jakob von Kalckreuth
Director

Jakob von Kalckreuth is a Director of CSAM. He joined CIG in 2005 and is resident in London. Mr. von Kalckreuth is the head European trader and a credit analyst covering European Healthcare and Financial credits. Prior to joining CIG, Mr. von Kalckreuth worked at CIBC World Markets, where he was an Analyst in the European Leveraged Finance Group involved in origination and execution. Mr. von Kalckreuth holds a B.Sc. (honors) from the University of Bath in Economics and International Development.

Daragh Murphy, CFA
Director

Daragh Murphy, CFA, is a Director of CSAM. He joined CIG in 2005 and is resident in London. Prior to joining CIG, Mr. Murphy worked at Fitch Ratings, where he was an Associate Director in the European Leveraged Finance Group. Prior to Fitch Ratings, Mr. Murphy was a credit analyst in the Corporate Finance

Group at Naspa Dublin. Mr. Murphy is a credit analyst covering European credits. Mr. Murphy holds a B.Comm (International) from University College Dublin and is a CFA charterholder.

James M. Potesky
Director

James M. Potesky is Director of CSAM, based in New York. He joined CIG in 2001 as a credit analyst from the Global High Yield Research Group at Morgan Stanley where he served as a Vice President and senior chemical industry analyst. From 1998 to 2000, he was a Vice President and chemical industry analyst for the high-yield department of Schroder & Company. From 1990 to 1998, Mr. Potesky was a Director and senior credit analyst at Standard & Poor's Ratings Group. He began his career as a corporate loan officer at Morgan Guaranty Trust Company in the early 1980s. Mr. Potesky currently covers the automotive and chemical industries. Mr. Potesky holds a B.A. in Political Science from Washington University.

Berchmans Rivera
Director

Berchmans Rivera is a Director of CSAM. He joined CIG in 2006 where he covered Gaming, Leisure and Lodging until 2008 when he transferred to CIG London, where he is currently resident. Mr. Rivera currently covers European credits in the Gaming, Leisure, Lodging, Retail and Publishing sectors and is also one of the traders on the desk. He earned his B.A. in Economics from Harvard University.

Paul Roth
Director

Paul Roth is a Director of CSAM, based in New York. He is a Senior Product Specialist and Head of the Credit Suisse Credit Investments Group Market Strategy and Business Development Team. Prior to joining CSAM in 2009, Mr. Roth worked at Morgan Stanley in the Alternative Investment Group in marketing/business development. Prior to this position, Mr. Roth worked in the Asset Management division of Goldman Sachs, which he joined in 2005 and focused on third party distribution/marketing of GSAM products. He earned his B.A. in Economics from the University of Michigan in 2001.

Vance P. Shaw, CFA
Director

Vance P. Shaw, CFA, is a Director of CSAM, based in New York. He joined Credit Suisse Group in 1998 as a senior high-yield credit analyst and currently covers the energy and utility industries. From 1995 to January 1998, Mr. Shaw was Director of High Yield Bond Research at Scotia Capital Markets in New York. Prior to joining Scotia, Mr. Shaw was a Senior Analyst in High Yield Industrials at Lehman Brothers Inc. Mr. Shaw served as a high-yield analyst at Kidder Peabody & Co. from 1989 to 1991 and as a senior high-yield research analyst at Prudential Capital Management from 1986 to 1989. Mr. Shaw covered U.S. and foreign banks as an analyst at the Federal Reserve Bank of New York from 1982 to 1985. He received his B.S. in Accounting and Finance from New York University and is a CFA charterholder.

Yancy Hoyos
Director

Yancy Hoyos is a Director of CSAM, based in London. He is the Deputy Chief Operating Officer for CIG in London. Mr. Hoyos joined CIG in 2005 as a Middle Office officer and transferred to CIG London as UK Middle Office Manager in 2006. Prior to joining CIG in 2005, Mr. Hoyos was a senior operations officer at Invesco Senior Secured Asset Management, Inc. Mr. Hoyos received a PgDip in Financial Strategy from Saïd Business School at the University of Oxford and holds a B.Sc. in International Business with a concentration in International Finance from Universidad EAFIT.

Joshua Shedroff
Director

Joshua Shedroff is a Director of CSAM, based in New York. He joined CIG as a credit analyst in 2008. Previously he served as an Associate at The GlenRock Group, a private equity firm, where he evaluated and executed growth equity and leveraged buyout transactions. Prior to that, he worked in the Corporate Development Group at AboveNet, where he focused on Chapter 11 restructuring. Josh began his career in the

Investment Banking Division at Salomon Smith Barney. Josh received an M.B.A. with honors from the Wharton School at the University of Pennsylvania and a B.A. with honors in Economics from Brandeis University.

Buo Zhang
Director

Buo Zhang is a Director of CSAM, based in New York. She joined CIG as a credit analyst in 2007 and currently covers structured products. She earned her B.S. in Finance and Accounting from the Stern School of Business at New York University.

Eileen Liu-Baumert
Vice President

Eileen Liu-Baumert is a Vice President of CSAM, based in New York. She joined CIG in 2016 as a Product Specialist. Prior to joining CIG, Ms. Liu-Baumert worked in various roles at Credit Suisse, including Strategic Marketing and Communications for the firm, and marketing for CSAM's Commodities Group. She began her career in finance at Lightyear Capital, a middle-market financial services private equity firm, in a Marketing and Investor Relations capacity. She received her M.B.A. from the Stern School of Business at New York University and a B.A. in Individualized Study from the Gallatin School at New York University.

Grant Thomas
Vice President

Grant Thomas is a Vice President of CSAM, based in New York. He joined CIG as a credit analyst in 2016. Prior to joining CIG, he was a distressed credit analyst on the CS Leveraged Loan trading desk starting in 2014. He earned a B.S. in Management from the United States Air Force Academy and an M.B.A. from the UCLA Anderson School of Management. Prior to 2014, he served for six years as an Air Force contracting officer.

Alexander Witkes
Vice President

Alexander Witkes is a Vice President of CSAM, based in New York. He joined CIG as a credit analyst in 2011. He earned his B.S. in Economics with concentrations in Finance and Accounting from the Wharton School of the University of Pennsylvania.

Michael Adelman
Associate

Michael Adelman, CFA, is an Analyst of CSAM, based in New York. He joined CIG as a credit analyst in 2014. Prior to joining CIG, Mr. Adelman worked in Leveraged Finance within the Investment Banking Division at Jefferies. He earned his B.B.A. with High Distinction from the Stephen M. Ross School of Business at the University of Michigan and is a CFA charterholder.

James Baldock
Associate

James Baldock is an Associate of CSAM. He joined CIG as a credit analyst in 2015 and is resident in London. Prior to joining CIG, Mr. Baldock worked in Leveraged and Acquisition Finance within the Investment Banking Division at HSBC. He earned his M.S. in Corporate Finance at EDHEC Business School in France.

Courtney Mehrotra
Associate

Courtney Mehrotra is an Associate of CSAM, based in New York. She joined CIG in 2017 as a Product Specialist. Prior to joining CSAM, Courtney worked in marketing for KKR and Brookfield Asset Management. Courtney started her career in Equity Capital Markets at Wells Fargo Securities. She earned her B.A. in Economics from New York University.

Conlin Sheridan
Associate

Conlin Sheridan is an Associate of CSAM, based in New York. He joined CIG in 2013 as a Trading Assistant. He earned his B.A. in Economics & Business from Lafayette College.

Landy Liu
Analyst

Landy Liu is an Analyst of CSAM, based in New York. He joined CIG in 2016 to support the structured products team. Prior to joining CIG, Mr. Liu worked in the Strategy and Product Development group of CSAM. He earned his B.S. in Economics with concentrations in Finance, Marketing, and Operations Management from the Wharton School of the University of Pennsylvania.

Davis Meiering
Analyst

Davis Meiering is an Analyst of CSAM, based in New York. He joined CIG as a credit analyst in 2016. He earned his B.S. in Finance and Statistics with a Minor in Mathematics from the Stern School of Business at New York University.

THE RETENTION HOLDER AND EU RETENTION REQUIREMENTS

The following description consists of a summary of certain provisions of the Risk Retention Letter which does not purport to be complete and is qualified by reference to the detailed provisions of the Risk Retention Letter.

Description of the Retention Holder

The Portfolio Manager shall act as Retention Holder for the purposes of the EU Retention Requirements as a "sponsor" (as such term is defined in the CRR as at the Issue Date), as more fully described in this section.

EU Risk Retention

On the Issue Date, the Retention Holder, will execute the Risk Retention Letter addressed to the Issuer, the Trustee (for the benefit of the Noteholders), the Collateral Administrator and Credit Suisse Securities (Europe) Limited in its capacity as Initial Purchaser.

Under the Risk Retention Letter, the Retention Holder covenants that it will for so long as any Class of Notes remains Outstanding:

(a) subscribe for (at the initial issuance and each subsequent date of additional issuance of Notes) and retain on an ongoing basis and for its own account, a material net economic interest in the transaction which will be comprised of not less than 5 per cent. of the Principal Amount Outstanding of each Class of Notes pursuant to paragraph 1(a) of Article 405 of the CRR, paragraph 2(a) of Article 254 of the Solvency II Retention Requirements and Article 51(1)(a) of the AIFMD (being, as of the Issue Date, the "**Retention Notes**"), subject to the proviso below;

(b) not sell, hedge or otherwise mitigate its credit risk under or associated with the Retention Notes or the underlying Portfolio of Collateral Debt Obligations, except to the extent permitted in accordance with the EU Retention Requirements;

(c) subject to any regulatory requirements: (i) take such further action, provide such information including confirmation of its compliance with paragraphs (a) and (b) above and enter into such other agreements, in each case, as may reasonably be required to satisfy the EU Retention Requirements as of the Issue Date and (ii) at any time prior to the maturity or repayment in full of the Notes, provide to the Issuer information in the possession of the Retention Holder relating to its holding of the Retention Notes, to the extent the same is not subject to a duty of confidentiality, at the cost and expense of the party seeking information at any time prior to the maturity of the Notes;

(d) confirm its continued compliance with the requirements set out in paragraphs (a) and (b) above (i) promptly upon reasonable request made in writing by any of the Issuer, the Trustee, the Collateral Administrator or the Initial Purchaser; and (ii) in any event on a monthly basis to the Issuer, the Trustee, the Collateral Administrator and the Initial Purchaser (concurrent with or immediately prior to the delivery of each Monthly Report);

(e) represent that it is a "sponsor" (as such term is defined in Article 4 of the CRR as at the Issue Date), provided that if there is any change in its authorisation or licensing status such that it ceases to be a "sponsor" following the Issue Date solely as a direct consequence of any United Kingdom exit from the European Union then this representation and warranty shall no longer apply; and

(f) immediately on becoming aware of the occurrence thereof, provide a written notice to the Issuer, the Trustee, the Collateral Administrator and the Initial Purchaser if for any reason it (i) ceases to hold the Retention Notes in accordance with paragraph (a) above; (ii) fails to comply with the covenants set out in paragraphs (b) and (c) above in any way; and (iii) any of the representations in the Risk Retention Letter fail to be true on any date,

provided, however, that the Retention Holder may transfer the Retention Notes to the extent that such transfer would not cause the transaction described in this Offering Circular to be non-compliant with the EU Retention Requirements, and therefore, if a successor portfolio manager is appointed in accordance with the Portfolio Management Agreement, the Retention Holder may sell the Retention Notes to such successor (at a price agreed by the parties to such sale) except to the extent that such a sale: (i) is restricted by the EU Retention Requirements; or (ii) would cause the transaction described in this Offering Circular to be non-compliant with the EU Retention Requirements, and such successor shall, enter into a similar letter in respect of the Retention

Notes and provide representations, warranties and covenants substantially similar to those set out herein in relation to the EU Retention Requirements.

EU Retention Compliance Event and EU Retention Cure Action

Notwithstanding the above, if the Portfolio Manager determines, in its sole and absolute discretion, that an EU Retention Compliance Event has occurred or is, with the passage of time, reasonably likely to occur, the Portfolio Manager may (but shall not be obliged to), in its sole and absolute discretion, take any EU Retention Cure Action which it may deem to be reasonably necessary or appropriate (in light of the facts and circumstances existing at the time).

"**EU Retention Compliance Event**" means the withdrawal of the UK from the European Union such that: (i) the UK is no longer within the scope of MiFID II; and (ii) a passporting regime or third country recognition of the UK is not in place, such that the representation in paragraph (e) above no longer applies.

"**EU Retention Cure Action**" means any action taken by the Portfolio Manager, in its sole discretion, with the intention of complying with, or preserving compliance with, the EU Retention Requirements following the occurrence of an EU Retention Compliance Event, which action shall be promptly notified by the Portfolio Manager to the Issuer, the Trustee and the Noteholders in accordance with Condition 16 (*Notices*).

CREDIT RISK RETENTION

The U.S. Risk Retention Rules require the "sponsor" of a "securitization transaction" to retain (either directly or through its "majority-owned affiliates") not less than 5% of the "credit risk" of "securitized assets" (as such terms are defined in the U.S. Risk Retention Rules). For purposes of this transaction, the Portfolio Manager would be considered to be a "sponsor" for the purposes of the U.S. Risk Retention Rules. To this end, the sponsor or its majority-owned affiliate may retain an "eligible vertical interest" or an "eligible horizontal residual interest" (as such terms are defined in the U.S. Risk Retention Rules), or any combination thereof.

CSAM (as the "**Retention Holder**") has informed the Issuer that it intends to satisfy the U.S. Risk Retention Rules by (i) purchasing an "eligible vertical interest" on the Issue Date in an amount of not less than 5% of the principal amount of each Class of Notes issued by the Issuer (the "**U.S. Retention Interest**") and (ii) holding the U.S. Retention Interest in the manner and for so long as required under the U.S. Risk Retention Rules. A description of the material terms of the Notes comprising the U.S. Retention Interest is set forth under the section "*Terms and Conditions of the Notes*".

The amount of each Class of Notes acquired by the Retention Holder and constituting the U.S. Retention Interest is set forth as follows:

Class of Notes	U.S. Retention Interest
Class A-1 Notes	€12,675,000
Class A-2 Notes	€1,050,000
Class B-1 Notes	€1,100,000
Class B-2 Notes	€1,600,000
Class C-1 Notes	€891,000
Class C-2 Notes	€526,500
Class D-1 Notes	€801,500
Class D-2 Notes	€368,500
Class E Notes	€1,237,500
Class F Notes	€607,500
Class M Subordinated Notes	€2,477,500

To the extent there is a material change in the amount of the U.S. Retention Interest actually held by the Retention Holder on the Issue Date from the amount set forth above, the Retention Holder will provide notice of the amount of the U.S. Retention Interest within a reasonable period of time after the Issue Date.

Subject to any applicable restrictions on transfer, the Retention Holder may, at any time and from time to time, sell or otherwise transfer all or any portion of any Notes as permitted by the U.S. Risk Retention Rules and the EU Retention Requirements.

None of the Issuer, the Initial Purchaser, the Portfolio Manager, the Retention Holder, the Trustee, their respective Affiliates, corporate officers or professional advisors or any other Person makes any representation, warranty or guarantee that the Portfolio Manager, the Retention Holder, their respective Affiliates or the transaction contemplated by this Offering Circular will be in compliance with the U.S. Risk Retention Rules, and no such Person shall have any liability to any prospective investor or any other Person with respect to any failure by the Portfolio Manager, the Retention Holder or of the transaction contemplated by this Offering Circular to satisfy the U.S. Risk Retention Rules or any other applicable legal, regulatory or other requirements. See "*Risk Factors— Regulatory Initiatives—Risk Retention and Due Diligence Requirements—U.S. Risk Retention Rules*."

Each prospective investor should consult its own legal, accounting and other advisors to determine whether and to what extent this information is sufficient for its purposes and any other requirements of which it is uncertain.

For important information about the U.S. Risk Retention Rules, see information under the headings "*Risk Factors—Regulatory Initiatives—Risk Retention and Due Diligence Requirements—U.S. Risk Retention Rules*."

THE PORTFOLIO

The following description of the Portfolio consists of a summary of certain provisions of the Portfolio Management Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement. Terms used and not otherwise defined herein or in this Offering Circular as specifically referenced herein shall have the meaning given to them in Condition 1 (Definitions) of the Conditions.

Introduction

Pursuant to the Portfolio Management Agreement, the Portfolio Manager is required to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described below. In addition, the Collateral Administrator is required to perform certain calculations in relation to the Portfolio on behalf of the Issuer, in each case to the extent and in accordance with the information provided to it by the Portfolio Manager.

Acquisition of Collateral Debt Obligations

The Portfolio Manager will determine and will use reasonable endeavours to cause to be acquired by the Issuer a portfolio of Collateral Debt Obligations during the Initial Investment Period, the Reinvestment Period and thereafter. The Issuer anticipates that, by the Issue Date, it will have purchased or committed to purchase Collateral Debt Obligations, the Aggregate Principal Balance of which is equal to at least €360,000,000 which is approximately 80 per cent. of the Target Par Amount. The proceeds of issue of the Notes remaining after payment of: (a) the acquisition costs for the Collateral Debt Obligations acquired by the Issuer on or prior to the Issue Date; and (b) certain fees, costs and expenses incurred in connection with the issue of the Notes and anticipated to be payable by the Issuer following completion of the issue of the Notes will be deposited in the Reserve Account, the Expense Reserve Account and the Unused Proceeds Account on the Issue Date. The Portfolio Manager acting on behalf of the Issuer, shall use all commercially reasonable efforts to purchase Collateral Debt Obligations with an Aggregate Principal Balance (*provided that*, for the purposes of determining the Aggregate Principal Balance, any repayments or prepayments of any Collateral Debt Obligations subsequent to the Issue Date, not subsequently reinvested shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its S&P Collateral Value and its Moody's Collateral Value) equal to at least the Target Par Amount out of the Balance standing to the credit of the Unused Proceeds Account during the Initial Investment Period.

The Issuer does not expect and is not required to satisfy the Collateral Quality Tests, Portfolio Profile Tests, the Coverage Tests or the Reinvestment Overcollateralisation Test prior to the Effective Date. The Portfolio Manager may declare that the Initial Investment Period has ended and the Effective Date has occurred prior to 9 July 2018, subject to the Effective Date Determination Requirements being satisfied.

No later than the Determination Date immediately following the Effective Date, the Balance standing to the credit of the Unused Proceeds Account will be transferred to the Principal Account and/or Interest Account, in each case, at the discretion of the Portfolio Manager (acting on behalf of the Issuer), *provided that* as at such date: (i) the Issuer has acquired or entered into binding commitments to acquire Collateral Debt Obligations, the Aggregate Principal Balance (*provided that*, for the purposes of determining the Aggregate Principal Balance, any repayments or prepayments of any Collateral Debt Obligations subsequent to the Issue Date, not subsequently reinvested shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its S&P Collateral Value and its Moody's Collateral Value) of which equals or exceeds the Target Par Amount; (ii) (A) no more than 1 per cent. of the Aggregate Collateral Balance may be transferred to the Interest Account and (B) immediately following any such transfer, the Aggregate Collateral Balance shall be greater than or equal to the Reinvestment Target Par Balance; (iii) each of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests is satisfied; and (iv) the Rating Agencies have confirmed the Initial Rating of the Rated Notes following delivery of the Effective Date Report *provided that* (i) if the Effective Date Moody's Condition is satisfied then such rating confirmation shall be deemed to have been received from Moody's and (ii) if the Effective Date Non-Model CDO Monitor Test is satisfied then such rating confirmation shall be deemed to have been received from S&P.

Within 10 Business Days following the Effective Date, the Collateral Administrator shall issue a report (the "**Effective Date Report**") containing the information required in a Monthly Report, confirming whether the Issuer has acquired or entered into a binding commitment to acquire Collateral Debt Obligations having an Aggregate Principal Balance which equals or exceeds the Target Par Amount, copies of which shall be

forwarded to the Issuer, the Trustee, the Portfolio Manager and the Rating Agencies (*provided that*, for the purposes of determining the Aggregate Principal Balance as provided above, any repayments or prepayments of any Collateral Debt Obligations subsequent to the Issue Date not subsequently reinvested shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its S&P Collateral Value and its Moody's Collateral Value).

Within 20 Business Days following the Effective Date, the Issuer will provide, or cause the Portfolio Manager to provide to (i) the Collateral Administrator, the Accountants' Effective Date Recalculation AUP Report, and (ii) the Trustee, written notice that such reports have been so provided. For the avoidance of doubt, the Effective Date Report shall not include or refer to the Accountants' Effective Date Recalculation AUP Report. The Portfolio Manager shall confirm to the Rating Agencies that the Issuer or the Portfolio Manager has received a copy of each of the Accountants' Effective Date Recalculation AUP Report (but shall not provide a copy of any such accountants' report to the Rating Agencies).

The Portfolio Manager (acting on behalf of the Issuer) shall promptly, following receipt of the Effective Date Report request that each of the Rating Agencies (to the extent not previously received) confirm its Initial Ratings of the Rated Notes, *provided that* (i) if the Effective Date Moody's Condition is satisfied then such rating confirmation shall be deemed to have been received from Moody's and (ii) if the Effective Date Non-Model CDO Monitor Test is satisfied then such rating confirmation shall be deemed to have been received from S&P. If the Effective Date Moody's Condition is not satisfied within 20 Business Days following the Effective Date the Portfolio Manager shall promptly notify Moody's and/or if the Effective Date S&P Condition is not satisfied within 20 Business Days following the Effective Date, the Portfolio Manager shall promptly notify S&P. If: (A)(1) the Effective Date Determination Requirements are not satisfied as at the Effective Date and Rating Agency Confirmation has not been received in respect of such failure to satisfy any of the Effective Date Determination Requirements; and (2) either: (x) the Portfolio Manager (acting on behalf of the Issuer) does not present a Rating Confirmation Plan to the Rating Agencies, or (y) the Portfolio Manager (acting on behalf of the Issuer) presents a Rating Confirmation Plan to the Rating Agencies and Rating Agency Confirmation is not received from each Rating Agency in respect of such Rating Confirmation Plan upon request therefor by the Portfolio Manager; or (B) the Effective Date Moody's Condition is not satisfied and following a request therefor from the Portfolio Manager following the Effective Date, Rating Agency Confirmation from Moody's is not received; or (C) where the Effective Date S&P Condition is not satisfied, following a request thereof from the Portfolio Manager after the Effective Date, Rating Agency Confirmation from S&P is not received, an Effective Date Rating Event shall have occurred ; *provided that* any downgrade or withdrawal of the Initial Ratings of the Rated Notes which is not directly related to a request for confirmation thereof or which occurs after confirmation thereof by the Rating Agencies shall not constitute an Effective Date Rating Event. If an Effective Date Rating Event has occurred and is continuing on the Business Day prior to the Payment Date next following the Effective Date, either (I) the Issuer, at the direction of the Portfolio Manager, shall purchase additional Collateral Debt Obligations until an Effective Date Rating Event is no longer continuing or (II) the Rated Notes shall be redeemed, pursuant to Condition 7(e) (*Redemption upon Effective Date Rating Event*) on such Payment Date and thereafter on each Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment, until the earlier of (x) the date on which the Effective Date Rating Event is no longer continuing and (y) the date on which the Rated Notes have been redeemed in full. The Portfolio Manager shall notify the Rating Agencies upon the discontinuance of an Effective Date Rating Event.

During such time as an Effective Date Rating Event shall have occurred and be continuing the Portfolio Manager (acting on behalf of the Issuer) may prepare and present to the Rating Agencies a Rating Confirmation Plan setting forth the timing and manner of acquisition of additional Collateral Debt Obligations and/or any other intended action which will cause confirmation or reinstatement of the Initial Ratings. The Portfolio Manager (acting on behalf of the Issuer) is under no obligation whatsoever to present a Rating Confirmation Plan to the Rating Agencies.

Eligibility Criteria

Each Collateral Debt Obligation must, at the time of entering into a binding commitment to acquire such obligation by, or on behalf of, the Issuer, satisfy the following criteria (the "**Eligibility Criteria**") as determined by the Portfolio Manager in its reasonable discretion:

(a) it is a Secured Senior Loan, a Secured Senior Bond, a Corporate Rescue Loan, an Unsecured Senior Obligation, a Mezzanine Obligation, a Second Lien Loan or a High Yield Bond (in each case, which is not a Participation of a Participation);

(b) (i) it is (A) denominated in Euro, or (B) denominated in a Qualifying Currency and either (x) is denominated in a Qualifying Unhedged Obligation Currency, and within 180 calendar days of the later of the settlement of the purchase by the Issuer of such obligation and the Issue Date, or otherwise (y) no later than the settlement date of the acquisition thereof, the Issuer (or the Portfolio Manager on its behalf) enters into a Currency Hedge Transaction with a notional amount in the relevant currency equal to the aggregate principal amount of such obligation and otherwise complies with the requirements in respect of Currency Hedge Obligations hereunder; and (ii) is not convertible or payable in any other currency;

(c) it is not a Defaulted Obligation, Deferring Security or a Credit Impaired Obligation;

(d) it is not a lease (including, for the avoidance of doubt, a financial lease);

(e) it is not a Structured Finance Security, letter of credit or a Synthetic Security;

(f) it provides for a fixed amount of principal payable in cash on scheduled payment dates and/or at maturity and does not by its terms provide for earlier amortisation or prepayment in each case at a price of less than par;

(g) it is not a Zero Coupon Security;

(h) it does not constitute Margin Stock;

(i) it is an obligation in respect of which, following acquisition thereof by the Issuer by the selected method of transfer, interest payments either (i) will not be reduced by any withholding tax imposed by any jurisdiction or (ii) if and to the extent that any such withholding tax does apply, either: (A) such withholding tax can be sheltered in full by application being made under the applicable double tax treaty; or (B) the Obligor is required to make "gross-up" payments to the Issuer that cover the full amount of any such withholding on an after-tax basis (and, in the case of Participations, neither payments to the Selling Institutions nor payments to the Issuer will be subject to withholding tax unless the Obligor is required to make “gross-up” payments that compensate the Issuer directly or indirectly in full for such withholding on an after-tax basis);

(j) other than in the case of a Corporate Rescue Loan, it has a S&P Rating of not lower than "CCC-";

(k) other than in the case of a Corporate Rescue Loan, it has a Moody’s Rating of not lower than "Caa3";

(l) it is not a debt obligation whose repayment is subject to substantial non-credit related risk;

(m) other than in the case of Revolving Obligations or Delayed Drawdown Obligations, it will not result in the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer other than those: (i) which may arise at its option; (ii) which are fully collateralised; (iii) which are subject to limited recourse provisions similar to those set out in the Trust Deed; (iv) which are owed to the agent bank in relation to the performance of its duties under a Collateral Debt Obligation; or (v) which may arise as a result of an undertaking to participate in a financial restructuring of a Collateral Debt Obligation where such undertaking is contingent upon the redemption in full of such Collateral Debt Obligation on or before the time by which the Issuer is obliged to enter into the restructured Collateral Debt Obligation and where the restructured Collateral Debt Obligation satisfies the Eligibility Criteria, *provided that* the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer following such restructuring shall not exceed the redemption amounts from such restructured obligation;

(n) it will not require the Issuer or the pool of collateral to be registered as an investment company under the Investment Company Act;

(o) it is not a debt obligation that pays scheduled interest less frequently than annually (other than, for the avoidance of doubt, PIK Securities);

(p) (i) the Collateral Debt Obligation Stated Maturity thereof or (ii) in respect of any Collateral Debt Obligation that is subject to a tender offer, voluntary redemption, exchange offer, conversion or similar action, the redemption date or date of completion of such action, falls prior to the Maturity Date of the Notes;

(q) its acquisition by the Issuer will not result in the imposition of stamp duty or stamp duty reserve tax or similar tax or duty payable by, or otherwise recoverable from, the Issuer (or by any other person who has a right, statutory or otherwise, to be reimbursed for the same by the Issuer), unless such stamp duty or stamp duty reserve tax or similar tax or duty has been included in the purchase price of such Collateral Debt Obligation;

(r) upon acquisition, both (i) the Collateral Debt Obligation is capable of being, and will be, the subject of a first fixed charge, a first priority security interest or other arrangement having a similar commercial effect in favour of the Trustee for the benefit of the Secured Parties and (ii) (subject to paragraph (i) above) the Issuer (or the Portfolio Manager on behalf of the Issuer) has notified the Trustee in the event that any Collateral Debt Obligation that is a bond is held through the Custodian but not held through Euroclear or does not satisfy the requirements relating to Euroclear collateral specified in the Trust Deed and has taken such action as the Trustee may require to effect such security interest;

(s) it is an obligation of an Obligor or Obligors Domiciled in a Qualifying Country (as determined by the Portfolio Manager acting on behalf of the Issuer);

(t) it is capable of being sold, assigned or participated to, or held by, the Issuer, together with any associated security, without any breach of applicable selling restrictions or of any contractual provisions or of any legal or regulatory requirements and the Issuer does not require any authorisations, consents, approvals or filings (other than such as have been obtained or effected) as a result of or in connection with any such sale, assignment, participation or holding under any applicable law;

(u) it is not an obligation whose acquisition by the Issuer will cause the Issuer to be deemed to have participated in a primary loan origination in the United States;

(v) it must require the consent of more than 66⅔ per cent. of the lenders to the Obligor thereunder for any change in the scheduled principal amortisation profile, legal final maturity or reduction of interest applicable on such obligation (for the avoidance of doubt, excluding any changes originally envisaged in the loan documentation); *provided that* in the case of a Collateral Debt Obligation that is a bond, such percentage requirement shall refer to the percentage of holders required to approve a resolution on any such matter, either as a percentage of those attending a quorate bondholder meeting or as a percentage of all bondholders acting by way of a written resolution;

(w) it is in registered form for U.S. federal income tax purposes unless it is not a "registered-required obligation" as defined in Section 163(f) of the Code;

(x) if it is a Revolving Obligation or a Delayed Drawdown Obligation, it can only be drawn in Euro;

(y) it is not a Step-Down Coupon Security or Step-Up Coupon Security;

(z) it does not have an "f", "r", "p", "pi", "q", "(sf)" or "t" subscript assigned by S&P;

(aa) it does not have an “(sf)” subscript assigned by Moody’s;

(bb) it does not derive its value, or the greater part of its value, directly or indirectly from Irish land;

(cc) it is not an Equity Security, or an obligation convertible into an Equity Security;

(dd) it is not a debt obligation of an Obligor whose total potential indebtedness (as determined by original or subsequent issuance size whether drawn or undrawn) under all loan agreements, indentures, and other underlying instruments entered into directly or indirectly by such Obligor is less than EUR 100 million (or the equivalent thereof converted into Euro at the Spot Rate) at the time at which the Issuer entered into a binding commitment to purchase such debt obligation;

(ee) it is a "qualifying asset" for the purposes of section 110 of the Taxes Consolidation Act 1997 of Ireland;

(ff) is not an obligation of an Obligor or Obligors Domiciled in a country with a Moody's local currency country risk ceiling of "Baa1" or below;

(gg) it is not subject to a tender offer, voluntary redemption, exchange offer, conversion or other similar action for a purchase amount or redemption amount less than the lower of (i) its par amount and (ii) the Principal Proceeds to be applied by or on behalf of the Issuer in the acquisition thereof;

(hh) it is not a debt obligation which pays interest only and does not require the repayment of principal;

(ii) it has a minimum purchase price of 40 per cent. of the Principal Balance of such Collateral Debt Obligation;

(jj) it is not a debt obligation whose repayment is subject to substantial non-credit related risk;

(kk) it is not a debt obligation that contains limited recourse provisions that limit the obligations of the Obligor thereunder to a defined portfolio ro pool of assets; and

(ll) it is an Eligible Interest Rate Obligation,

other than (i) Issue Date Collateral Debt Obligations which must satisfy the Eligibility Criteria on the Issue Date and (ii) Collateral Debt Obligations which are the subject of a restructuring (whether effected by way of an amendment to the terms of such Collateral Debt Obligation or by way of substitution of new obligations and/or change of Obligor) which must satisfy the Restructured Obligation Criteria on the applicable Restructuring Date, the subsequent failure of any Collateral Debt Obligation to satisfy any of the Eligibility Criteria shall not prevent any obligation which would otherwise be a Collateral Debt Obligation from being a Collateral Debt Obligation so long as such obligation satisfied the Eligibility Criteria, when the Issuer or the Portfolio Manager on behalf of the Issuer entered into a binding agreement to purchase such obligation.

"**Eligible Interest Rate Obligation**" means:

(a) it is an obligation that either pays a fixed amount of interest or a floating amount of interest determined by reference to a published reference rate commonly used in the financial markets such as EURIBOR, LIBOR, or LIBOR, as well as reference rates that may be introduced in succession or replacement in the future;

(b) it is not an obligation that allows the Obligor to pay interest amounts in a currency that is different from the denomination of the principal amount of such obligation;

(c) it is not an obligation in respect of which the interest coupon (in the case of a fixed rate obligation) or margin (in the case of a floating rate obligation) may increase due to a decrease of the index or reference rate applicable to the determination of such interest amount or decrease due to an increase of the index or reference rate applicable to the determination of such interest amount except due to the presence of a cap or floor applicable to the benchmark rate;

(d) it is not an obligation in respect of which the index or reference rate applicable to the determination of the interest amount is based on a derivative of any index or reference rate except for the presence of a cap or floor applicable to the benchmark rate;

(e) it is not an obligation in respect of which the tenor of the index or reference rate applicable to the determination of the interest amount is different to the tenor of the frequency of interest amount payments required to be made by the Obligor (provided that, subject to paragraph (f) below, interest that is deferred shall be considered paid for the purposes of this determination), other than in respect of the initial interest period or the final interest period prior to maturity or an acceleration or other early termination or prepayment (in whole or in part) of such obligation (or both as the case may be), provided that in each case the difference of the tenor of the index or reference rate to the tenor of the frequency of interest amount payments required to be made by the Obligor is not more than the frequency of interest amount payments in a period that is not the initial or final interest period at any time; and

(f) it is an obligation in respect of which any interest amount that is deferred (including any interest amount that is automatically deferred or deferred at the option of the Obligor, and including any interest amount that is capitalised) incurs interest that is at least the same as the rate that is applicable to the principal amount of such obligation, in all cases, provided that:

(i) the Portfolio Manager's determination of whether an obligation satisfies the above criteria shall be assessed on a reasonable enquiry basis only, where a reasonable enquiry may include (but will not be limited to) either (1) reviewing the provisions of the term sheet relating to the interest rate or margin for such obligation, or (2) receiving adequate assurances or confirmation from the agent or arranger for such obligation that the above conditions have been satisfied;

(ii) changes that could result from an event that the Portfolio Manager, in its reasonable judgement, determines at the time of purchase of the obligation, would be exceptional (which may include, but is not limited to (1) a default, (2) a breach of covenants, (3) the discontinuation of a floating rate obligation's reference rate that satisfies (a) of this definition without it being replaced by a new reference rate that also satisfies (a) of this definition, (4) a sale or merger of all or some of the Obligor's businesses, or the purchase of a new business, and (5) a modification made by waiver or amendment following consents from at least 50 per cent of the obligation's Lenders or, if applicable, the trustee thereunder) will not prevent an obligation from being considered an Eligible Interest Rate Obligation; and

(iii) all requirements of this definition will be construed and interpreted consistently with the purpose of attempting to ensure that a Collateral Debt Obligation's payment profile consists solely of payments of principal and interest when accounted for under IFRS 9.

Restructured Obligations

If a Collateral Debt Obligation becomes the subject of a restructuring whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an amendment of its maturity date) or by way of substitution of new obligations and/or change of Obligor, such obligation shall only constitute a Restructured Obligation if such obligation (1) has an S&P Rating, (2) satisfies each of the criteria comprising the Eligibility Criteria other than the criteria set out at paragraphs (c), (i), (k), (j) and (cc) thereof, and (3) in the case of an obligation which, as a result of such restructuring, would have a Collateral Debt Obligation Stated Maturity falling on or after the Maturity Date of the Notes (a "**Long-Dated Restructured Obligation**"), not more than 5.0 per cent. of the Aggregate Collateral Balance (for which purposes, that the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value) shall consist of Long-Dated Restructured Obligations, on the related Restructuring Date, as determined by the Portfolio Manager in its reasonable discretion (such applicable criteria (the "**Restructured Obligation Criteria**").

Management of the Portfolio

Overview

The Portfolio Manager (acting on behalf of the Issuer) is permitted, in certain circumstances and, subject to certain requirements, to sell Collateral Debt Obligations and Exchanged Securities and to reinvest the Sale Proceeds (other than accrued interest on such Collateral Debt Obligations included in Interest Proceeds by the Portfolio Manager) thereof in Substitute Collateral Debt Obligations. The Portfolio Manager shall notify the Collateral Administrator of all necessary details of the Collateral Debt Obligation or Exchanged Security to be sold and the proposed Substitute Collateral Debt Obligation to be purchased and the Collateral Administrator (on behalf of the Issuer) shall determine and shall provide confirmation of whether the Portfolio Profile Tests, the Reinvestment Criteria, the Investment Criteria Adjusted Balance and the Reinvestment Balance Criteria which are required to be satisfied, maintained or improved in connection with any such sale or reinvestment are satisfied, maintained or improved or, if any such criteria are not satisfied, maintained or improved, shall notify the Issuer and the Portfolio Manager of the reasons and the extent to which such criteria are not so satisfied, maintained or improved.

The Portfolio Manager will subject to the Standard of Care (as such term is defined in the Portfolio Management Agreement) to which it is subject under the Portfolio Management Agreement, determine and use reasonable endeavours to cause to be purchased by the Issuer, Collateral Debt Obligations (including all Substitute Collateral Debt Obligations) which satisfy the Eligibility Criteria, the Reinvestment Criteria and the terms of the Portfolio Management Agreement and will monitor the performance of the Collateral Debt Obligations on an ongoing basis to the extent practicable using sources of information reasonably available to it and *provided that* the Portfolio Manager shall not be responsible for determining whether or not the terms of any individual Collateral Debt Obligation have been observed.

The activities referred to below that the Portfolio Manager may undertake on behalf of the Issuer are subject to the Issuer's monitoring of the performance of the Portfolio Manager under the Portfolio Management Agreement.

Sale of Collateral Debt Obligations

Sale of Issue Date Collateral Debt Obligations

The Portfolio Manager, acting on behalf of the Issuer shall sell any Issue Date Collateral Debt Obligations which do not comply with the Eligibility Criteria on the Issue Date (each a "**Non-Eligible Issue Date Collateral Debt Obligation**"). Any Sale Proceeds received in connection therewith may be reinvested in Substitute Collateral Debt Obligations satisfying the Eligibility Criteria or credited to the Principal Account pending such reinvestment.

Terms and Conditions applicable to the Sale of Credit Impaired Obligations, Credit Improved Obligations and Defaulted Obligations

Credit Impaired Obligations, Credit Improved Obligations and Defaulted Obligations may be sold at any time by the Portfolio Manager (acting on behalf of the Issuer) subject to:

(a) the Portfolio Manager's knowledge, no Event of Default having occurred (in the case of a Credit Impaired Obligation, without the need for inquiry or investigation) which is continuing; and

(b) the Portfolio Manager certifying to the Trustee and the Collateral Administrator that it believes, in its reasonable business judgment, that such security constitutes a Credit Impaired Obligation, a Credit Improved Obligation or a Defaulted Obligation as the case may be.

Terms and Conditions applicable to the Sale of Exchanged Securities

Any Exchanged Security may be sold at any time by the Portfolio Manager in its discretion (acting on behalf of the Issuer) subject to, to the Portfolio Manager's knowledge, no Event of Default having occurred which is continuing.

In addition to any discretionary sale of Exchanged Securities as provided above, the Portfolio Manager shall be required by the Issuer to use its commercially reasonable efforts to sell (on behalf of the Issuer) any Exchanged Security or Equity Security, which constitutes Margin Stock, as soon as practicable upon its receipt or upon its becoming Margin Stock (as applicable) as soon as practicable upon its receipt.

Discretionary Sales

The Issuer or the Portfolio Manager (acting on behalf of the Issuer) may dispose of any Collateral Debt Obligation (other than a Credit Improved Obligation, a Credit Impaired Obligation, a Defaulted Obligation or an Exchanged Security, each of which may only be sold in the circumstances provided above) (a "**Discretionary Sale**") at any time provided:

(a) no Event of Default having occurred which is continuing;

(b) a Restricted Trading Period is not in effect;

(c) following the Effective Date, after giving effect to such sale, the Aggregate Principal Balance of all Collateral Debt Obligations sold as described in this paragraph during the same calendar year is not greater than 30 per cent. of the Aggregate Collateral Balance as of the first day of such calendar year (or, in the case of the year 2018, the Target Par Amount); and

(d) (i) during the Reinvestment Period, the Portfolio Manager reasonably believes prior to such sale that it will be able to enter one or more binding commitments to reinvest all or a portion of the Sale Proceeds in one or more additional Collateral Debt Obligations with an Aggregate Principal Balance outstanding at least equal to the Investment Criteria Adjusted Balance of such sold Collateral Debt Obligation within 45 days after the settlement of such sale in accordance with the Reinvestment Criteria; and

(ii) at any time, either: (A) the Sale Proceeds from such sale are 100 per cent. of the Principal Balance of such Collateral Debt Obligation; or (B) after giving effect to such sale, the Aggregate Principal Balance outstanding of all Collateral Debt Obligations (excluding the Collateral Debt Obligation being sold but including, without duplication, the Sale Proceeds of such sale and for such purpose the Principal Balance of each Defaulted Obligation shall be the lower of its S&P Collateral Value and its Moody's Collateral Value) plus, without duplication, the amounts on deposit in the Principal Account and the Unused Proceeds Account (including Eligible Investments therein save for interest accrued on Eligible Investments) will be greater than (or equal to) the Reinvestment Target Par Balance.

"**Investment Criteria Adjusted Balance**" means with respect to a Collateral Debt Obligation, the Principal Balance of such Collateral Debt Obligation, provided that the Investment Criteria Adjusted Balance of:

(a) a Deferring Security shall be the lesser of:

(i) its S&P Collateral Value; and

(ii) its Moody's Collateral Value;

(b) a Discount Obligation shall be the product of such obligation's:

(i) purchase price (expressed as a percentage of par); and

(ii) Principal Balance; and

(c) a Collateral Debt Obligation which has been included in the calculation of the CCC/Caa Excess shall be its Market Value, multiplied by the Principal Balance of such Collateral Debt Obligation,

provided that if a Collateral Debt Obligation satisfies two or more of paragraphs (a) to (c) above, the Investment Criteria Adjusted Balance of such Collateral Debt Obligation shall be calculated using the category which results in the lowest value.

For purposes of determining the percentage of Collateral Debt Obligations sold during any such period, the amount of any Collateral Debt Obligations sold will be reduced to the extent of any purchases of Collateral Debt Obligations of the same Obligor (which are *pari passu* or senior to such sold Collateral Debt Obligations) occurring within 45 Business Days of such sale (determined based upon the date of any relevant trade confirmation or commitment letter) so long as any such Collateral Debt Obligation was sold with the intention of purchasing a Collateral Debt Obligation of the same Obligor (which would be *pari passu* or senior to such sold Collateral Debt Obligation); *provided that* for purposes of such determination, Secured Senior Loans and Secured Senior Bonds shall be deemed to be *pari passu.*

Restricted Trading Period

The Issuer or the Portfolio Manager (acting on its behalf) shall promptly upon it becoming aware notify S&P and Moody's upon the occurrence of a Restricted Trading Period.

Sale of Collateral Prior to Maturity Date

In the event of: (a) any redemption of the Rated Notes in whole prior to the Maturity Date; or (b) receipt of notification from the Trustee of enforcement of the security over the Collateral; the Portfolio Manager (acting on behalf of the Issuer) will (at the direction of the Trustee following the enforcement of such security), as far as practicable, arrange for liquidation of the Collateral in order to procure that the proceeds thereof are in immediately available funds by the Business Day prior to the applicable Redemption Date or date of purchase and sell all or part of the Portfolio, as applicable, in accordance with Condition 7 (*Redemption and Purchase*) and the terms of the Portfolio Management Agreement but without regard to the limitations set out in the Reinvestment Criteria and clause 4 (*Sale and Reinvestment of Portfolio Assets*) of the Portfolio Management Agreement (which will include any limitations or restrictions set out in the Conditions of the Notes and the Trust Deed).

Sale of Unmarketable Assets after the Reinvestment Period

The Portfolio Manager (on behalf of the Issuer), at the expense of the Issuer and with prior written notice to the Trustee, may conduct an auction of Unmarketable Assets in accordance with the procedures described below.

The Portfolio Manager (on behalf of the Issuer) will provide notice to the Noteholders and the Rating Agencies of an auction, setting forth in reasonable detail a description of each Unmarketable Asset and the following auction procedures:

(a) any holder of Notes may submit a written bid to purchase one or more Unmarketable Assets no later than the date specified in the auction notice (which will be at least 15 Business Days after the date of such notice);

(b) each bid must include an offer to purchase for a specified amount of cash on a proposed settlement date no later than 20 Business Days after the date of the auction notice;

(c) if no holder submits such a bid, unless delivery in kind is not legally or commercially practicable, the Portfolio Manager (on behalf of the Issuer) will provide notice thereof to each holder and offer to deliver (at no cost) a *pro rata* portion of each unsold Unmarketable Asset to the holders of the most senior Class that provide delivery instructions to the Issuer and the Portfolio Manager on or before the date specified in such notice, subject to Authorised Denominations. To the extent that Authorised Denominations do not permit a *pro rata* distribution, the Portfolio Manager will identify and the Portfolio Manager (on behalf of the Issuer) will distribute the Unmarketable Assets on a *pro rata* basis to the extent possible and the Portfolio Manager (on behalf of the Issuer) will select by lottery the holder to whom the remaining amount will be delivered. The Portfolio Manager, will use commercially reasonable efforts to effect delivery of such interests. For the avoidance of doubt, any such delivery to the holders of Notes will not operate to reduce the principal amount of the related Class of Notes held by such holders; and

(d) if no such holder provides delivery instructions to the Issuer and the Portfolio Manager, the Issuer may offer to deliver (at no cost) the Unmarketable Asset to the Portfolio Manager and the Portfolio Manager may decide to accept delivery of such Unmarketable Asset. If the Portfolio Manager declines such offer, the Portfolio Manager (on behalf of the Issuer) will take any necessary actions to dispose of the Unmarketable Asset, which may be by donation to a charity, abandonment or other means.

Sale of Assets which do not Constitute Collateral Debt Obligations

In the event that an asset did not satisfy the Eligibility Criteria on the date it was required to do so in accordance with the Portfolio Management Agreement, the Portfolio Manager shall use commercially reasonable efforts to sell such asset. Such proceeds shall constitute Sale Proceeds and may be reinvested in accordance with and subject to the Reinvestment Criteria.

Reinvestment of Collateral Debt Obligations

"**Reinvestment Criteria**" means, during the Reinvestment Period, the criteria set out under "*The Portfolio – During the Reinvestment Period*" below and following the expiry of the Reinvestment Period, the criteria set out below under "*The Portfolio – Following the Expiry of the Reinvestment Period*". The Reinvestment Criteria (other than the Eligibility Criteria) shall not apply prior to the Effective Date or in the case of a Collateral Debt Obligation which has been restructured where such restructuring has become binding on the holders thereof.

During the Reinvestment Period

During the Reinvestment Period, the Portfolio Manager (acting on behalf of the Issuer) may, at its discretion, reinvest any Principal Proceeds (and any Interest Proceeds available for reinvestment in accordance with paragraph (U) or (V) of the Interest Proceeds Priority of Payments) in the purchase of Substitute Collateral Debt Obligations satisfying the Eligibility Criteria *provided that* immediately after entering into a binding commitment to acquire such Collateral Debt Obligation and taking into account existing commitments, the criteria set out below (which criteria, other than the Eligibility Criteria, shall apply only after the Effective Date), must be satisfied:

(a) to the Portfolio Manager's knowledge, no Event of Default has occurred that is continuing at the time of such purchase;

(b) on and after the Effective Date (or, in the case of the Interest Coverage Tests, on and after the Determination Date immediately preceding the second Payment Date) the Coverage Tests are satisfied or if (other than with respect to the reinvestment of any proceeds received upon the sale of, or as a recovery on, any Defaulted Obligation) as calculated immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation the Principal Proceeds of which are being reinvested, any Coverage Test was not satisfied, the coverage ratio relating to such test will be maintained or improved after giving effect to such reinvestment when compared with the result of such test immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation *provided that* where the Class D Coverage Test is not satisfied following reinvestment, Sale Proceeds of a Defaulted Obligation will not be reinvested;

(c) in the case of a Substitute Collateral Debt Obligation purchased with Sale Proceeds of a Credit Impaired Obligation or a Defaulted Obligation either:

(i) the Aggregate Principal Balance of all Substitute Collateral Debt Obligations purchased with such Sale Proceeds shall at least equal such Sale Proceeds; or

(ii) the sum of: (A) the Aggregate Principal Balance (for such purpose the Principal Balance of each Defaulted Obligation shall be the lower of its S&P Collateral Value and its Moody's Collateral Value) of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligation); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments (save for interest accrued on Eligible Investments)) is equal to or greater than the Reinvestment Target Par Balance;

(d) in the case of a Substitute Collateral Debt Obligation purchased with Sale Proceeds of a Credit Improved Obligation either:

(i) the Aggregate Principal Balance shall be maintained or improved after giving effect to such reinvestment when compared with the Aggregate Principal Balance immediately prior to the sale of the relevant Credit Improved Obligation; or

(ii) the sum of: (A) the Aggregate Principal Balance of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligation and provided, for such purpose the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments (save for interest accrued on Eligible Investments)) is equal to or greater than the Reinvestment Target Par Balance;

(e) either:

(i) each of the Portfolio Profile Tests and the Collateral Quality Tests will be satisfied; or

(ii) if any of the Portfolio Profile Tests or the Collateral Quality Tests are not satisfied such test will be maintained or improved after giving effect to such reinvestment when compared with the results of such tests immediately prior to the sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation the Principal Proceeds of which are being reinvested,

provided that, in the case of a Substitute Collateral Debt Obligation purchased with the Sale Proceeds of a Credit Impaired Obligation or a Defaulted Obligation, the S&P CDO Monitor Test will not apply;

(f) the date on which the Issuer (or the Portfolio Manager acting on behalf of the Issuer) enters into a binding commitment to purchase such Substitute Collateral Debt Obligation occurs during the Reinvestment Period;

(g) with respect to the reinvestment of Sale Proceeds (other than Sale Proceeds from Credit Improved Obligations, Credit Impaired Obligations, Defaulted Obligations and Exchanged Securities) either:

(i) the Aggregate Principal Balance of all Collateral Debt Obligations shall be maintained or improved after giving effect to such reinvestment when compared with the Aggregate Principal Balance immediately prior to the sale that generates such Sale Proceeds; or

(ii) after giving effect to such sale, the sum of: (A) the Aggregate Principal Balance of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Substitute Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligations and provided, for such purpose the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments (save for interest accrued on Eligible Investments)) is equal to or greater than the Reinvestment Target Par Balance; and

(h) only in respect of the acquisition of a Collateral Debt Obligation that is an Unhedged Collateral Debt Obligation or Principal Hedged Obligation, the Aggregate Collateral Balance is greater than or equal to the Reinvestment Target Par Balance (provided, for the purposes of calculating the Aggregate Collateral Balance, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value);

Following the Expiry of the Reinvestment Period

Following the expiry of the Reinvestment Period, Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Impaired Obligations and Credit Improved Obligations only, may be reinvested by the Portfolio Manager (acting on behalf of the Issuer) in one or more Substitute Collateral Debt Obligations satisfying the Eligibility Criteria; *provided that*, immediately after entering into a binding commitment to acquire such Collateral Debt Obligations and taking into account existing commitments:

(a) any of the Reinvestment Balance Criteria will be satisfied;

(b) each Par Value Test is satisfied after giving effect to such reinvestment;

(c) either:

(i) the Portfolio Profile Tests (other than those at paragraph (k) and (l) thereof) each of the Moody's Minimum Weighted Average Recovery Rate Test, the S&P Minimum Weighted Average Recovery Rate Test, the Moody's Weighted Average Rating Factor Test and the Minimum Weighted Average Spread Test are satisfied; or

(ii) if any such test was not satisfied immediately prior to such investment, such test will be satisfied after giving effect to such investment or will be maintained or improved after giving effect to such investment when compared with the result of such test immediately prior to the sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation the Sale Proceeds or Unscheduled Principal Proceeds of which are being reinvested;

(d) to the Portfolio Manager's knowledge, no Event of Default has occurred that is continuing at the time of such reinvestment;

(e) the Average Lives of the Substitute Collateral Debt Obligations are the same as or less than the Average Lives of the Collateral Debt Obligations that produced such Unscheduled Principal Proceeds or Sale Proceeds or the stated maturities of the Substitute Collateral Debt Obligations are the same as or less than the stated maturities of the Collateral Debt Obligations that produced such Unscheduled Principal Proceeds or Sale Proceeds;

(f) with respect to additional Collateral Debt Obligations purchased from proceeds other than from the sale of the Credit Impaired Obligations, a Restricted Trading Period is not in effect;

(g) only in respect of the acquisition of Collateral Debt Obligations that are Unhedged Collateral Debt Obligations or Principal Hedged Obligations, the Aggregate Collateral Balance is greater than or equal to the Reinvestment Target Par Balance (provided, for the purposes of calculating the Aggregate Collateral Balance, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value); and

(h) the applicable Substitute Collateral Debt Obligations have the same or higher S&P Ratings as the Collateral Debt Obligations that produced such Unscheduled Principal Proceeds or Sale Proceeds, as the case may be, or the S&P Class Scenario Default Rate is maintained or improved after giving effect to such reinvestment.

Following the expiry of the Reinvestment Period, any Unscheduled Principal Proceeds and any Sale Proceeds from the sale of Credit Impaired Obligations and Credit Improved Obligations that have not been reinvested as provided above prior to the end of the Due Period in which such proceeds were received shall be paid into the Principal Account and disbursed in accordance with the Principal Proceeds Priority of Payments on the following Payment Date (subject as provided at the end of this paragraph), save that the Portfolio Manager (acting on behalf of the Issuer) may in its discretion procure that Unscheduled Principal Proceeds and Sale Proceeds from the sale of any Credit Impaired Obligations and Credit Improved Obligations are paid into the Principal Account and designated for reinvestment in Substitute Collateral Debt Obligations, in which case such Principal Proceeds shall not be so disbursed in accordance with the Principal Proceeds Priority of Payments for so long as they remain so designated for reinvestment but for no longer than the later of (a) 90 calendar days following their receipt by the Issuer and (b) the end of the following Due Period; *provided that*, in each case where any of the applicable Reinvestment Criteria are not satisfied as of the Payment Date next following receipt of such Sale Proceeds or Unscheduled Principal Proceeds, all such funds shall be paid into the Principal Account and disbursed in accordance with the Principal Proceeds Priority of Payments set out in Condition 3(c)(ii) (*Application of Principal Proceeds*) and such funds shall be applied only in redemption of the Notes in accordance with the Priorities of Payment.

For purposes of calculating compliance with the Reinvestment Criteria, at the election of the Portfolio Manager in its sole discretion, any proposed investment (whether in a single Collateral Debt Obligation or in a group of Collateral Debt Obligations identified by the Portfolio Manager as such at the time when compliance with the Reinvestment Criteria is required to be calculated) may be evaluated after giving effect to all prepayments, sales and reinvestments proposed to be entered into and in accordance with the definition of the Trading Plan.

"**Reinvestment Balance Criteria**" means any of the following requirements, in each case determined immediately after giving effect to the proposed purchase of Collateral Debt Obligations, taking into consideration all other sales or purchases previously or simultaneously committed to that are yet to settle:

(a) the Adjusted Collateral Principal Amount when compared with the Adjusted Collateral Principal Amount measured immediately prior to the trade date of the sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation the Sale Proceeds or Principal Proceeds of which are being reinvested, is maintained or increased;

(b) the Aggregate Collateral Balance is equal to or greater than the Reinvestment Target Par Balance (provided, for the purposes of calculating the Aggregate Collateral Balance, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value);

(c) the Aggregate Collateral Balance measured immediately prior to the trade date of the sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation the Sale Proceeds or Principal Proceeds of which are being reinvested, is maintained or increased (provided, for the purposes of calculating the Aggregate Collateral Balance, the Principal Balance of each Defaulted Obligation shall be its Market Value); or

(d) solely with respect to the reinvestment of Sale Proceeds of Credit Impaired Obligations, the Aggregate Principal Balance of the Collateral Debt Obligations purchased will at least equal such Sale Proceeds.

For purposes of calculating compliance with the Reinvestment Balance Criteria, at the election of the Portfolio Manager in its sole discretion, any proposed investment (whether a single Collateral Debt Obligation or a group of Collateral Cebt Obligations identified by the Portfolio Manager as such at the time when compliance with the Reinvestment Balance Criteria is required to be calculated) may be evaluated after giving effect to prepayments, all sales and reinvestments proposed to be entered into and in accordance with the Trading Plan.

Amendments to Collateral Debt Obligation Stated Maturities

The Issuer (or the Portfolio Manager on the Issuer's behalf) may vote in favour of a Maturity Amendment only if, after giving effect to any applicable Trading Plan:

(a) after giving effect to such Maturity Amendment, the Collateral Debt Obligation Stated Maturity of the Collateral Debt Obligation that is the subject of such Maturity Amendment is prior to the Maturity Date of the Rated Notes; and

(b) either (x) the Weighted Average Life Test will be satisfied after giving effect to such Maturity Amendment or (y) if the Weighted Average Life Test was not satisfied prior to giving effect to such Maturity Amendment, the level of compliance with the test will be maintained or improved after giving effect to such Maturity Amendment,

provided that the conditions of paragraphs (a) and (b) are not required to be satisfied if:

(i) the Issuer or the Portfolio Manager has not voted in favour of a Maturity Amendment which would contravene the requirements set out in paragraph (b) above, but the Collateral Debt Obligation Stated Maturity has been extended, by way of scheme or arrangement or otherwise; or

(ii) the Issuer or the Portfolio Manager has voted in favour of a Maturity Amendment but such Maturity Amendment is being executed in connection with the restructuring of such Collateral Debt Obligation as a result of an actual or imminent bankruptcy or insolvency of the related Obligor; or

(iii) the Issuer or the Portfolio Manager has voted in favour of a Maturity Amendment with respect to Collateral Debt Obligations which comprise no more than, in aggregate, 5 per cent. of the Aggregate Collateral Balance, *provided* that any such amended Collateral Debt Obligation will be treated as a Defaulted Obligation if maturing more than two years after the Stated Maturity and *provided further* that any Collateral Debt Obligation which is counted against this limit, but that is subsequently paid down or sold, shall no longer be counted against this limit.

and, in such circumstances the Issuer or the Portfolio Manager acting on its behalf may, but shall not be required to, sell such Collateral Debt Obligation prior to the Maturity Date *provided that* in any event the Portfolio Manager shall dispose of such Collateral Debt Obligation prior to the Maturity Date. Such proceeds shall constitute Sale Proceeds and may be reinvested in accordance with and subject to the Reinvestment Criteria.

Expiry of the Reinvestment Criteria Certification

Immediately preceding the end of the Reinvestment Period, the Portfolio Manager will deliver to the Trustee and the Collateral Administrator a schedule of Collateral Debt Obligations purchased by the Issuer with respect to which purchases the trade date has occurred but the settlement date has not yet occurred and will certify to the Trustee that sufficient Principal Proceeds are available (including for this purpose, cash on deposit in the Principal Account, any scheduled distributions of Principal Proceeds, as well as any Principal Proceeds that will be received by the Issuer from the sale of Collateral Debt Obligations for which the trade date has already occurred but the settlement date has not yet occurred) to effect the settlement of such Collateral Debt Obligations.

Reinvestment Overcollateralisation Test

During the Reinvestment Period, if, on any Payment Date during such period after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (U) (inclusive) of the Interest Proceeds Priority of Payments, the Reinvestment Overcollateralisation Test has not been satisfied, then on the related Payment Date, Interest Proceeds shall be paid to the Principal Account for the acquisition of additional Collateral Debt Obligations in an amount (such amount, the "**Required Diversion Amount**") equal to the lesser of (a) 50 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (V) of the Interest Proceeds Priority of Payments and (b) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (U) (inclusive) of the Interest Proceeds Priority of Payments, would be sufficient to cause the Reinvestment Overcollateralisation Test to be satisfied.

Designation for Reinvestment

After the expiry of the Reinvestment Period, the Portfolio Manager shall, one Business Day following each Determination Date, notify the Issuer and the Collateral Administrator in writing of all Principal Proceeds which the Portfolio Manager determines in its discretion (acting on behalf of the Issuer, and subject to the terms of the

Portfolio Management Agreement as described above) shall remain designated for reinvestment in accordance with the Reinvestment Criteria, on or after the second Determination Date following the date of receipt by the Issuer of the related Principal Proceeds in which event such Principal Proceeds shall not constitute Principal Proceeds which are to be paid into the Payment Account and disbursed on such Payment Date in accordance with the Priorities of Payment.

The Portfolio Manager (acting on behalf of the Issuer) may direct that the proceeds of sale of any Collateral Debt Obligation which represents accrued interest be designated as Interest Proceeds and paid into the Interest Account save for: (a) Purchased Accrued Interest; (b) Ramp Accrued Interest (c) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts; (d) any interest received in respect of a Defaulted Obligation unless and until (i) such amounts represent Defaulted Obligation Excess Amounts; and (ii) any Purchased Accrued Interest and Ramp Accrued Interest in relation to such Defaulted Obligation has been paid, and (e) proceeds representing deferred interest accrued in respect of any PIK Security or Partial Deferrable Security.

Accrued Interest

Amounts included in the purchase price of any Collateral Debt Obligation comprising accrued interest thereon may be paid from the Interest Account, the Principal Account or the Unused Proceeds Account at the discretion of the Portfolio Manager (acting on behalf of the Issuer) but subject to the terms of the Portfolio Management Agreement and Condition 3(j) (*Payments to and from the Accounts*). Notwithstanding the foregoing, in any Due Period, all payments of interest and proceeds of sale received during such Due Period in relation to any Collateral Debt Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Debt Obligation (including, in respect of a Mezzanine Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation in accordance with its terms), which was purchased at the time of acquisition thereof with Principal Proceeds and/or principal amounts from the Unused Proceeds Account (other than Ramp Accrued Interest) shall constitute Purchased Accrued Interest and shall be deposited into the Principal Account as Principal Proceeds. Ramp Accrued Interest shall be deposited into the Unused Proceeds Account.

Block Trades

The requirements described herein with respect to the Portfolio shall be deemed to be satisfied upon any sale and/or purchase of Collateral Debt Obligations on any day in the event that such Collateral Debt Obligations satisfy such requirements in aggregate rather than on an individual basis.

For the purpose of calculating compliance with the Reinvestment Criteria at the election of the Portfolio Manager in its sole discretion, any proposed investment in either (i) a specific New Issue Collateral Debt Obligation or (ii) any of one or more Collateral Debt Obligations identified by the Portfolio Manager as such at the time when compliance with the Reinvestment Criteria is required to be calculated may be evaluated after giving effect to all prepayments, sales and reinvestments proposed to be entered into within the 20 Business Days following the date of determination of such compliance (such period, the "**Trading Plan Period**") (in the case of (i) "**New Issue Trading Plan**", in the case of (ii) a "**Standard Trading Plan**", and in both cases a "**Trading Plan**"); *provided that*:

(a) no more than five New Issue Trading Plans may be in effect at any time during a Trading Plan Period provided that all proposed sales in each such New Issue Trading Plan could be executed concurrently without overlap;

(b) no Trading Plan may result in the purchase of Collateral Debt Obligations having an Aggregate Principal Balance that exceeds 5 per cent. of the Aggregate Collateral Balance (calculated for this purpose on the basis that the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value) as of the first day of the Trading Plan Period;

(c) no Trading Plan Period may include a Determination Date which falls immediately prior to a Payment Date;

(d) no more than one Standard Trading Plan may be in effect at any time during a Trading Plan Period;

(e) if the Reinvestment Criteria are satisfied prospectively after giving effect to a Trading Plan, but are not satisfied upon the completion of the related Trading Plan, Rating Agency Confirmation from S&P is

obtained with respect to the effectiveness of additional Trading Plans (it being understood that Rating Agency Confirmation from S&P shall only be required once following any failure of a Trading Plan);

(f) if a New Issue Trading Plan is initially evaluated prior to the Issuer being allocated the New Issue Collateral Debt Obligation, and upon such allocation the amount to be purchased by the Issuer is lower than specified in the original New Issue Trading Plan, then the New Issue Trading Plan may be revised to account for such lower allocation, provided the revised New Issue Trading Plan would still be in compliance with the Reinvestment Criteria;

(g) a Trading Plan may be revised after it has commenced to substitute one or more of the Collateral Debt Obligations subject to sales specified in the original Trading Plan that have not yet been committed to provided that such revised Trading Plan would still be in compliance with the Reinvestment Criteria; and

(h) subject to the limit under (b) above, a New Issue Trading Plan may involve the purchase and sale of any Collateral Debt Obligations of the same Obligor,

provided further that no Trading Plan may result in the averaging of the purchase price of a Collateral Debt Obligation or Collateral Debt Obligations purchased at separate times for purposes of determining whether any particular Collateral Debt Obligation is a Discount Obligation.

For the avoidance of doubt, when calculating compliance with the Reinvestment Criteria, where a particular criterion in the Reinvestment Criteria only applies to one or some, but not all, of the Collateral Debt Obligations in a Trading Plan; (i) that criterion shall apply to the relevant Collateral Debt Obligation(s) only, (ii) only those Collateral Debt Obligations shall be aggregated for the purpose of calculating compliance with that criterion and (iii) the other Collateral Debt Obligations in the Trading Plan shall not be taken into consideration for the purpose of calculating compliance with that criterion.

For the purposes of the above, the term "**New Issue Collateral Debt Obligation**" means, in respect of a Collateral Debt Obligation, a Collateral Debt Obligation in respect of which the Issuer (or the Portfolio Manager on the Issuer's behalf) entered into a binding commitment to purchase such Collateral Debt Obligation at the date of issue or original drawdown (as the case may be) of such Collateral Debt Obligation.

Eligible Investments

The Issuer or the Portfolio Manager (acting on behalf of the Issuer) may from time to time purchase Eligible Investments out of the Balances standing to the credit of the Accounts (other than the Counterparty Downgrade Collateral Account, the Unfunded Revolver Reserve Account, the Payment Account and the Collection Account). For the avoidance of doubt, Eligible Investments may be sold by the Issuer or the Portfolio Manager (acting on behalf of the Issuer) at any time.

Collateral Enhancement Obligations

The Portfolio Manager (acting on behalf of the Issuer) may, from time to time purchase Collateral Enhancement Obligations independently or as part of a unit with the Collateral Debt Obligations being so purchased.

All funds required in respect of the purchase price of any Collateral Enhancement Obligations, and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid from Additional Subordinated Notes Proceeds, Contributions or out of the balance standing to the credit of the Supplemental Reserve Account at the relevant time. Pursuant to Condition 3(j)(vi) (*Supplemental Reserve Account*), such Balance shall be comprised of all sums deposited therein from time to time which will comprise interest and/or principal payable in respect of the Class M Subordinated Notes which the Portfolio Manager acting on behalf of the Issuer, determines shall be paid into the Supplemental Reserve Account pursuant to the Priorities of Payment rather than being paid to the Class M Subordinated Noteholders.

Collateral Enhancement Obligations may be sold at any time by the Issuer or the Portfolio Manager on behalf of the Issuer and all Collateral Enhancement Obligation Proceeds received by the Issuer shall be deposited into the Principal Account for allocation in accordance with the Principal Proceeds Priority of Payments.

Collateral Enhancement Obligations and any income or return generated thereby are not taken into account for the purposes of determining satisfaction of, or required to satisfy, any of the Coverage Tests, Portfolio Profile Tests, Collateral Quality Tests or the Reinvestment Overcollateralisation Test.

Exercise of Warrants and Options

The Portfolio Manager acting on behalf of the Issuer, may, at any time exercise a warrant or option attached to a Collateral Debt Obligation or comprised in a Collateral Enhancement Obligation and shall on behalf of the Issuer instruct the Account Bank to make any necessary payment pursuant to a duly completed form of instruction.

Margin Stock

The Portfolio Management Agreement requires that the Portfolio Manager, on behalf of the Issuer, shall use reasonable endeavours to sell any Collateral Debt Obligation, Exchanged Security, Equity Security or Collateral Enhancement Obligation which is or at any time becomes Margin Stock as soon as practicable following such event.

Non-Euro Obligations

The Portfolio Manager shall be authorised to purchase, on behalf of the Issuer, Non-Euro Obligations from time to time *provided that* any such Non-Euro Obligation shall only constitute a Collateral Debt Obligation that satisfies paragraph (b) of the Eligibility Criteria if it is denominated in a Qualifying Currency and either (a) for any Non-Euro Obligation which is denominated in a Qualifying Unhedged Obligation Currency , and within 180 calendar days of the later of the settlement of the purchase by the Issuer of such Collateral Debt Obligation and the Issue Date, or otherwise (b) not later than the settlement of the purchase by the Issuer of such Collateral Debt Obligation, the Portfolio Manager procures entry by the Issuer into a Currency Hedge Transaction pursuant to which the currency risk arising from receipt of cash flows from such Non-Euro Obligations, including interest and principal payments, is hedged through the swapping of such cash flows for Euro payments to be made by a Currency Hedge Counterparty. The Portfolio Profile Tests provide that (i) Unhedged Collateral Debt Obligations may not comprise more than 2.5 per cent. of the Aggregate Collateral Balance, (ii) Principal Hedged Obligations may not comprise more than (x) 2.5 per cent. of the Aggregate Collateral Balance, or (y) if the Aggregate Collateral Balance is greater than or equal to the Reinvestment Target Par Balance, 4.0 per cent. of the Aggregate Collateral Balance (provided, for the purposes of calculating the Aggregate Collateral Balance, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value), and (iii) Unhedged Collateral Debt Obligations and Principal Hedged Obligations in aggregate may not comprise more than 4.0 per cent. of the Aggregate Collateral Balance The Issuer (or the Portfolio Manager acting on its behalf) may only enter into one FX Forward Transaction with respect to each Unhedged Collateral Debt Obligation. The Portfolio Manager (on behalf of the Issuer) shall be authorised to enter into spot exchange transactions, as necessary, to fund the Issuer's payment obligations under any Currency Hedge Transaction. Rating Agency Confirmation shall be required in relation to entry into each Currency Hedge Transaction unless such Currency Hedge Transaction is a Form Approved Hedge. See the "*Hedging Arrangements*" section of this Offering Circular.

Revolving Obligations and Delayed Drawdown Obligations

The Portfolio Manager acting on behalf of the Issuer, may acquire Collateral Debt Obligations which are Revolving Obligations or Delayed Drawdown Obligations from time to time.

Such Revolving Obligations and Delayed Drawdown Obligations may only be acquired if they are capable of being drawn in Euros, and are not payable in or convertible into another currency.

Each Revolving Obligation and Delayed Drawdown Obligation will, pursuant to its terms, require the Issuer to make one or more future advances or other extensions of credit (including extensions of credit made on an unfunded basis pursuant to which the Issuer may be required to reimburse the provider of a guarantee or other ancillary facilities made available to the obligor thereof in the event of any default by the obligor thereof in respect of its reimbursement obligations in connection therewith). Such Revolving Obligations and Delayed Drawdown Obligations may or may not provide that they may be repaid and reborrowed from time to time by the Obligor thereunder. Upon acquisition of any Revolving Obligations and Delayed Drawdown Obligations, the Issuer shall deposit into the Unfunded Revolver Reserve Account, as the case may be, amounts equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Obligations. To the extent required, the Issuer, or the Portfolio Manager acting on its behalf, may direct that amounts standing to the credit of the Unfunded Revolver Reserve Account be deposited with a third party from time to time as collateral for any reimbursement or indemnification obligations owed by the Issuer to any other lender in connection with a Revolving Obligation or a Delayed Drawdown Obligation, as

applicable and upon receipt of an Issuer Order (as defined in the Portfolio Management Agreement) the Trustee shall be deemed to have released such amounts from the security granted thereover pursuant to the Trust Deed.

Participations

The Portfolio Manager acting on behalf of the Issuer, may from time to time acquire Collateral Debt Obligations from Selling Institutions by way of Participation *provided that* at the time such Participation is taken:

(a) the percentage of the Aggregate Collateral Balance that represents Participations entered into by the Issuer with a single Selling Institution will not exceed the individual and aggregate percentages set forth in the Bivariate Risk Table determined by reference to the credit rating of such third party (or any guarantor thereof); and

(b) the percentage of the Aggregate Collateral Balance that represents Participations entered into by the Issuer with Selling Institutions (or any guarantor thereof), having the same credit rating (taking the lowest rating assigned thereto by the relevant Rating Agency), will not exceed the aggregate third party credit exposure limit set forth in the Bivariate Risk Table for such credit rating,

and for the purpose of determining the foregoing, account shall be taken of each sub participation from which the Issuer, directly or indirectly derives its interest in the relevant Collateral Debt Obligation.

Each Participation entered into pursuant to a sub-participation agreement shall be substantially in the form of:

(a) the LSTA Model Participation Agreement for par/near par trades (as published by the Loan Syndications and Trading Association Inc. from time to time);

(b) the LMA Funded Participation (Par) (as published by the Loan Market Association from time to time); or

(c) such other documentation provided such agreement contains limited recourse and non-petition language substantially the same as that set out in the Trust Deed.

The Portfolio Manager acting on behalf of the Issuer may only enter into a CSAM Secured Participation Deed prior to the Effective Date.

Assignments

The Portfolio Manager acting on behalf of the Issuer, may from time to time acquire Collateral Debt Obligations from Selling Institutions by way of Assignment *provided that* at the time such Assignment is acquired the Portfolio Manager acting on behalf of the Issuer shall have complied, to the extent within their control, with any requirements relating to such Assignment set out in the relevant loan documentation for such Collateral Debt Obligation (including, without limitation, with respect to the form of such Assignment and obtaining the consent of any person specified in the relevant loan documentation).

Bivariate Risk Table

The following is the bivariate risk table (the "**Bivariate Risk Table**") and as referred to in "*The Portfolio – Portfolio Profile Tests and Collateral Quality Tests - Portfolio Profile Tests*" below and "*The Portfolio – Management of the Portfolio – Participations*" above. For the purposes of the limits specified in the Bivariate Risk Table, the individual third party credit exposure limit shall be determined by reference to the Aggregate Principal Balance of all Participations (excluding any Defaulted Obligations and any Participations granted pursuant to the CSAM Secured Participation Deed) entered into by the Issuer with the same counterparty (such amount in respect of such entity, the "**Third Party Exposure**") and the applicable percentage limits shall be determined by reference to the lower of the Moody's or S&P ratings applicable to such counterparty and the aggregate third party credit exposure limit shall be determined by reference to the aggregate of Third Party Exposure of all such counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

Bivariate Risk Table

Long-Term /Short Term Senior Unsecured Debt Rating of Selling Institution	Individual Third Party Credit Exposure Limit*	Aggregate Third Party Credit Exposure Limit*
Moody's rating		
Aaa	20%	20%
Aa1	10%	10%
Aa2	10%	10%
Aa3	10%	10%
A1	5%	10%
A2 and P-1	5%	5%
A3 or below	0%	0%

Issuer Credit Rating of Selling Institution	Individual Third Party Credit Exposure Limit*	Aggregate Third Party Credit Exposure Limit*
S&P rating		
AAA	20%	20%
AA+	10%	10%
AA	10%	10%
AA-	10%	10%
A+	5%	5%
A	5%	5%
A- or below	0%	0%

* As a percentage of the Aggregate Collateral Balance (excluding any Defaulted Obligations) the aggregate third party credit exposure limit shall be determined by reference to the aggregate of the third party credit exposure of all such Counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

Portfolio Profile Tests and Collateral Quality Tests

Measurement of Tests

The Portfolio Profile Tests and the Collateral Quality Tests will be used as criteria for purchasing Collateral Debt Obligations. The Collateral Administrator will measure the Portfolio Profile Tests and the Collateral Quality Tests on each Measurement Date (save as otherwise provided herein).

Collateral Debt Obligations in respect of which a binding commitment has been made to purchase such Collateral Debt Obligations but such purchase has not been settled shall nonetheless be deemed to have been purchased for the purposes of the Portfolio Profile Tests, the Collateral Quality Tests, the Coverage Tests, the Reinvestment Overcollateralisation Test and all other tests and criteria applicable to the Portfolio. Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell but which have not yet settled shall be deemed to have been sold and shall be excluded as Collateral Debt Obligations in the calculation of the Portfolio Profile Tests, the Collateral Quality Tests, the Coverage Tests, the Reinvestment Overcollateralisation Test and all other tests and criteria applicable to the Portfolio at any time as if such sale had been completed. See "*The Portfolio – Management of the Portfolio – Reinvestment of Collateral Debt Obligations*" above.

Notwithstanding the foregoing, the failure of the Portfolio to meet the requirements of the Portfolio Profile Tests at any time shall not prevent any obligation which would otherwise be a Collateral Debt Obligation from being a Collateral Debt Obligation.

Portfolio Profile Tests

The Portfolio Profile Tests will consist of each of the following:

(a) not less than 90.0 per cent. of the Aggregate Collateral Balance (which term, for the purposes of this paragraph (a), shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Loans and Secured Senior Bonds and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date) shall consist of obligations which are Secured Senior Loans or Secured Senior Bonds;

(b) not less than 65.0 per cent. of the Aggregate Collateral Balance (which term, for the purposes of this paragraph (b), shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Loans and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date) shall consist of obligations which are Secured Senior Loans;

(c) not more than 35.0 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Secured Senior Bonds, High Yield Bonds and/or Mezzanine Obligations in the form of bonds;

(d) not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds;

(e) with respect to Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and/or High Yield Bonds, not more than 1.5 per cent. of the Aggregate Collateral Balance shall be the obligations of any single Obligor;

(f) not more than 2.5 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor, provided that the obligations of three Obligors may each represent up to 3.0 per cent. of the Aggregate Collateral Balance;

(g) not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of Participations (other than Participations granted pursuant to a CSAM Secured Participation Deed);

(h) not more than 2.5 per cent. of the Aggregate Collateral Balance shall consist of Current Pay Obligations;

(i) not more than 5.0 per cent. of the Aggregate Collateral Balance shall consist of Annual Obligations unless Rating Agency Confirmation is obtained

(j) not more than 5.0 per cent. of the Aggregate Collateral Balance shall consist of the aggregate of all Unfunded Amounts under Delayed Drawdown Obligations and all Funded Amounts or Unfunded Amounts under Revolving Obligations;

(k) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Caa Obligations (as determined at the date of acquisition);

(l) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are CCC Obligations (as determined at the date of acquisition);

(m) not more than 5.0 per cent. of the Aggregate Collateral Balance shall consist of Corporate Rescue Loans;

(n) not more than 2.0 per cent. of the Aggregate Collateral Balance shall consist of Corporate Rescue Loans from a single Obligor;

(o) not more than 5.0 per cent. of the Aggregate Collateral Balance shall consist of obligations which are PIK Securities and Partial Deferrable Securities in aggregate;

(p) not more than 12.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fixed Rate Collateral Debt Obligations;

(q) not more than 5.0 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Hedged Fixed Rate Collateral Debt Obligations;

(r) not more than 20.0 per cent. of the Aggregate Collateral Balance shall consist of Non-Euro Obligations;

(s) not more than 2.5 per cent. of the Aggregate Collateral Balance shall consist of Principal Hedged Obligations, or if the Aggregate Collateral Balance is greater than or equal to the Reinvestment Target Par Balance (and for the purposes of the Reinvestment Criteria, such condition is satisfied immediately following the entry into a binding commitment to purchase the applicable Collateral Debt Obligation), not more than 4.0 per cent. of the Aggregate Collateral Balance shall consist of Principal Hedged

Obligations (provided, for the purposes of calculating the Aggregate Collateral Balance, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value);

(t) not more than 2.5 per cent. of the Aggregate Collateral Balance shall consist of Unhedged Collateral Debt Obligations;

(u) not more than 4.0 per cent. of the Aggregate Collateral Balance shall consist of Principal Hedged Obligations and Unhedged Collateral Debt Obligations in aggregate;

(v) not more than 10 per cent. of the Aggregate Collateral Balance shall be obligations comprising any one S&P Industry Classification Group, *provided that* (without duplication) (i) any three S&P Industry Classification Groups may together comprise up to 40%; (ii) up to one S&P Industry Classification Group may comprise up to 17.5%; (iii) up to one S&P Industry Classification Group may comprise up to 15% and (iv) up to one S&P Industry Classification Group may comprise up to 12%;

(w) not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of obligations whose Moody's Rating is derived from a S&P rating;

(x) not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of Obligors who are Domiciled in countries or jurisdictions with a Moody's local-currency country bond ceiling between "A1" and "A3", unless Rating Agency Confirmation from Moody's is obtained;

(y) not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of Obligors whose total potential indebtedness (as determined by original or subsequent issuance size, at the time of purchase by the Issuer, whether drawn or undrawn) under all loan agreements, indentures, and other underlying instruments entered into directly or indirectly by such Obligors is between EUR 100 million and EUR 200 million (inclusive) or the equivalent thereof converted into Euro at the Spot Rate (it being understood, and as a clarification only, that any principal repayments made in respect of such loan agreements, indentures, and other underlying instruments shall not be taken into account for the purposes of this provision and provided that such determination shall be made at, and only at, the time when the Issuer enters into a binding commitment to purchase the relevant Collateral Debt Obligation);

(z) not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of Credit Estimate Obligations;

(aa) the limits set forth in the Bivariate Risk Table determined by reference to the S&P ratings and Moody's ratings of Selling Institutions shall be satisfied;

(bb) not more than 40 per cent. of the Aggregate Collateral Balance shall consist of Cov-Lite Loans (other than Collateral Debt Obligations which have a Moody's Rating of Ba3 or above);

(cc) not more than 5.0 per cent. of the Aggregate Collateral Balance shall consist of Bridge Loans;

(dd) not more than 3.0 per cent. of the Aggregate Collateral Balance shall consist of Project Finance Loans; and

(ee) not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of Collateral Loan Obligations with an Obligor Domiciled in countries rated "A-" or lower by S&P.

The percentage requirements applicable to different types of Collateral Debt Obligations which, for the avoidance of doubt shall exclude Defaulted Obligations, specified in the Portfolio Profile Tests shall be determined by reference to the Aggregate Principal Balance of such type of Collateral Debt Obligations.

"**S&P Industry Classification Group**" means an industry classification group set out in the table below or as otherwise modified, amended or replaced by S&P from time to time:

Asset Code	**Asset Description**
1020000	Energy Equipment and Services
1030000	Oil, Gas and Consumable Fuels
2020000	Chemicals

2030000	Construction Materials
2040000	Containers and Packaging
2050000	Metals and Mining
2060000	Paper and Forest Products
3020000	Aerospace and Defense
3030000	Building Products
3040000	Construction and Engineering
3050000	Electrical Equipment
3060000	Industrial Conglomerates
3070000	Machinery
3080000	Trading Companies and Distributors
3110000	Commercial Services and Supplies
3210000	Air Freight and Logistics
3220000	Airlines
3230000	Marine
3240000	Road and Rail
3250000	Transportation Infrastructure
4011000	Auto Components
4020000	Automobiles
4110000	Household Durables
4120000	Leisure Products
4130000	Textiles, Apparel and Luxury Goods
4210000	Hotels, Restaurants and Leisure
4310000	Media
4410000	Distributors
4420000	Internet and Catalog Retail
4430000	Multiline Retail
4440000	Specialty Retail
5020000	Food and Staples Retailing
5110000	Beverages
5120000	Food Products
5130000	Tobacco
5210000	Household Products
5220000	Personal Products
6020000	Healthcare Equipment and Supplies
6030000	Healthcare Providers and Services
6110000	Biotechnology
6120000	Pharmaceuticals
7011000	Banks
7020000	Thrifts and Mortgage Finance
7110000	Diversified Financial Services
7120000	Consumer Finance
7130000	Capital Markets

7210000	Insurance
7310000	Real Estate Management and Development
7311000	Real Estate Investment Trusts (REITs)
8020000	Internet Software and Services
8030000	IT Services
8040000	Software
8110000	Communications Equipment
8120000	Technology Hardware, Storage and Peripherals
8130000	Electronic Equipment, Instruments and Components
8210000	Semiconductors and Semiconductor Equipment
9020000	Diversified Telecommunication Services
9030000	Wireless Telecommunication Services
9520000	Electric Utilities
9530000	Gas Utilities
9540000	Multi-Utilities
9550000	Water Utilities
9551701	Diversified Consumer Services
9551702	Independent Power and Renewable Electricity Producers
9551727	Life Sciences Tools and Services
9551729	Health Care Technology
9612010	Professional Services
1000-1099	Reserved

Collateral Quality Tests

The Collateral Quality Tests will consist of each of the following:

(a) so long as any Notes rated by Moody's are Outstanding:

(i) the Moody's Minimum Diversity Test;

(ii) the Moody's Maximum Weighted Average Rating Factor Test;

(iii) the Moody's Minimum Weighted Average Recovery Rate Test;

(iv) the Minimum Weighted Average Spread Test;

(v) the Minimum Weighted Average Fixed Coupon Test; and

(vi) the Weighted Average Life Test.

(b) so long as any Notes rated by S&P are Outstanding:

(i) the S&P CDO Monitor Test;

(ii) the Minimum Weighted Average Spread Test;

(iii) the Minimum Weighted Average Fixed Coupon Test;

(iv) the S&P Minimum Weighted Average Recovery Rate Test; and

(v) the Weighted Average Life Test.

each as defined in the Portfolio Management Agreement.

Each of the Collateral Quality Tests shall be applied by reference to Collateral Debt Obligations excluding any Defaulted Obligations.

Moody's Test Matrix

Subject to the provisions provided below, on or after the Effective Date, the Portfolio Manager will have the option to elect which of the cases set forth in the matrix to be set out in the Portfolio Management Agreement (the "**Moody's Test Matrix**") shall be applicable for purposes of the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Diversity Test and the Minimum Weighted Average Spread Test. For any given case:

(a) the applicable column for performing the Moody's Minimum Diversity Test will be the column (or linear interpolation between two adjacent columns, as applicable) in which the elected case is set out;

(b) the applicable row and column for performing the Moody's Maximum Weighted Average Rating Factor Test will be the row and column (or linear interpolation between two adjacent rows and/or two adjacent columns (as applicable) in which the elected case is set out; and

(c) the applicable row for performing the Minimum Weighted Average Spread Test will be the row (or linear interpolation between two adjacent rows, as applicable) in which the elected test is set out.

On the Effective Date, the Portfolio Manager will be required to elect which case shall apply initially. Thereafter, with notice to the Issuer, the Collateral Administrator and Moody's, the Portfolio Manager may elect to have a different case apply, *provided that* the Moody's Minimum Diversity Test, the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average Spread Test applicable to the case to which the Portfolio Manager desires to change are satisfied or, in the case of any tests that are not satisfied, are closer to being satisfied. In no event will the Portfolio Manager be obliged to elect to have a different case apply. The Moody's Test Matrix may be amended and/or replaced by the Portfolio Manager subject to Rating Agency Confirmation from Moody's.

Moody's Test Matrix

Minimum Weighted Average Spread	**Minimum Diversity Score**													
	20	24	28	30	32	34	36	38	40	44	48	52	56	60
2.50%	1,880	1,995	2,065	2,105	2,135	2,165	2,175	2,195	2,215	2,255	2,295	2,325	2,355	2,375
2.60%	1,945	2,045	2,125	2,155	2,185	2,215	2,245	2,265	2,285	2,315	2,345	2,375	2,405	2,425
2.70%	1,985	2,085	2,175	2,215	2,245	2,275	2,295	2,315	2,345	2,385	2,415	2,435	2,480	2,485
2.80%	2,045	2,155	2,225	2,255	2,295	2,325	2,345	2,375	2,395	2,435	2,475	2,505	2,540	2,560
2.90%	2,100	2,205	2,275	2,325	2,355	2,385	2,395	2,425	2,445	2,485	2,525	2,555	2,585	2,620
3.00%	2,125	2,260	2,345	2,375	2,395	2,425	2,465	2,475	2,495	2,560	2,575	2,605	2,635	2,665
3.10%	2,170	2,295	2,395	2,415	2,445	2,475	2,505	2,530	2,555	2,595	2,650	2,665	2,710	2,715
3.20%	2,205	2,360	2,435	2,475	2,505	2,535	2,565	2,595	2,615	2,655	2,700	2,730	2,760	2,790
3.30%	2,260	2,400	2,490	2,530	2,555	2,585	2,615	2,635	2,665	2,705	2,745	2,775	2,805	2,840
3.40%	2,275	2,440	2,540	2,580	2,620	2,635	2,665	2,695	2,715	2,755	2,795	2,825	2,855	2,890
3.50%	2,325	2,455	2,580	2,620	2,660	2,700	2,715	2,735	2,755	2,805	2,845	2,875	2,905	2,940
3.60%	2,345	2,510	2,620	2,660	2,710	2,740	2,755	2,800	2,805	2,855	2,895	2,925	2,955	2,975
3.70%	2,385	2,550	2,660	2,710	2,740	2,780	2,810	2,840	2,855	2,895	2,935	2,965	2,995	3,025
3.80%	2,415	2,565	2,700	2,740	2,780	2,820	2,850	2,890	2,920	2,945	2,985	3,015	3,045	3,075
3.90%	2,440	2,605	2,740	2,775	2,820	2,860	2,900	2,930	2,950	3,010	3,025	3,065	3,095	3,115
4.00%	2,495	2,635	2,770	2,805	2,860	2,900	2,950	2,980	3,010	3,050	3,090	3,105	3,135	3,165
4.10%	2,510	2,675	2,785	2,845	2,900	2,940	2,970	3,000	3,030	3,080	3,130	3,145	3,175	3,205

Minimum Weighted Average Spread	Minimum Diversity Score													
	20	24	28	30	32	34	36	38	40	44	48	52	56	60
4.20%	2,545	2,715	2,815	2,865	2,915	2,970	3,000	3,040	3,070	3,120	3,170	3,210	3,240	3,245
4.30%	2,560	2,725	2,855	2,905	2,945	2,985	3,040	3,080	3,100	3,160	3,200	3,240	3,260	3,285
4.40%	2,600	2,755	2,875	2,935	2,975	3,015	3,055	3,110	3,140	3,190	3,240	3,260	3,310	3,330
4.50%	2,620	2,795	2,905	2,955	3,015	3,055	3,085	3,140	3,155	3,210	3,260	3,310	3,330	3,360
4.60%	2,650	2,800	2,945	2,985	3,035	3,075	3,125	3,155	3,185	3,260	3,290	3,330	3,370	3,400
4.70%	2,655	2,820	2,975	3,025	3,065	3,105	3,155	3,200	3,230	3,280	3,340	3,370	3,400	3,430
4.80%	2,700	2,850	2,980	3,055	3,105	3,135	3,175	3,205	3,260	3,320	3,360	3,400	3,440	3,470
4.90%	2,715	2,890	3,025	3,070	3,110	3,175	3,215	3,245	3,275	3,350	3,400	3,440	3,470	3,500
5.00%	2,770	2,920	3,055	3,100	3,140	3,205	3,245	3,275	3,305	3,355	3,430	3,470	3,510	3,540
5.10%	2,800	2,950	3,070	3,120	3,185	3,225	3,275	3,305	3,325	3,395	3,435	3,490	3,530	3,560
5.20%	2,805	2,965	3,100	3,150	3,215	3,255	3,285	3,325	3,355	3,415	3,475	3,515	3,560	3,600
5.30%	2,835	2,995	3,140	3,180	3,230	3,285	3,325	3,340	3,385	3,445	3,495	3,535	3,600	3,620
5.40%	2,855	3,025	3,155	3,210	3,260	3,300	3,340	3,370	3,425	3,475	3,525	3,575	3,615	3,640
5.50%	2,885	3,040	3,185	3,235	3,275	3,315	3,355	3,400	3,430	3,490	3,565	3,615	3,640	3,685
5.60%	2,905	3,060	3,190	3,265	3,305	3,345	3,385	3,415	3,455	3,540	3,590	3,620	3,670	3,710
5.70%	2,920	3,090	3,220	3,270	3,335	3,385	3,415	3,455	3,485	3,545	3,620	3,660	3,700	3,740
5.80%	2,955	3,110	3,250	3,300	3,365	3,405	3,445	3,485	3,515	3,575	3,625	3,690	3,730	3,770
5.90%	2,970	3,140	3,270	3,345	3,395	3,425	3,475	3,505	3,545	3,595	3,655	3,720	3,760	3,800
6.00%	3,005	3,170	3,315	3,350	3,400	3,455	3,480	3,535	3,575	3,625	3,685	3,750	3,790	3,830

The S&P CDO Monitor Test

The "**S&P CDO Monitor Test**" is a test that will be satisfied if on any Measurement Date on or after the Effective Date and during the Reinvestment Period following receipt by the Issuer and the Collateral Administrator of the S&P CDO Monitor input files or the formula contained in the definition of S&P CDO Monitor BDR, as applicable, if, after giving effect to the purchase of a Collateral Debt Obligation, (a) during an S&P CDO Model Election Period, the S&P Class Default Differential of the Proposed Portfolio with respect to an assumed S&P Rating of "AAA" is positive and (b) during an S&P CDO Formula Election Period (if any), the S&P CDO Monitor Adjusted BDR is equal to or greater than the S&P CDO Monitor SDR. During an S&P CDO Model Election Period, the S&P CDO Monitor Test will be considered to be improved if the S&P Class Default Differential of the Proposed Portfolio that is not positive is greater than the S&P Class Default Differential of the Current Portfolio. During an S&P CDO Formula Election Period, for purposes of calculating the S&P CDO Monitor Test, (x) the definitions in Schedule III of the Portfolio Management Agreement will apply and (y) the S&P CDO Monitor Test will be considered to be improved if the S&P Class Default Differential of the Proposed Portfolio that is not positive is greater than the S&P Class Default Differential of the Current Portfolio.

Following the Effective Date, the Portfolio Manager may, in its sole discretion, within five Business Days' prior written notice to S&P, the Trustee and the Collateral Administrator, elect to declare the occurrence of (x) an S&P CDO Formula Election Date and/or (y) (only during an S&P CDO Formula Election Period) an S&P CDO Model Election Date; *provided*, in each case, that the Portfolio Manager may make each such election once.

Compliance with the S&P CDO Monitor Test will be measured by the Portfolio Manager on each Measurement Date during the Reinvestment Period. Compliance with the S&P CDO Monitor Test is not required after the Reinvestment Period.

There can be no assurance that actual defaults of the Collateral Debt Obligations will not exceed those assumed in the application of the S&P CDO Monitor or that recovery rates with respect thereto will not differ from those assumed in the S&P CDO Monitor. None of the Portfolio Manager, the Initial Purchaser, the Issuer, the Trustee

or the Collateral Administrator makes any representation as to the expected rate of defaults of the Collateral Debt Obligations or the timing of defaults or as to the expected recovery rate or the timing of recoveries.

The following definitions shall apply for the purposes of the S&P CDO Monitor Test.

"**S&P CDO Monitor**" means the dynamic, analytical computer model developed by S&P used to calculate the default frequency in terms of the amount of debt assumed to default as a percentage of the original principal amount of the Collateral Debt Obligations consistent with a specified benchmark rating level based upon certain assumptions (including the S&P Weighted Average Recovery Rate for an assumed S&P Rating of "AAA") and S&P's proprietary corporate default studies, as may be amended by S&P from time to time upon notice to the Issuer, the Trustee and the Collateral Administrator. Inputs for the S&P CDO Monitor will be chosen by the Portfolio Manager (with notice to the Collateral Administrator) and associated with either (x) a recovery rate for an assumed S&P Rating of "AAA" from the "S&P Recovery Rate Matrix" below, a "Weighted Average Life Value" from the "Weighted Average Life Matrix" below and a "Weighted Average Floating Spread" from the "Weighted Average Floating Rate Matrix" below or (y) a weighted average recovery rate for an assumed S&P Rating of "AAA", a weighted average life and a weighted average floating spread selected by the Portfolio Manager (with notice to the Collateral Administrator) and, prior to the S&P CDO Formula Election Date, confirmed by S&P. The weighted average recovery rate applicable as of any date of determination pursuant to clause (x) or (y) above is referred to as the "**S&P CDO Monitor Recovery Rate**". The weighted average floating spread applicable as of any date of determination pursuant to clause (x) or (y) above is referred to as the "**S&P Minimum Floating Spread**". The "**S&P CDO Monitor Weighted Average Life**" means, as of any date of determination (a) prior to the S&P CDO Formula Election Date, the weighted average life applicable as of any date of determination pursuant to clause (x) or (y) of the definition of "S&P CDO Monitor" above and (b) during an S&P CDO Formula Election Period, the number of years following such date obtained by dividing (x) the sum of the products, for all S&P CLO Specified Assets, of (i) the number of years (rounded to the nearest one-hundredth thereof) from such date of determination to the Collateral Debt Obligation Stated Maturity of each such Collateral Debt Obligation multiplied by (ii) the outstanding principal balance of such Collateral Debt Obligation by (y) the aggregate remaining principal balance at such time of all Collateral Debt Obligations (other than Defaulted Obligations and Deferring Securities).

In either case, the Portfolio Manager may not choose inputs for the S&P CDO Monitor with (i) an S&P Minimum Floating Spread that is higher than the actual S&P Weighted Average Spread at the time of selection, (ii) an S&P CDO Monitor Recovery Rate that is higher than the actual S&P Weighted Average Recovery Rate at the time of selection or (iii) a S&P CDO Monitor Weighted Average Life that is less than the actual Weighted Average Life at the time of selection.

S&P Recovery Rate Matrix

Any recovery rate between 25.00 per cent and 80.00 per cent in 0.10 per cent increments.

Weighted Average Floating Spread Matrix

Any spread between 2.00 per cent and 6.00 per cent in 0.05 per cent increments.

S&P Weighted Average Life Matrix

Case	Weighted Average Life Values
1	8.50
2	8.00
3	7.75
4	7.50
5	7.25
6	7.00
7	6.75
8	6.50
9	6.25
10	6.00
11	5.75
12	5.50

The "**S&P Class Break-Even Default Rate**" means, with respect to an assumed S&P Rating of "AAA", prior to the S&P CDO Formula Election Date, the maximum percentage of defaults, at any time, that the Current Portfolio or the Proposed Portfolio, as applicable, can sustain, as determined by S&P, through application of the S&P CDO Monitor chosen by the Portfolio Manager in accordance with the Portfolio Management Agreement that is applicable to the portfolio of Collateral Debt Obligations, which, after giving effect to S&P's assumptions on recoveries, defaults and timing and to the Priority of Payments, will result in sufficient funds remaining for the payment of such Class of Notes in full..

The "**S&P Class Default Differential**" means, with respect to an assumed S&P Rating of "AAA", at any time, the rate calculated by *subtracting* the S&P Class Scenario Default Rate for such Class of Notes at such time from (x) prior to the S&P CDO Formula Election Date, the S&P Class Break-Even Default Rate and (y) on and after the S&P CDO Formula Election Date, the S&P CDO Monitor Adjusted BDR, in each case, for such Class of Notes at such time.

The "**S&P Class Scenario Default Rate**" means, with respect to an assumed S&P Rating of "AAA", at any time (x) prior to the S&P CDO Formula Election Date, an estimate of the cumulative default rate for the Current Portfolio or the Proposed Portfolio, as applicable, consistent with S&P's Initial Rating of such Class, determined by application by the Portfolio Manager and the Collateral Administrator of the S&P CDO Monitor at such time and (y) on and after the S&P CDO Formula Election Date, the S&P CDO Monitor SDR as defined in the Portfolio Management Agreement.

The "**Current Portfolio**" means, as of any date of determination, the Portfolio of Collateral Debt Obligations (included at their Principal Balance provided that in respect of Mezzanine Obligations, the Principal Balance shall exclude all accrued interest including any interest accrued following the date of acquisition thereof) and Eligible Investments existing prior to the sale, maturity or other disposition of a Collateral Debt Obligation or a proposed reinvestment of Principal Proceeds in a Substitute Collateral Debt Obligation, as the case may be.

"**S&P CLO Specified Assets**" means Collateral Debt Obligations with an S&P Rating equal to or higher than "CCC-".

The "**Proposed Portfolio**" means, as of any date of determination, the Portfolio of Collateral Debt Obligations (included at their Principal Balance provided that in respect of Mezzanine Obligations, the Principal Balance shall exclude all accrued interest including any interest accrued following the date of acquisition thereof) and Eligible Investments resulting from the proposed purchase, sale, maturity or other disposition of a Collateral Debt Obligation or a proposed reinvestment of Principal Proceeds in a Substitute Collateral Debt Obligation, as the case may be.

"**S&P CDO Monitor Adjusted BDR**": The value calculated based on the following formula (or such other published formula by S&P that the Portfolio Manager provides to the Collateral Administrator):

BDR * (A/B) + (B-A) / (B * (1-WARR)) where

Term	Meaning
BDR	S&P CDO Monitor BDR
A	Target Par Amount
B	Aggregate Collateral Balance (excluding the Aggregate Principal Balance of the Collateral Obligations other than S&P CLO Specified Assets) *plus* the S&P Collateral Value of the Collateral Obligations other than S&P CLO Specified Assets
WARR	S&P Weighted Average Recovery Rate

"**S&P CDO Monitor BDR**": The value calculated based on the following formula (or such other published formula by S&P that the Portfolio Manager provides to the Collateral Administrator):

C0 + (C1 * WAS) + (C2 * WARR), where

Term	Meaning
C0	0.231123678589491, or such transaction-specific coefficients based on cash flow analysis done by S&P and provided to the Portfolio Manager
C1	3.13418355602659, or such transaction-specific coefficients based on cash flow analysis done by S&P and provided to the Portfolio Manager

C2	0.950594282154172, or such transaction-specific coefficients based on cash flow analysis done by S&P and provided to the Portfolio Manager
WAS	Weighted Average Floating Spread
WARR	S&P Weighted Average Recovery Rate

"**S&P CDO Monitor SDR**": The value calculated based on the following formula (or such other published formula by S&P that the Portfolio Manager provides to the Collateral Administrator):

0.329915 + (1.210322 * EPDR) – (0.586627 * DRD) + (2.538684 / ODM) + (0.216729 / IDM) + (0.0575539 / RDM) – (0.0136662 * WAL) where:

Term	Meaning
EPDR	S&P Expected Default Rate
DRD	S&P Default Rate Dispersion
ODM	S&P Obligor Diversity Measure
IDM	S&P Industry Diversity Measure
RDM	S&P Regional Diversity Measure
WAL	S&P Weighted Average Life

"**S&P Default Rate**" means, in respect of all Collateral Debt Obligations, an S&P Default Rate determined in accordance with the Portfolio Management Agreement or such other published table by S&P that the Portfolio Manager provides to the Collateral Administrator, using such Collateral Debt Obligation's S&P Rating and the number of years to maturity (determined using linear interpolation if the number of years to maturity is not an integer). Extracts of the S&P Default Rate applicable under the Portfolio Management Agreement are set out as follows:

S&P DEFAULT RATE TABLE

	Rating									
Tenor	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-
0	0	0	0	0	0	0	0	0	0	0
1	0.003249	0.008324	0.017659	0.049443	0.100435	0.198336	0.305284	0.403669	0.461619	0.524294
2	0.015699	0.036996	0.073622	0.139938	0.257400	0.452472	0.667329	0.892889	1.091719	1.445989
3	0.041484	0.091325	0.172278	0.276841	0.474538	0.770505	1.100045	1.484175	1.895696	2.702054
4	0.084784	0.176281	0.317753	0.464897	0.755269	1.158808	1.613532	2.186032	2.867799	4.229668
5	0.149746	0.296441	0.513749	0.708173	1.102407	1.621846	2.213969	3.000396	3.994693	5.969443
6	0.240402	0.455938	0.763415	1.009969	1.517930	2.162163	2.903924	3.924151	5.258484	7.867654
7	0.360599	0.658408	1.069266	1.372767	2.002861	2.780489	3.682872	4.950544	6.639097	9.877442
8	0.513925	0.906953	1.433135	1.798206	2.557255	3.475934	4.547804	6.070420	8.116014	11.959164
9	0.703660	1.204112	1.856168	2.287090	3.180245	4.246223	5.493831	7.273226	9.669463	14.080160
10	0.932722	1.551859	2.338835	2.839430	3.870134	5.087962	6.514747	8.547804	11.281152	16.214169
11	1.203636	1.951593	2.880967	3.454496	4.624506	5.996889	7.603506	9.882975	12.934676	18.340556
12	1.518511	2.404163	3.481806	4.130896	5.440351	6.968119	8.752625	11.267955	14.615674	20.443492
13	1.879017	2.909885	4.140061	4.866660	6.314188	7.996356	9.954495	12.692626	16.311827	22.511146
14	2.286393	3.468577	4.853976	5.659322	7.242183	9.076083	11.201627	14.147698	18.012750	24.534955
15	2.741441	4.079595	5.621395	6.506018	8.220258	10.201710	12.486816	15.624793	19.709826	26.508977
16	3.244545	4.741882	6.439830	7.403564	9.244188	11.367700	13.803266	17.116461	21.396011	28.429339
17	3.795687	5.454010	7.306523	8.348542	10.309683	12.568668	15.144662	18.616162	23.065636	30.293780
18	4.394473	6.214227	8.218512	9.337373	11.412464	13.799448	16.505206	20.118217	24.714212	32.101269
19	5.040161	7.020506	9.172684	10.366381	12.548315	15.055145	17.879633	21.617740	26.338248	33.851709
20	5.731690	7.870595	10.165829	11.431855	13.713133	16.331168	19.263208	23.110574	27.935091	35.545692
21	6.467720	8.762054	11.194685	12.530097	14.902967	17.623250	20.651699	24.593206	29.502784	37.184306
22	7.246658	9.692304	12.255978	13.657463	16.114039	18.927451	22.041357	26.062700	31.039941	38.768990
23	8.066698	10.658664	13.346459	14.810401	17.342769	20.240163	23.428880	27.516624	32.545643	40.301420
24	8.925853	11.658386	14.462930	15.985473	18.585784	21.558096	24.811375	28.952986	34.019346	41.783417
25	9.821992	12.688687	15.602275	17.179384	19.839925	22.878270	26.186325	30.370173	35.460813	43.216885
26	10.752863	13.746781	16.761474	18.388990	21.102252	24.197998	27.551553	31.766900	36.870044	44.603759
27	11.716131	14.829898	17.937621	19.611314	22.370042	25.514868	28.905184	33.142161	38.247233	45.945970
28	12.709401	15.935312	19.127936	20.843553	23.640779	26.826725	30.245615	34.495190	39.592717	47.245417
29	13.730244	17.060358	20.329775	22.083077	24.912158	28.131652	31.571487	35.825422	40.906950	48.503948
30	14.776220	18.202443	21.540635	23.327436	26.182066	29.427952	32.881653	37.132462	42.190470	49.723352

	Rating								
Tenor	BB+	BB	BB-	B+	B	B-	CCC+	CCC	CCC-
0	0	0	0	0	0	0	0	0	0
1	1.051627	2.109451	2.600238	3.221175	7.848052	10.882127	15.688600	20.494984	25.301275
2	2.499656	4.644348	5.872070	7.597534	14.781994	20.010198	28.039819	34.622676	40.104827
3	4.296729	7.475880	9.536299	12.379110	20.934989	27.616832	37.429809	44.486183	49.823181
4	6.375706	10.488373	13.369967	17.163869	26.396576	33.956728	44.585491	51.602827	56.644894
5	8.664544	13.586821	17.214556	21.748448	31.246336	39.272130	50.135335	56.922985	61.661407
6	11.095356	16.697807	20.966483	26.041061	35.559617	43.770645	54.540771	61.035699	65.491579
7	13.609032	19.767400	24.563596	30.011114	39.406428	47.620000	58.122986	64.312999	68.512300
8	16.156890	22.757944	27.972842	33.660308	42.849805	50.951513	61.102369	66.995611	70.963159
9	18.700581	25.644678	31.180555	37.006268	45.945037	53.866495	63.630626	69.243071	73.001159
10	21.211084	28.412675	34.185384	40.073439	48.739741	56.442784	65.813448	71.163565	74.731801
11	23.667314	31.054264	36.993388	42.888153	51.274446	58.740339	67.725700	72.832114	76.227640
12	26.054666	33.566968	39.614764	45.476090	53.583431	60.805678	69.421440	74.301912	77.539705
13	28.363660	35.951906	42.061729	47.861084	55.695612	62.675243	70.940493	75.611515	78.704697
14	30.588762	38.212600	44.347194	50.064659	57.635391	64.377918	72.312813	76.789485	79.749592
15	32.727407	40.354091	46.483968	52.105958	59.423407	65.936872	73.561381	77.857439	80.694661
16	34.779204	42.382307	48.484306	54.001869	61.077177	67.370926	74.704179	78.832075	81.555449
17	36.745314	44.303617	50.359673	55.767228	62.611640	68.695550	75.755528	79.726540	82.344119
18	38.627975	46.124519	52.120647	57.415059	64.039598	69.923606	76.727026	80.551376	83.070367
19	40.430133	47.851440	53.776900	58.956797	65.372082	71.065901	77.628212	81.315171	83.742047
20	42.155172	49.490597	55.337225	60.402500	66.618643	72.131608	78.467035	82.025027	84.365628
21	43.806716	51.047918	56.809591	61.761037	67.787598	73.128577	79.250199	82.686894	84.946502
22	45.388482	52.528995	58.201208	63.040250	68.886224	74.063579	79.983418	83.305814	85.489225
23	46.904180	53.939064	59.518589	64.247092	69.920916	74.942503	80.671609	83.886103	85.997683
24	48.357444	55.282998	60.767623	65.387746	70.897320	75.770492	81.319036	84.431487	86.475223
25	49.751780	56.565320	61.953636	66.467726	71.820441	76.552075	81.929422	84.945209	86.924750
26	51.090543	57.790210	63.081447	67.491964	72.694731	77.291249	82.506039	85.430110	87.348805
27	52.376916	58.961526	64.155419	68.464885	73.524165	77.991566	83.051779	85.888693	87.749621
28	53.613901	60.082826	65.179512	69.390464	74.312302	78.656191	83.569207	86.323175	88.129173
29	54.804319	61.157385	66.157321	70.272285	75.062339	79.287952	84.060611	86.735528	88.489217
30	55.950815	62.188218	67.092112	71.113583	75.777155	79.889391	84.528038	87.127511	88.831318

"**S&P Default Rate Dispersion**" means the value calculated by multiplying the Principal Balance for each S&P CLO Specified Asset by the absolute value of the difference between the S&P Default Rate and the S&P Expected Default Rate, then summing the total for the portfolio, then dividing this result by the Aggregate Principal Balance of the S&P CLO Specified Assets.

"**S&P Effective Date Adjustments**" means, in connection with determining whether the S&P CDO Monitor Test is satisfied in connection with the Effective Date if an S&P CDO Formula Election Date has occurred, the following adjustments that will apply: (i) the Weighted Average Floating Spread will be calculated without regard to clause (b)(ii) of the definition thereof and (ii) in calculating the S&P CDO Monitor Adjusted BDR, the Aggregate Collateral Balance will exclude the amount of Principal Proceeds that is permitted to be designated as Interest Proceeds pursuant to the definition of Effective Date Interest Deposit Restriction.

"**S&P Expected Default Rate**" means the value calculated by *multiplying* the Principal Balance of each S&P CLO Specified Asset by the S&P Default Rate, then summing the total for the portfolio, and then *dividing* this result by the Aggregate Principal Balance of all of the S&P CLO Specified Assets.

"**S&P Industry Diversity Measure**" means the value calculated by determining the Aggregate Principal Balance of the S&P CLO Specified Assets within each S&P Industry Classification, then *dividing* each of these

amounts by the Aggregate Principal Balance of the S&P CLO Specified Assets from all the industries, squaring the result for each industry, then taking the reciprocal of the sum of these squares.

"**S&P Obligor Diversity Measure**" means the value calculated by determining the Aggregate Principal Balance of the S&P CLO Specified Assets from each obligor and its affiliates, then *dividing* each of these amounts by the Aggregate Principal Balance of S&P CLO Specified Assets from all the obligors in the portfolio, squaring the result for each obligor, then taking the reciprocal of the sum of these squares.

"**S&P Regional Diversity Measure**" means the value calculated by determining the Aggregate Principal Balance of the S&P CLO Specified Assets within each Standard & Poor's region categorisation (see "CDO Evaluator 7.2 Parameters Required To Calculate S&P Global Ratings Portfolio Benchmarks," published on 27 March 2017, or such other published table by S&P that the Portfolio Manager provides to the Collateral Administrator), then dividing each of these amounts by the Aggregate Principal Balance of the S&P CLO Specified Assets from all regions in the portfolio, squaring the result for each region, then taking the reciprocal of the sum of these squares.. Extracts of the S&P regions applicable under the Portfolio Management Agreement are set out as follows:

S&P REGIONAL DIVERSITY MEASURE TABLE

Country Name	Country Code	Region	Recovery Group
Afghanistan	93	5 - Asia: India, Pakistan and Afghanistan	C
Albania	355	16 - Europe: Eastern	C
Algeria	213	11 - Middle East: MENA	C
Andorra	376	102 - Europe: Western	C
Angola	244	13 - Africa: Sub-Saharan	C
Anguilla	1264	2 - Americas: Other Central and Caribbean	C
Antigua	1268	2 - Americas: Other Central and Caribbean	C
Argentina	54	4 - Americas: Mercosur and Southern Cone	C
Armenia	374	14 - Europe: Russia & CIS	C
Aruba	297	2 - Americas: Other Central and Caribbean	C
Ascension	247	12 - Africa: Southern	C
Australia	61	105 - Asia-Pacific: Australia and New Zealand	A
Austria	43	102 - Europe: Western	C
Azerbaijan	994	14 - Europe: Russia & CIS	C
Bahamas	1242	2 - Americas: Other Central and Caribbean	C
Bahrain	973	10 - Middle East: Gulf States	C
Bangladesh	880	6 - Asia: Other South	C
Barbados	246	2 - Americas: Other Central and Caribbean	C
Belarus	375	14 - Europe: Russia & CIS	C
Belgium	32	102 - Europe: Western	A
Belize	501	2 - Americas: Other Central and Caribbean	C
Benin	229	13 - Africa: Sub-Saharan	C
Bermuda	441	2 - Americas: Other Central and Caribbean	C
Bhutan	975	6 - Asia: Other South	C
Bolivia	591	3 - Americas: Andean	C
Bosnia and	387	16 - Europe: Eastern	C
Botswana	267	12 - Africa: Southern	C
Brazil	55	4 - Americas: Mercosur and Southern Cone	B

British Virgin	284	2 - Americas: Other Central and Caribbean	C
Brunei	673	8 - Asia: Southeast, Korea and Japan	C
Bulgaria	359	16 - Europe: Eastern	C
Burkina Faso	226	13 - Africa: Sub-Saharan	C
Burundi	257	13 - Africa: Sub-Saharan	C
Cambodia	855	8 - Asia: Southeast, Korea and Japan	C
Cameroon	237	13 - Africa: Sub-Saharan	C
Canada	2	101 - Americas: U.S. and Canada	A
Cape Verde	238	13 - Africa: Sub-Saharan	C
Cayman Islands	345	2 - Americas: Other Central and Caribbean	C
Central African	236	13 - Africa: Sub-Saharan	C
Chad	235	13 - Africa: Sub-Saharan	C
Chile	56	4 - Americas: Mercosur and Southern Cone	C
China	86	7 - Asia: China, Hong Kong, Taiwan	C
Colombia	57	3 - Americas: Andean	C
Comoros	269	13 - Africa: Sub-Saharan	C
Congo-	242	13 - Africa: Sub-Saharan	C
Congo-Kinshasa	243	13 - Africa: Sub-Saharan	C
Cook Islands	682	105 - Asia-Pacific: Australia and New Zealand	C
Costa Rica	506	2 - Americas: Other Central and Caribbean	C
Cote d'Ivoire	225	13 - Africa: Sub-Saharan	C
Croatia	385	16 - Europe: Eastern	C
Cuba	53	2 - Americas: Other Central and Caribbean	C
Curacao	599	2 - Americas: Other Central and Caribbean	C
Cyprus	357	102 - Europe: Western	C
Czech Republic	420	15 - Europe: Central	C
Denmark	45	102 - Europe: Western	A
Djibouti	253	17 - Africa: Eastern	C
Dominica	767	2 - Americas: Other Central and Caribbean	C
Dominican	809	2 - Americas: Other Central and Caribbean	C
East Timor	670	8 - Asia: Southeast, Korea and Japan	C
Ecuador	593	3 - Americas: Andean	C
Egypt	20	11 - Middle East: MENA	C
El Salvador	503	2 - Americas: Other Central and Caribbean	C
Equatorial Guinea	240	13 - Africa: Sub-Saharan	C
Eritrea	291	17 - Africa: Eastern	C
Estonia	372	15 - Europe: Central	C
Ethiopia	251	17 - Africa: Eastern	C
Fiji	679	9 - Asia-Pacific: Islands	C
Finland	358	102 - Europe: Western	A
France	33	102 - Europe: Western	A
French Guiana	594	2 - Americas: Other Central and Caribbean	C
French Polynesia	689	9 - Asia-Pacific: Islands	C
Gabonese	241	13 - Africa: Sub-Saharan	C

Gambia	220	13 - Africa: Sub-Saharan	C
Georgia	995	14 - Europe: Russia & CIS	C
Germany	49	102 - Europe: Western	A
Ghana	233	13 - Africa: Sub-Saharan	C
Greece	30	102 - Europe: Western	C
Grenada	473	2 - Americas: Other Central and Caribbean	C
Guadeloupe	590	2 - Americas: Other Central and Caribbean	C
Guatemala	502	2 - Americas: Other Central and Caribbean	C
Guinea	224	13 - Africa: Sub-Saharan	C
Guinea-Bissau	245	13 - Africa: Sub-Saharan	C
Guyana	592	2 - Americas: Other Central and Caribbean	C
Haiti	509	2 - Americas: Other Central and Caribbean	C
Honduras	504	2 - Americas: Other Central and Caribbean	C
Hong Kong	852	7 - Asia: China, Hong Kong, Taiwan	A
Hungary	36	15 - Europe: Central	C
Iceland	354	102 - Europe: Western	C
India	91	5 - Asia: India, Pakistan and Afghanistan	C
Indonesia	62	8 - Asia: Southeast, Korea and Japan	C
Iran	98	10 - Middle East: Gulf States	C
Iraq	964	10 - Middle East: Gulf States	C
Ireland	353	102 - Europe: Western	A
Isle of Man	101	102 - Europe: Western	C
Israel	972	11 - Middle East: MENA	A
Italy	39	102 - Europe: Western	B
Jamaica	876	2 - Americas: Other Central and Caribbean	C
Japan	81	8 - Asia: Southeast, Korea and Japan	A
Jordan	962	11 - Middle East: MENA	C
Kazakhstan	8	14 - Europe: Russia & CIS	C
Kenya	254	17 - Africa: Eastern	C
Kiribati	686	9 - Asia-Pacific: Islands	C
Kosovo	383	16 - Europe: Eastern	C
Kuwait	965	10 - Middle East: Gulf States	C
Kyrgyzstan	996	14 - Europe: Russia & CIS	C
Laos	856	8 - Asia: Southeast, Korea and Japan	C
Latvia	371	15 - Europe: Central	C
Lebanon	961	11 - Middle East: MENA	C
Lesotho	266	12 - Africa: Southern	C
Liberia	231	13 - Africa: Sub-Saharan	C
Libya	218	11 - Middle East: MENA	C
Liechtenstein	102	102 - Europe: Western	C
Lithuania	370	15 - Europe: Central	C
Luxembourg	352	102 - Europe: Western	A
Macedonia	389	16 - Europe: Eastern	C
Madagascar	261	13 - Africa: Sub-Saharan	C

Malawi	265	13 - Africa: Sub-Saharan	C
Malaysia	60	8 - Asia: Southeast, Korea and Japan	C
Maldives	960	6 - Asia: Other South	C
Mali	223	13 - Africa: Sub-Saharan	C
Malta	356	102 - Europe: Western	C
Martinique	596	2 - Americas: Other Central and Caribbean	C
Mauritania	222	13 - Africa: Sub-Saharan	C
Mauritius	230	12 - Africa: Southern	C
Mexico	52	1 - Americas: Mexico	B
Micronesia	691	9 - Asia-Pacific: Islands	C
Moldova	373	14 - Europe: Russia & CIS	C
Monaco	377	102 - Europe: Western	C
Mongolia	976	14 - Europe: Russia & CIS	C
Montenegro	382	16 - Europe: Eastern	C
Montserrat	664	2 - Americas: Other Central and Caribbean	C
Morocco	212	11 - Middle East: MENA	C
Mozambique	258	13 - Africa: Sub-Saharan	C
Myanmar	95	8 - Asia: Southeast, Korea and Japan	C
Namibia	264	12 - Africa: Southern	C
Nauru	674	9 - Asia-Pacific: Islands	C
Nepal	977	6 - Asia: Other South	C
Netherlands	31	102 - Europe: Western	A
New Caledonia	687	9 - Asia-Pacific: Islands	C
New Zealand	64	105 - Asia-Pacific: Australia and New Zealand	C
Nicaragua	505	2 - Americas: Other Central and Caribbean	C
Niger	227	13 - Africa: Sub-Saharan	C
Nigeria	234	13 - Africa: Sub-Saharan	C
North Korea	850	8 - Asia: Southeast, Korea and Japan	C
Norway	47	102 - Europe: Western	A
Oman	968	10 - Middle East: Gulf States	C
Pakistan	92	5 - Asia: India, Pakistan and Afghanistan	C
Palau	680	9 - Asia-Pacific: Islands	C
Palestinian	970	11 - Middle East: MENA	C
Panama	507	2 - Americas: Other Central and Caribbean	C
Papua New	675	9 - Asia-Pacific: Islands	C
Paraguay	595	4 - Americas: Mercosur and Southern Cone	C
Peru	51	3 - Americas: Andean	C
Philippines	63	8 - Asia: Southeast, Korea and Japan	C
Poland	48	15 - Europe: Central	C
Portugal	351	102 - Europe: Western	A
Qatar	974	10 - Middle East: Gulf States	C
Romania	40	16 - Europe: Eastern	C
Russia	7	14 - Europe: Russia & CIS	C
Rwanda	250	13 - Africa: Sub-Saharan	C

Samoa	685	9 - Asia-Pacific: Islands	C
Sao Tome &	239	13 - Africa: Sub-Saharan	C
Saudi Arabia	966	10 - Middle East: Gulf States	C
Senegal	221	13 - Africa: Sub-Saharan	C
Serbia	381	16 - Europe: Eastern	C
Seychelles	248	12 - Africa: Southern	C
Sierra Leone	232	13 - Africa: Sub-Saharan	C
Singapore	65	8 - Asia: Southeast, Korea and Japan	A
Slovak Republic	421	15 - Europe: Central	C
Slovenia	386	102 - Europe: Western	C
Solomon Islands	677	9 - Asia-Pacific: Islands	C
Somalia	252	17 - Africa: Eastern	C
South Africa	27	12 - Africa: Southern	B
South Korea	82	8 - Asia: Southeast, Korea and Japan	C
Spain	34	102 - Europe: Western	A
Sri Lanka	94	6 - Asia: Other South	C
St. Helena	290	12 - Africa: Southern	C
St. Kitts/Nevis	869	2 - Americas: Other Central and Caribbean	C
St. Lucia	758	2 - Americas: Other Central and Caribbean	C
St. Vincent &	784	2 - Americas: Other Central and Caribbean	C
Sudan	249	17 - Africa: Eastern	C
Suriname	597	2 - Americas: Other Central and Caribbean	C
Swaziland	268	12 - Africa: Southern	C
Sweden	46	102 - Europe: Western	A
Switzerland	41	102 - Europe: Western	A
Syrian Arab	963	11 - Middle East: MENA	C
Taiwan	886	7 - Asia: China, Hong Kong, Taiwan	C
Tajikistan	992	14 - Europe: Russia & CIS	C
Tanzania/Zanziba	255	13 - Africa: Sub-Saharan	C
Thailand	66	8 - Asia: Southeast, Korea and Japan	C
Togo	228	13 - Africa: Sub-Saharan	C
Tonga	676	9 - Asia-Pacific: Islands	C
Trinidad &	868	2 - Americas: Other Central and Caribbean	C
Tunisia	216	11 - Middle East: MENA	C
Turkey	90	16 - Europe: Eastern	B
Turkmenistan	993	14 - Europe: Russia & CIS	C
Turks & Caicos	649	2 - Americas: Other Central and Caribbean	C
Tuvalu	688	9 - Asia-Pacific: Islands	C
Uganda	256	13 - Africa: Sub-Saharan	C
Ukraine	380	14 - Europe: Russia & CIS	C
United Arab	971	10 - Middle East: Gulf States	B
United Kingdom	44	102 - Europe: Western	A
Uruguay	598	4 - Americas: Mercosur and Southern Cone	C
USA	1	101 - Americas: U.S. and Canada	A

Uzbekistan	998	14 - Europe: Russia & CIS	C
Vanuatu	678	9 - Asia-Pacific: Islands	C
Venezuela	58	3 - Americas: Andean	C
Vietnam	84	8 - Asia: Southeast, Korea and Japan	C
Western Sahara	1212	11 - Middle East: MENA	C
Yemen	967	10 - Middle East: Gulf States	C
Zambia	260	13 - Africa: Sub-Saharan	C
Zimbabwe	263	13 - Africa: Sub-Saharan	C

"**S&P Weighted Average Spread**" means the aggregate of the Weighted Average Floating Spread plus the Excess Weighted Average Coupon.

In calculating the Weighted Average Floating Spread for the purposes of determining compliance with the S&P CDO Monitor Test, only subclause (ii) of clause (b) of the definition of Weighted Average Floating Spread shall apply.

In calculating the Weighted Average Fixed Coupon for purposes of determining compliance with the S&P CDO Monitor Test, only subclause (ii) of clause (b) of the definition of Weighted Average Fixed Coupon shall apply.

The S&P Minimum Weighted Average Recovery Rate Test

The S&P Minimum Weighted Average Recovery Rate Test shall only be applicable (i) during the Reinvestment Period, in an S&P CDO Model Election Period, and (ii) following the expiry of the Reinvestment Period.

The "**S&P Minimum Weighted Average Recovery Rate Test**" will be satisfied on any Measurement Date from (and including) the Effective Date if the S&P Weighted Average Recovery Rate for the most senior Class of Rated Notes then Outstanding rated by S&P is greater than or equal to the S&P CDO Monitor Recovery Rate for such Class chosen by the Portfolio Manager in connection with the S&P CDO Monitor Test.

The "**S&P Recovery Rate**" means, in respect of each Collateral Debt Obligation and each Class of Rated Notes, an S&P Recovery Rate determined in accordance with the Portfolio Management Agreement or as advised by S&P. Extracts of the S&P Recovery Rate applicable under the Portfolio Management Agreement are set out as follows:

(a) (i) If a Collateral Debt Obligation has an S&P Recovery Rating, or is pari passu with another obligation of the same Obligor that has an S&P Recovery Rating and is secured by the same collateral as such other obligation, the S&P Recovery Rate for such Collateral Debt Obligation shall be determined as follows:

Initial Rated Note Rating								
S&P Recovery Rating of Collateral Debt Obligation	**Range from published reports**	**S&P Recovery Identifier**	**"AAA"**	**"AA"**	**"A"**	**"BBB"**	**"BB"**	**"B/CCC"**
1+	100	1+	75.0%	85.0%	88.0%	90.0%	92.0%	95.0%
1	90-99	1	65.0%	75.0%	80.0%	85.0%	90.0%	95.0%
2	80-89	2H	60.0%	70.0%	75.0%	81.0%	86.0%	89.0%

2	70-79	2L	50.0%	60.0%	66.0%	73.0%	79.0%	79.0%
3	60-69	3H	40.0%	50.0%	56.0%	63.0%	67.0%	69.0%
3	50-59	3L	30.0%	40.0%	46.0%	53.0%	59.0%	59.0%
4	40-49	4H	27.0%	35.0%	42.0%	46.0%	48.0%	49.0%
4	30-39	4L	20.0%	26.0%	33.0%	39.0%	39.0%	39.0%
5	20-29	5H	15.0%	20.0%	24.0%	26.0%	28.0%	29.0%
5	10-19	5L	5.0%	10.0%	15.0%	19.0%	19.0%	19.0%
6	0-9	6	2.0%	4.0%	6.0%	8.0%	9.0%	9.0%

S&P Recovery Rate

* If a recovery range is not available for a given obligation with an S&P Recovery Rating of "2" through "5" (inclusive), the lower recovery range for the applicable S&P Recovery Rating shall apply.

(ii) If (x) a Collateral Debt Obligation does not have an S&P Recovery Rating and such Collateral Debt Obligation is an Unsecured Senior Obligation or a Second Lien Loan (including for the avoidance of doubt, a first lien last out loan) and (y) the Obligor or issuer of such Collateral Debt Obligation has issued another debt instrument that is outstanding and senior to such Collateral Debt Obligation that is a Secured Senior Loan or Secured Senior Bond (a "Senior Secured Debt Instrument") that has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Debt Obligation shall be determined as follows:

For Obligors Domiciled in Group A

S&P Recovery Rating of the Senior Secured Debt Instrument	**Initial Rated Note Rating**					
	"AAA"	**"AA"**	**"A"**	**"BBB"**	**"BB"**	**"B/CCC"**
1+	18.0%	20.0%	23.0%	26.0%	29.0%	31.0%
1	18.0%	20.0%	23.0%	26.0%	29.0%	31.0%
2	18.0%	20.0%	23.0%	26.0%	29.0%	31.0%
3	12.0%	15.0%	18.0%	21.0%	22.0%	23.0%
4	5.0%	8.0%	11.0%	13.0%	14.0%	15.0%
5	2.0%	4.0%	6.0%	8.0%	9.0%	10.0%
6	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

S&P Recovery Rate

For Obligors Domiciled in Group B

S&P Recovery Rating of the Senior Secured Debt Instrument	**Initial Rated Note Rating**					
	"AAA"	**"AA"**	**"A"**	**"BBB"**	**"BB"**	**"B/CCC"**
1+	13.0%	16.0%	18.0%	21.0%	23.0%	25.0%
1	13.0%	16.0%	18.0%	21.0%	23.0%	25.0%
2	13.0%	16.0%	18.0%	21.0%	23.0%	25.0%
3	8.0%	11.0%	13.0%	15.0%	16.0%	17.0%
4	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
5	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
6	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

S&P Recovery Rate

For Obligors Domiciled in Group C

S&P Recovery Rating of the Senior Secured Debt Instrument	**Initial Rated Note Rating**					
	"AAA"	**"AA"**	**"A"**	**"BBB"**	**"BB"**	**"B/CCC"**
1+	10.0%	12.0%	14.0%	16.0%	18.0%	20.0%
1	10.0%	12.0%	14.0%	16.0%	18.0%	20.0%
2	10.0%	12.0%	14.0%	16.0%	18.0%	20.0%
3	5.0%	7.0%	9.0%	10.0%	11.0%	12.0%
4	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
5	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

S&P Recovery Rate

(iii) If (x) a Collateral Debt Obligation does not have an S&P Recovery Rating and such Collateral Debt Obligation is not a Secured Senior Loan, a Second Lien Loan (including, for the avoidance of doubt, a first lien last out loan) or an Unsecured Senior Obligation and (y) the Obligor or issuer of such Collateral Debt Obligation has issued another debt instrument that is outstanding and senior to such Collateral Debt Obligation that is a Senior Secured Debt Instrument that has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Debt Obligation shall be determined as follows:

For Obligors Domiciled in Groups A and B

S&P Recovery Rating of the Senior Secured Debt Instrument	**Initial Rated Note Rating**					
	"AAA"	**"AA"**	**"A"**	**"BBB"**	**"BB"**	**"B/CCC"**
1+	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
1	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
2	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
3	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
4	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
5	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

For Obligors Domiciled in Group C

S&P Recovery Rating of the Senior Secured Debt Instrument	**Initial Rated Note Rating**					
	"AAA"	**"AA"**	**"A"**	**"BBB"**	**"BB"**	**"B/CCC"**
1+	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
1	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
2	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
3	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

5	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

S&P Recovery Rate

(iv) If an S&P Recovery Rate cannot be determined using clause (a) above, the S&P Recovery Rate shall be determined as follows:

Recovery Rates for Obligors Domiciled in Group A, B or C:

Priority Category	**Initial Rated Note Rating**					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and "CCC"
Secured Senior Loans (excluding S&P Cov–Lite Obligations)						
Group A	50%	55%	59%	63%	75%	79%
Group B	39%	42%	46%	49%	60%	63%
Group C	17%	19%	27%	29%	31%	34%
Secured Senior Loans that are S&P Cov–Lite Obligations and Secured Senior Bonds						
Group A	41%	46%	49%	53%	63%	67%
Group B	32%	35%	39%	41%	50%	53%
Group C	17%	19%	27%	29%	31%	34%
Unsecured Senior Obligations, Mezzanine Obligations, Second Lien Loans (including, for the avoidance of doubt, a first lien last out loan) and High Yield Bonds (if unsubordinated)						
Group A	18%	20%	23%	26%	29%	31%
Group B	13%	16%	18%	21%	23%	25%
Group C	10%	12%	14%	16%	18%	20%
High Yield Bonds (if subordinated)						
Group A	8%	8%	8%	8%	8%	8%
Group B	8%	8%	8%	8%	8%	8%
Group C	5%	5%	5%	5%	5%	5%

Each S&P region categorization is set out in the "S&P Regional Diversity Measure Table" above.

For the purposes of the above,

"**S&P Cov-Lite Obligation**" means a Collateral Debt Obligation that, in the reasonable commercial judgement of the Portfolio Manager, is an interest in a Loan, the Underlying Instruments for which do not (i) contain any financial covenants or (ii) require the Obligor thereunder to comply with any Maintenance Covenant (regardless of whether compliance with one or more Incurrence Covenants is otherwise required by such Underlying Instruments).

"**S&P Recovery Rate**" means, in respect of each Collateral Debt Obligation and each Class of Rated Notes, an S&P Recovery Rate determined in accordance with the Portfolio Management Agreement or as advised by S&P; and

"**S&P Recovery Rating**" means, with respect to a Collateral Debt Obligation for which an S&P Recovery Rate is being determined, the "Recovery Rating" assigned by S&P to such Collateral Debt Obligation based upon the tables set forth above.

"**S&P Weighted Average Recovery Rate**" means, as of any Measurement Date, for a Class of Rated Notes, the number (expressed as a percentage) obtained by summing the products obtained by multiplying the Principal Balance (excluding Purchased Accrued Interest) of each Collateral Debt Obligation by its S&P Recovery Rate, dividing such sum by the Aggregate Principal Balance of all Collateral Debt Obligations and rounding up to the nearest 0.1 per cent. For purposes of this rate, the Principal Balance of any Defaulted Obligation shall be deemed to be zero.

The Moody's Minimum Diversity Test

The "**Moody's Minimum Diversity Test**" will be satisfied as at any Measurement Date from (and including) the Effective Date, if the Diversity Score equals or exceeds the number set forth in the column entitled "Minimum Diversity Score" in the Moody's Test Matrix based upon the applicable "row/column" combination chosen by the Portfolio Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)).

The "**Diversity Score**" is a single number that indicates collateral concentration and correlation in terms of both issuer and industry concentration and correlation. It is similar to a score that Moody's uses to measure concentration and correlation for the purposes of its ratings. A higher Diversity Score reflects a more diverse portfolio in terms of the issuer and industry concentration. The Diversity Score for the Collateral Debt Obligations is calculated by summing each of the Industry Diversity Scores which are calculated as follows and rounding the result up to the nearest whole number (*provided that* no Defaulted Obligations shall be included in the calculation of the Diversity Score or any component thereof):

(a) an "**Average Principal Balance**" is calculated by summing the Obligor Principal Balances and dividing by the sum of the aggregate number of issuers and/or borrowers represented;

(b) an "**Obligor Principal Balance**" is calculated for each Obligor represented in the Collateral Debt Obligations by summing the Principal Balances of all Collateral Debt Obligations (excluding Defaulted Obligations) issued by such Obligor, *provided that* if a Collateral Debt Obligation has been sold or is the subject of an optional redemption or Offer, and the Sale Proceeds or Unscheduled Principal Proceeds from such event have not yet been reinvested in Substitute Collateral Debt Obligations or distributed to the Noteholders or the other creditors of the Issuer in accordance with the Priorities of Payment, the Obligor Principal Balance shall be calculated as if such Collateral Debt Obligation had not been sold or was not subject to such an optional redemption or Offer;

(c) an "**Equivalent Unit Score**" is calculated for each Obligor by taking the lesser of (i) one and (ii) the Obligor Principal Balance for such Obligor divided by the Average Principal Balance;

(d) an "**Aggregate Industry Equivalent Unit Score**" is then calculated for each of the 32 Moody's industrial classification groups by summing the Equivalent Unit Scores for each Obligor in the industry (or such other industrial classification groups and Equivalent Unit Scores as are published by Moody's from time to time); and

(e) an "**Industry Diversity Score**" is then established by reference to the Diversity Score Table shown below (or such other Diversity Score Table as is published by Moody's from time to time) (the "**Diversity Score Table**") for the related Aggregate Industry Equivalent Unit Score. If the Aggregate Industry Equivalent Unit Score falls between any two such scores shown in the Diversity Score Table, then the Industry Diversity Score is the lower of the two Diversity Scores in the Diversity Score Table.

For purposes of calculating the Diversity Scores any Obligors Affiliated with one another will be considered to be one Obligor.

Diversity Score Table

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
0.0000	0.0000	5.0500	2.7000	10.1500	4.0200	15.2500	4.5300
0.0500	0.1000	5.1500	2.7333	10.2500	4.0300	15.3500	4.5400
0.1500	0.2000	5.2500	2.7667	10.3500	4.0400	15.4500	4.5500
0.2500	0.3000	5.3500	2.8000	10.4500	4.0500	15.5500	4.5600
0.3500	0.4000	5.4500	2.8333	10.5500	4.0600	15.6500	4.5700
0.4500	0.5000	5.5500	2.8667	10.6500	4.0700	15.7500	4.5800
0.5500	0.6000	5.6500	2.9000	10.7500	4.0800	15.8500	4.5900
0.6500	0.7000	5.7500	2.9333	10.8500	4.0900	15.9500	4.6000
0.7500	0.8000	5.8500	2.9667	10.9500	4.1000	16.0500	4.6100
0.8500	0.9000	5.9500	3.0000	11.0500	4.1100	16.1500	4.6200
0.9500	1.0000	6.0500	3.0250	11.1500	4.1200	16.2500	4.6300

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
1.0500	1.0500	6.1500	3.0500	11.2500	4.1300	16.3500	4.6400
1.1500	1.1000	6.2500	3.0750	11.3500	4.1400	16.4500	4.6500
1.2500	1.1500	6.3500	3.1000	11.4500	4.1500	16.5500	4.6600
1.3500	1.2000	6.4500	3.1250	11.5500	4.1600	16.6500	4.6700
1.4500	1.2500	6.5500	3.1500	11.6500	4.1700	16.7500	4.6800
1.5500	1.3000	6.6500	3.1750	11.7500	4.1800	16.8500	4.6900
1.6500	1.3500	6.7500	3.2000	11.8500	4.1900	16.9500	4.7000
1.7500	1.4000	6.8500	3.2250	11.9500	4.2000	17.0500	4.7100
1.8500	1.4500	6.9500	3.2500	12.0500	4.2100	17.1500	4.7200
1.9500	1.5000	7.0500	3.2750	12.1500	4.2200	17.2500	4.7300
2.0500	1.5500	7.1500	3.3000	12.2500	4.2300	17.3500	4.7400
2.1500	1.6000	7.2500	3.3250	12.3500	4.2400	17.4500	4.7500
2.2500	1.6500	7.3500	3.3500	12.4500	4.2500	17.5500	4.7600
2.3500	1.7000	7.4500	3.3750	12.5500	4.2600	17.6500	4.7700
2.4500	1.7500	7.5500	3.4000	12.6500	4.2700	17.7500	4.7800
2.5500	1.8000	7.6500	3.4250	12.7500	4.2800	17.8500	4.7900
2.6500	1.8500	7.7500	3.4500	12.8500	4.2900	17.9500	4.8000
2.7500	1.9000	7.8500	3.4750	12.9500	4.3000	18.0500	4.8100
2.8500	1.9500	7.9500	3.5000	13.0500	4.3100	18.1500	4.8200
2.9500	2.0000	8.0500	3.5250	13.1500	4.3200	18.2500	4.8300
3.0500	2.0333	8.1500	3.5500	13.2500	4.3300	18.3500	4.8400
3.1500	2.0667	8.2500	3.5750	13.3500	4.3400	18.4500	4.8500
3.2500	2.1000	8.3500	3.6000	13.4500	4.3500	18.5500	4.8600
3.3500	2.1333	8.4500	3.6250	13.5500	4.3600	18.6500	4.8700
3.4500	2.1667	8.5500	3.6500	13.6500	4.3700	18.7500	4.8800
3.5500	2.2000	8.6500	3.6750	13.7500	4.3800	18.8500	4.8900
3.6500	2.2333	8.7500	3.7000	13.8500	4.3900	18.9500	4.9000
3.7500	2.2667	8.8500	3.7250	13.9500	4.4000	19.0500	4.9100
3.8500	2.3000	8.9500	3.7500	14.0500	4.4100	19.1500	4.9200
3.9500	2.3333	9.0500	3.7750	14.1500	4.4200	19.2500	4.9300
4.0500	2.3667	9.1500	3.8000	14.2500	4.4300	19.3500	4.9400
4.1500	2.4000	9.2500	3.8250	14.3500	4.4400	19.4500	4.9500
4.2500	2.4333	9.3500	3.8500	14.4500	4.4500	19.5500	4.9600
4.3500	2.4667	9.4500	3.8750	14.5500	4.4600	19.6500	4.9700
4.4500	2.5000	9.5500	3.9000	14.6500	4.4700	19.7500	4.9800
4.5500	2.5333	9.6500	3.9250	14.7500	4.4800	19.8500	4.9900
4.6500	2.5667	9.7500	3.9500	14.8500	4.4900	19.9500	5.0000
4.7500	2.6000	9.8500	3.9750	14.9500	4.5000		
4.8500	2.6333	9.9500	4.0000	15.0500	4.5100		
4.9500	2.6667	10.0500	4.0100	15.1500	4.5200		

The Moody's Maximum Weighted Average Rating Factor Test

The "**Moody's Maximum Weighted Average Rating Factor Test**" will be satisfied as at any Measurement Date from (and including) the Effective Date, if the Adjusted Weighted Average Moody's Rating Factor as at such Measurement Date is equal to or less than the sum of (a) the number set forth in the Moody's Test Matrix at the intersection of the applicable "row/column" combination chosen by the Portfolio Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)), the level specified in the Moody's Tests Matrix which is applicable under the case selected by the Portfolio Manager (acting on behalf of the Issuer) as at such Measurement Date *plus* (b) the Moody's Weighted Average Recovery Adjustment, plus (iii) the Moody's Weighted Average Spread Adjustment *provided, however*, that the sum of (a), (b) and (c) may not exceed 3,850.

The "**Moody's Weighted Average Rating Factor**" is determined by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation, excluding Defaulted Obligations, by its Moody's Rating Factor, dividing such sum by the Aggregate Principal Balances of all such Collateral Debt Obligations, excluding Defaulted Obligations, and rounding the result down to the nearest whole number.

The "**Moody's Rating Factor**" relating to any Collateral Debt Obligation is the number set forth in the table below opposite the Moody's Default Probability Rating of such Collateral Debt Obligation.

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Default Probability Rating	Moody's Rating Factor
Aaa	1	Ba1	940
Aa1	10	Ba2	1,350
Aa2	20	Ba3	1,766
Aa3	40	B1	2,220
A1	70	B2	2,720
A2	120	B3	3,490
A3	180	Caa1	4,770
Baa1	260	Caa2	6,500
Baa2	360	Caa3	8,070
Baa3	610	Ca or lower	10,000

The "**Moody's Weighted Average Recovery Adjustment**" means, as of any Measurement Date, the greater of:

(a) zero; and

(b) the product of:

(i) (A) the Weighted Average Moody's Recovery Rate as of such Measurement Date *multiplied by* 100 minus (B) 44.0; and

(ii) (A) with respect to the adjustment of the Moody's Maximum Weighted Average Rating Factor Test;

(1) 65.00 if the Weighted Average Floating Spread (expressed as a percentage) is less than 3.40 per cent;

(2) 70.00 if the Weighted Average Floating Spread (expressed as a percentage) is equal to or greater than 3.40 per cent. but below 4.10 per cent.; and

(3) 75.00 in all other cases; and

(B) with respect to adjustment of the Minimum Weighted Average Spread:

(1) 0.100 per cent. if the Weighted Average Floating Spread (expressed as a percentage) is below 3.60 per cent.;

(2) 0.150 per cent. if the Weighted Average Floating Spread_(expressed as a percentage) is equal to or greater than 3.60 per cent. but below 4.70 per cent.;

(3) 0.200 per cent. in all other cases.

provided that if the Weighted Average Moody's Recovery Rate for purposes of determining the Moody's Weighted Average Recovery Adjustment is greater than 60.00 per cent., then such Weighted Average Moody's Recovery Rate shall equal 60.00 per cent. unless Rating Agency Confirmation from Moody's is received; provided further that the amount specified in clause (b)(i) above may only be allocated once on any Measurement Date and the Portfolio Manager shall designate to the Collateral Administrator in writing on each such date the portion of such amount that shall be allocated to clause (b)(ii)(A) and the portion of such amount that shall be allocated to clause (b)(ii)(B) (it being understood that, absent an express designation by the Portfolio Manager, all such amounts shall be allocated to clause (b)(ii)(A)).

"**Adjusted Weighted Average Moody's Rating Factor**" means, as of any Measurement Date, a number equal to the Moody's Weighted Average Rating Factor determined in the following manner: for purposes of determining a Moody's Default Probability Rating, Moody's Rating or Moody's Derived Rating in connection with determining the Moody's Weighted Average Rating Factor, each applicable rating on credit watch by Moody's that is on (a) positive watch will be treated as having been upgraded by one rating subcategory, (b) negative watch will be treated as having been downgraded by two rating subcategories and (c) negative

outlook will be treated as having been downgraded by one rating subcategory and rounding the result down to the nearest whole number.

The Moody's Minimum Weighted Average Recovery Rate Test

The "**Moody's Minimum Weighted Average Recovery Rate Test**" will be satisfied, as at any Measurement Date from (and including) the Effective Date, if the Weighted Average Moody's Recovery Rate is greater than or equal to (a) 44.0 per cent. minus (b) the Moody's Weighted Average Rating Factor Adjustment *provided however* that the result of (a) minus (b) may not be less than 35.0 per cent.

The "**Weighted Average Moody's Recovery Rate**" means, as of any Measurement Date, the number, expressed as a percentage, obtained by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation (excluding Defaulted Obligations) by its corresponding Moody's Recovery Rate and dividing such sum by the lesser of (x) the Reinvestment Target Par Balance and (y) the Aggregate Principal Balance (excluding Defaulted Obligations) and rounding the result up to the nearest 0.1 per cent.

The "**Moody's Recovery Rate**" means, in respect of each Collateral Debt Obligation, the Moody's recovery rate determined in accordance with the Portfolio Management Agreement or as so advised by Moody's. Extracts of the Moody's Recovery Rate applicable under the Portfolio Management Agreement are set out as follows:

The Moody's Recovery Rate is, with respect to any Collateral Debt Obligation, as of any date of determination, the recovery rate determined in accordance with the following, in the following order of priority:

(a) if the Collateral Debt Obligation has been specifically assigned a recovery rate by Moody's (for example, in connection with the assignment by Moody's of an estimated rating), such recovery rate; or

(b) if the preceding clause does not apply to the Collateral Debt Obligation, except with respect to Corporate Rescue Loans, the rate determined pursuant to the table below based on the number of rating subcategories difference between the Collateral Debt Obligation's Moody's Rating and its Moody's Default Probability Rating (for the purposes of clarification, if the Moody's Rating is higher than the Moody's Default Probability Rating, the rating subcategories difference will be positive and if it is lower, negative):

Number of Moody's Ratings Subcategories Difference Between the Moody's Rating and the Moody's Default Probability Rating	Moody's Senior Secured Loans	Secured Senior Loans that are not Moody's Senior Secured Loans, Second Lien Loans and Secured Senior Bonds*	All other Collateral Debt Obligations (other than Corporate Rescue Loans)
+2 or more	60.0%	55.0%	45.0%
+1	50.0%	45.0%	35.0%
0	45.0%	35.0%	30.0%
-1	40.0%	25.0%	25.0%
-2	30.0%	15.0%	15.0%
-3 or less	20.0%	5.0%	5.0%

* If such Collateral Debt Obligation does not have both a CFR and an Assigned Moody's Rating, the Moody's Recovery Rate in respect of such Collateral Debt Obligation will be that determined in accordance with the final column of this table.

or,

if the Collateral Debt Obligation is a Corporate Rescue Loan (other than a Corporate Rescue Loan which has been specifically assigned a recovery rate by Moody's), 50 per cent.

"**Moody's Senior Secured Loan**" means:

(a) a loan that:

(i) is not (and cannot by its terms become) subordinate in right of payment to any other debt obligation of the obligor of the loan; other than borrowed money, trade claims, capitalised leases or other similar obligations, or no other obligation of the Obligor has any higher priority security interest in such assets or stock, *provided that* a revolving loan of the Obligor that, pursuant to its terms, may require one or more advances to be made to the borrower may have

a higher priority security interest in such assets or stock in the event of an enforcement in respect of such loan representing up to the Secured Senior RCF Percentage of the Obligor's senior debt (or more if Rating Agency Confirmation from Moody's has been obtained);

(ii) (x) is secured by a valid first priority perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under the loan and (y) such specified collateral does not consist entirely of equity securities or common stock; *provided that* any loan that would be considered a Moody's Senior Secured Loan but for clause (y) above shall be considered a Moody's Senior Secured Loan if it is a loan made to a parent entity and as to which the Portfolio Manager determines in good faith that the value of the common stock of the subsidiary (or other equity interests in the subsidiary) securing such loan at or about the time of acquisition of such loan by the Issuer has a value that is at least equal to the outstanding principal balance of such loan and the outstanding principal balances of any other obligations of such parent entity that are *pari passu* with such loan, which value may include, among other things, the enterprise value of such subsidiary of such parent entity; and

(iii) the value of the collateral securing the loan together with other attributes of the obligor (including, without limitation, its general financial condition, ability to generate cash flow available for debt service and other demands for that cash flow) is adequate (in the commercially reasonable judgment of the Portfolio Manager) to repay the loan in accordance with its terms and to repay all other loans of equal seniority secured by a first lien or security interest in the same collateral); and

(b) the loan is not:

(i) a Corporate Rescue Loan; or

(ii) a loan for which the security interest or lien (or the validity or effectiveness thereof) in substantially all of its collateral attaches, becomes effective, or otherwise "springs" into existence after the origination thereof.

The "**Moody's Weighted Average Rating Factor Adjustment**" means an amount, expressed as a percentage, as of any Measurement Date equal to the greater of:

(a) zero; and

(b) the number obtained by dividing:

(i) (A) the number set forth in the Moody's Test Matrix at the intersection of the applicable "row/column" combination chosen by the Portfolio Manager (acting on behalf of the Issuer) (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)), as at such Measurement Date minus (B) the Adjusted Weighted Average Moody's Rating Factor; by

(ii) (A) 70.0 if the Weighted Average Floating Spread (expressed as a percentage) is less than 5.10 per cent.; and

(B) 80.0 in all other cases; and:

and dividing the result by 100.

"**Moody's Weighted Average Spread Adjustment**" means, as of any date of determination, the greater of (a) zero and (b) an amount equal to the product of (i) 0.740 per cent. minus the Class A-1 Margin and (ii) 25,000.

"**Secured Senior RCF Percentage**" means, in relation to a Secured Senior Bond or a Secured Senior Loan, 15 per cent, or more, if Rating Agency Confirmation from each Rating Agency is obtained except for those issued by or granted to an Obligor engaged in the purchase of non-performing debt portfolios.

The Minimum Weighted Average Spread Test

The "**Minimum Weighted Average Spread Test**" will be satisfied if, as at any Measurement Date from (and including) the Effective Date, the Weighted Average Floating Spread as at such Measurement Date *plus* the

Excess Weighted Average Coupon (such Excess Weighted Average Coupon as determined by the Portfolio Manager) equals or exceeds the Minimum Weighted Average Spread as at such Measurement Date, in each case, as determined by the Collateral Administrator in consultation with the Portfolio Manager.

The "**Minimum Weighted Average Spread**", as of any Measurement Date, means the greater of:

(a) the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based upon the option chosen by the Portfolio Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) reduced by the Moody's Weighted Average Recovery Adjustment; and

(b) 2.40 per cent.

The "**Weighted Average Floating Spread**" as of any Measurement Date, is the number obtained by *dividing*:

(a) the amount equal to (i) the Aggregate Funded Spread *plus* (ii) the Aggregate Unfunded Spread *plus* (iii) the Aggregate Excess Funded Spread (such Aggregate Excess Funded Spread as determined by the Portfolio Manager), in each case, as determined by the Collateral Administrator in consultation with the Portfolio Manager; *by*

(b) an amount equal to the lesser of (i) the product of (A) the Reinvestment Target Par Balance and (B) a fraction, the numerator of which is equal to the Aggregate Principal Balance of all Floating Rate Collateral Debt Obligations as of such Measurement Date (in each case excluding any Defaulted Obligations), and the denominator of which is equal to the Aggregate Principal Balance of all Collateral Debt Obligations as of such Measurement Date (in each case excluding any Defaulted Obligations), and (ii) the Aggregate Principal Balance of all Floating Rate Collateral Debt Obligations as of such Measurement Date (in each case, excluding any Defaulted Obligations),

in each case adjusted for any withholding tax deducted in respect of the relevant obligation which is neither grossed up nor recoverable under any applicable double tax treaty, provided that for the purposes of the calculation of the Effective Date Non-Model CDO Monitor Test the adjustments set out in the definition thereof shall apply, and further provided that, for the purposes of the CDO Monitor Test, the Aggregate Excess Funded Spread shall not be included in the numerator; and

(c) solely for the purposes of the S&P CDO Monitor Test, adding to the result of the above calculation, in the case of each Floating Rate Collateral Debt Obligation that is a PIK Security, (i) zero minus EURIBOR (subject to a maximum of zero) multiplied by (ii) the outstanding principal balance of such Collateral Debt Obligation.

The "**Aggregate Funded Spread**" is, as of any Measurement Date, the sum of:

(a) in the case of each Floating Rate Collateral Debt Obligation (including, for any Mezzanine Obligations, Partial Deferrable Securities and PIK Securities, only the current cash pay interest required by the Underlying Instruments thereon and excluding Non-Euro Obligations, the unfunded portion of any Delayed Drawdown Obligation and Revolving Obligation and any Defaulted Obligations) that bears interest at a spread over EURIBOR, (i) the stated interest rate spread on such Collateral Debt Obligation above EURIBOR (or, in the case of a Purchased Discount Obligation, other than for the purposes of the S&P CDO Monitor Test, its Discount-Adjusted Spread) *multiplied by* (ii) the outstanding Principal Balance of such Collateral Debt Obligation (excluding the unfunded portion of any Delayed Drawdown Obligation or Revolving Obligation);

(b) in the case of each Floating Rate Collateral Debt Obligation (including, for any Mezzanine Obligation, Partial Deferrable Securities and PIK Securities, only the current cash pay interest required by the Underlying Instruments thereon and excluding Non-Euro Obligations, the unfunded portion of any Delayed Drawdown Obligation and Revolving Obligation and any Defaulted Obligations) that bears interest at a spread over an index other than a EURIBOR-based index, (i) the excess of the sum of such spread and such index over EURIBOR with respect to the Rated Notes as of the immediately preceding Interest Determination Date (other than, with respect to the first Measurement Date, the Class A Notes) (which spread or excess may be expressed as a negative percentage) *multiplied by* (ii) the outstanding Principal Balance of each such Collateral Debt Obligation (excluding the unfunded portion of any Delayed Drawdown Obligation or Revolving Obligation);

(c) in the case of each Floating Rate Collateral Debt Obligation which is a Currency Hedge Obligation (including, for any Mezzanine Obligation Partial Deferrable Securities and PIK Securities, only the required current cash pay interest required by the Underlying Instruments thereon, and excluding Defaulted Obligations and the unfunded portion of any Delayed Drawdown Obligation and Revolving Obligation) and subject to a Currency Hedge Transaction, (i) the stated interest rate spread over EURIBOR payable by the applicable Currency Hedge Counterparty to the Issuer under the related Currency Hedge Transaction multiplied by (ii) the outstanding principal balance of such Non-Euro Obligation, converted into Euro at the Applicable FX Rate; and

(d) in the case of each Floating Rate Collateral Debt Obligation which is an Unhedged Collateral Debt Obligation or a Principal Hedged Obligation (including, for any Mezzanine Obligation, Partial Deferrable Securities and PIK Securities, only the required current cash pay interest required by the Underlying Instruments thereon, and excluding Defaulted Obligations and the unfunded portion of any Delayed Drawdown Obligation and Revolving Obligation):

(i) in respect of Unhedged Collateral Debt Obligations, if such Unhedged Collateral Debt Obligation is denominated in a Qualifying Unhedged Obligation Currency and is an Issue Date Collateral Debt Obligation and has been an Unhedged Collateral Debt Obligation for less than 180 calendar days since the later of the settlement of the purchase by the Issuer of such Collateral Debt Obligation and the Issue Date, 50 per cent. of the current per annum rate at which the Unhedged Collateral Debt Obligation pays interest over the floating rate index upon which the Unhedged Collateral Debt Obligation pays interest, multiplied by the outstanding principal balance of such Unhedged Collateral Debt Obligation converted into Euro at the Applicable FX Rate;

(ii) in respect of Principal Hedged Obligations, if such Principal Hedged Obligation has been a Principal Hedged Obligation for less than 180 calendar days since the later of settlement of the purchase by the Issuer of such Collateral Debt Obligation and the Issue Date, (x) if the associated FX Forward Transaction has a term of 90 calendar days or less (measured from the date of settlement of such FX Forward Transaction), 75 per cent. or (y) if the associated FX Forward Transaction has a term of more than 90 calendar days but less than 180 calendar days (measured from the date of settlement of such FX Forward Transaction), 50 per cent., in each case of the current per annum rate at which the Principal Hedged Obligation pays interest over the floating rate index upon which the Principal Hedged Obligation pays interest, multiplied by the outstanding principal balance of such Principal Hedged Obligation converted into Euro at the Applicable FX Rate; and

(iii) in respect of any other Unhedged Collateral Debt Obligations or Principal Hedged Obligations, zero.

If a Floating Rate Collateral Debt Obligation is subject to a floor, the spread shall include, if positive: (x) the EURIBOR (or such other floating rate of interest) floor value (as notified to the Collateral Administrator by the relevant loan agent) minus (y) (a) if the relevant interest period of such Floating Rate Collateral Debt Obligation is the same length as the applicable interest period of the Floating Rates Notes, EURIBOR as if calculated in accordance with Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class E Notes and Class F Notes*) on such Interest Determination Date or (b) if the relevant interest period of the Floating Rate Collateral Debt Obligation is not the same length as the applicable interest period of the Floating Rate Notes, EURIBOR as if calculated in accordance with Condition 6(e)(i) (*Floating Rate of Interest in respect of the Class A-1 Notes, Class B-1 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes, Class D-2 Notes, Class E Notes and Class F Notes*) on such Interest Determination Date had the interest period of the Floating Rate Notes been the same as the relevant interest period of such Floating Rate Collateral Debt Obligation (*provided that* to the extent the floor is in respect of a Non-Euro Obligation and the floor is not included in the payments made to a Hedge Counterparty by the Issuer, for the purposes of paragraph (c) above, the additional interest amount in respect of such additional margin shall be determined by applying the Spot Rate (multiplied by (x) in the case of Non-Euro Obligations denominated in U.S. Dollars, Sterling, Danish Krone, Swiss Francs, Swedish Krona or Norwegian Krone, 0.85; and (y) in the case of Non-Euro Obligations denominated in any other Qualifying Currency, 0.50), in each case, under paragraph (c)(ii) and not the Applicable FX Rate) (such adjustment pursuant to this paragraph (d) above, the "**EURIBOR Floor Adjustment**").

Further, the margin shall be deemed to be (x) in respect of a Step-Down Coupon Security, the lowest margin that is permissible pursuant to and in accordance with the Underlying Instruments relating thereto; and (y) in respect of a Step-Up Coupon Security, the margin applicable as at the relevant Measurement Date

"**Step-Up Coupon Security**" means a security which provides for an increase, in the case of a security which bears interest at a fixed rate, in the per annum interest rate on such security or, in the case of a security which bears interest at a floating rate, in the spread over that applicable index or benchmark rate, solely as a function of the passage of time.

The "**Aggregate Unfunded Spread**" is, as of any Measurement Date, the sum of the products obtained by *multiplying* (a) for each Delayed Drawdown Obligation and Revolving Obligation (other than Defaulted Obligations), the related commitment fee then in effect as of such date and (b) the undrawn commitments of each such Delayed Drawdown Obligation and Revolving Obligation as of such date.

The "**Aggregate Excess Funded Spread**" is, as of any Measurement Date, the greater of (x) zero and (y) the amount obtained by multiplying:

(a) EURIBOR applicable to the Controlling Class (other than, in respect of the Accrual Period ending on the first Payment Date, where the EURIBOR applicable to the Class B Notes shall apply) during the Accrual Period in which such Measurement Date occurs; *by*

(b) the amount (not less than zero) equal to (i) the aggregate Principal Balance of the Collateral Debt Obligations (excluding any Defaulted Obligations and, for any Partial Deferrable Security, any interest that has been deferred and capitalised thereon) as of such Measurement Date *minus* (ii) the Reinvestment Target Par Balance.

The "**Discount-Adjusted Spread**" means, with respect to any Purchased Discount Obligation, the amount (expressed as a percentage) equal to (i) its stated interest rate spread divided by (ii) its purchase price (expressed as a percentage).

The "**Excess Weighted Average Coupon**" means a percentage equal as of any Measurement Date to a number obtained by *multiplying* (a) the excess, if any, of the Weighted Average Fixed Coupon over the Minimum Weighted Average Fixed Coupon *by* (b) the number obtained by *dividing* the aggregate outstanding Principal Balance of all Fixed Rate Collateral Debt Obligations *by* the aggregate Principal Balance of all Floating Rate Collateral Debt Obligations.

Minimum Weighted Average Fixed Coupon Test

The "**Minimum Weighted Average Fixed Coupon Test**" will be satisfied on any Measurement Date if the Weighted Average Coupon *plus* the Excess Weighted Average Floating Spread (such Excess Weighted Average Floating Spread as determined by the Portfolio Manager) equals or exceeds the Minimum Weighted Average Fixed Coupon, in each case, as determined by the Collateral Administrator in consultation with the Portfolio Manager; *provided that* Defaulted Obligations shall be excluded from such calculations.

The "**Weighted Average Fixed Coupon**", as of any Measurement Date, is the number expressed as a percentage obtained by dividing:

(a) the amount equal to the Aggregate Coupon; by

(b) an amount equal to the lesser of (i) the product of (A) the Reinvestment Target Par Balance and (B) a fraction, the numerator of which is equal to the Aggregate Principal Balance of all Fixed Rate Collateral Debt Obligations as of such Measurement Date, and the denominator of which is equal to the Aggregate Principal Balance of all Collateral Debt Obligations as of such Measurement Date, and (ii) the Aggregate Principal Balance of all Fixed Rate Collateral Debt Obligations as of such Measurement Date,

in each case excluding, for any Mezzanine Obligation and Partial Deferrable Security, any interest that has been deferred and capitalised thereon (other than any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation) and excluding Defaulted Obligations and the unfunded portion of any Delayed Drawdown Obligations and Revolving Obligations and in each case adjusted for any withholding tax deducted in respect of the relevant obligation which is neither grossed up nor recoverable under any applicable double tax treaty or otherwise and rounding the result up to the nearest 0.01

per cent.

The "**Minimum Weighted Average Fixed Coupon**" means (a) if any of the Collateral Debt Obligations are Fixed Rate Collateral Debt Obligations, 4.50 per cent. and (b) otherwise zero.

The "**Aggregate Coupon**" is, as of any Measurement Date, the sum of:

(a) with respect to any Fixed Rate Collateral Debt Obligation which is a Non-Euro Obligation and subject to a Currency Hedge Transaction, and excluding Defaulted Obligations and the unfunded portion of any Delayed Drawdown Obligations and Revolving Obligations, the product of (i) stated coupon on such Non-Euro Obligation expressed as a percentage and (ii) the outstanding principal balance of such Non-Euro Obligation, converted into Euro at the Applicable FX Rate;

(b) with respect to any Fixed Rate Collateral Debt Obligation which is an Unhedged Collateral Debt Obligation or a Principal Hedged Obligation (and excluding Defaulted Obligations and the unfunded portion of any Delayed Drawdown Obligations and Revolving Obligations):

(i) (x) in respect of Unhedged Collateral Debt Obligations, if such Unhedged Collateral Debt Obligation is denominated in a Qualifying Unhedged Obligation Currency and is an Issue Date Collateral Debt Obligation or (y) in respect of Principal Hedged Obligations, if such Principal Hedged Obligation has been a Principal Hedged Obligation for less than the later of 180 calendar days since the settlement of the purchase by the Issuer of such Collateral Debt Obligation and the Issue Date, 50 per cent., of the current per annum coupon at which such Collateral Debt Obligation pays interest, multiplied by the outstanding principal balance of such Non-Euro Obligation, converted into Euro at the Applicable FX Rate; and

(ii) in respect of any other Unhedged Collateral Debt Obligations or Principal Hedged Obligations, zero; and

(c) with respect to all other Fixed Rate Collateral Debt Obligations and excluding Defaulted Obligations and the unfunded portion of any Delayed Drawdown Obligations and Revolving Obligations, the sum of the products obtained by multiplying, in the case of each Fixed Rate Collateral Debt Obligation, (x) the stated coupon on such Collateral Debt Obligation expressed as a percentage and (y) the Principal Balance of such Collateral Debt Obligation.

Provided that, the coupon shall be deemed to be (A) in respect of a Step-Down Coupon Security, the lowest coupon that is permissible pursuant to and in accordance with the Underlying Instruments relating thereto; and (B) in respect of a Step-Up Coupon Security, the margin applicable as at the relevant Measurement Date.

"**Excess Weighted Average Floating Spread**" means a percentage equal as of any Measurement Date to a number obtained by *multiplying* (a) the excess, if any, of the Weighted Average Floating Spread over the Minimum Weighted Average Spread *by* (b) the number obtained by *dividing* the aggregate outstanding Principal Balance of all Floating Rate Collateral Debt Obligations *by* the aggregate outstanding Principal Balance of all Fixed Rate Collateral Debt Obligations.

The Weighted Average Life Test

The "**Weighted Average Life Test**" will be satisfied on any Measurement Date, if the Weighted Average Life as of such date is less than the Maximum Weighted Average Life.

"**Maximum Weighted Average Life**" means, on any Measurement Date, the greater of (A) the number of years (rounded up to the nearest one hundredth thereof) during the period from such Measurement Date to 17 July 2026, and (B) the number of years (rounded up to the nearest one hundredth thereof) during the period from the end of the Reinvestment Period to 17 July 2026.

"**Weighted Average Life**" is, as of any Measurement Date with respect to all Collateral Debt Obligations (other than Defaulted Obligations), the number obtained by:

(a) summing the products obtained by *multiplying* (i) the Average Life at such time of each such Collateral Debt Obligation by (ii) the Principal Balance of such Collateral Debt Obligation; and

(b) *dividing* such sum by the Aggregate Principal Balance at such time of all Collateral Debt Obligations other than Defaulted Obligations,

provided that if the Aggregate Collateral Balance exceeds the Reinvestment Target Par Balance, the Collateral Debt Obligations included in the calculation will be only those Collateral Debt Obligations with an Aggregate Principal Balance equal to the Reinvestment Target Par Balance (starting with Collateral Debt Obligations with shortest Average Lives), provided further that such excess is limited to 10 per cent. of the Reinvestment Target Par Balance.

"**Average Life**" is, on any Measurement Date with respect to any Collateral Debt Obligation, the quotient obtained by dividing (a) the sum of the products of (i) the number of years (rounded to the nearest one hundredth thereof) from such Measurement Date to the respective dates of each successive scheduled distribution of principal of such Collateral Debt Obligation and (ii) the respective amounts of principal of such scheduled distributions by (b) the sum of all successive scheduled distributions of principal on such Collateral Debt Obligation.

Rating Definitions

Moody's Ratings Definitions

"**Moody's Default Probability Rating**" means, with respect to any Collateral Debt Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) if the Obligor of such Collateral Debt Obligation has a CFR, then such CFR;

(b) if not determined pursuant to clause (a) above, if the Obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on such obligation as selected by the Portfolio Manager in its sole discretion;

(c) if not determined pursuant to clauses (a) or (b) above, if the Obligor of such Collateral Debt Obligation has one or more senior secured obligations with an Assigned Moody's Rating, then the Moody's rating that is one subcategory lower than the Assigned Moody's Rating on any such senior secured obligation as selected by the Portfolio Manager in its sole discretion;

(d) if not determined pursuant to clauses (a), (b), or (c) above, if a rating estimate has been assigned to such Collateral Debt Obligation by Moody's upon the request of the Issuer, the Portfolio Manager or an Affiliate of the Portfolio Manager, then the Moody's Default Probability Rating is such rating estimate as long as such rating estimate or a renewal for such rating estimate has been requested by the Issuer, the Portfolio Manager or an Affiliate of the Portfolio Manager (as applicable) within the 15 month period preceding the date on which the Moody's Default Probability Rating is being determined; *provided that* if such rating estimate has been requested by the Issuer, the Portfolio Manager or an Affiliate of the Portfolio Manager (as applicable) for a period (x) longer than 13 months but not beyond 15 months, the Moody's Default Probability Rating will be one subcategory lower than such rating estimate and (y) beyond 15 months, the Moody's Default Probability Rating will be deemed to be "Caa3";

(e) if not determined pursuant to clauses (a), (b), (c) above or (d) above, the Moody's Derived Rating; and

(f) if not determined pursuant to clause (a), (b), (c), (d) or (e) above, the Collateral Debt Obligation will be deemed to have a Moody's Default Probability Rating of "Caa3".

"**Assigned Moody's Rating**" means the monitored publicly available rating or the unpublished monitored loan rating or the credit estimate expressly assigned to a debt obligation (or facility) by Moody's that addresses the full amount of the principal and interest to be paid (or repaid) thereunder, provided that, in respect of a credit estimate, if such credit estimate is valid, current and has been in existence (and not otherwise refreshed) for more than 13 months but less than 15 months from receipt thereof by the Issuer or Portfolio Manager, as the case may be, then the Assigned Moody's Rating is one subcategory lower than the credit estimate, and provided further that, if such credit estimate is valid, current and has been in existence (and not otherwise refreshed) for more than 15 months from receipt thereof by the Issuer or Portfolio Manager or does not exist, as the case may be, then such Collateral Debt Obligation shall be deemed to have an Assigned Moody's Rating of "Caa3".

"**CFR**" means, with respect to an obligor of a Collateral Debt Obligation, if such obligor has a corporate family rating by Moody's, then such corporate family rating; *provided that*, if such obligor does not have a corporate family rating by Moody's but any entity in the obligor's corporate family does have a corporate family rating, then the CFR is such corporate family rating.

"**Moody's Derived Rating**" means, with respect to a Collateral Debt Obligation whose Moody's Rating or Moody's Default Probability Rating is determined as the Moody's Derived Rating, the rating as determined in the manner set forth below:

(a) with respect to any Corporate Rescue Loan and (solely for purposes of determining the Adjusted Weighted Average Moody's Rating Factor) any Current Pay Obligation, the Moody's Rating or Moody's Default Probability Rating of such Collateral Debt Obligation shall be the rating which is one subcategory below the facility rating (whether public or private) of such Corporate Rescue Loan or Current Pay Obligation, as applicable, rated by Moody's;

(b) if not determined pursuant to clause (a) above, then by using any one of the methods provided below:

(i) pursuant to the table below:

Type of Collateral Debt Obligation	**S&P rating or Fitch (Public and Monitored)**	**Collateral Debt Obligation Rated by S&P or Fitch**	**Number of Subcategories Relative to Moody's Equivalent of S&P rating or Fitch Rating**
Not Structured Finance Obligation	≥ "BBB-"	Not a Loan or Participation Interest in Loan	-1
Not Structured Finance Obligation	≤ "BB+"	Not a Loan or Participation Interest in Loan	-2
Not Structured Finance Obligation	≥ "BBB-"	Loan or Participation Interest in Loan	-1
Not Structured Finance Obligation	≤ "BB+"	Loan or Participation Interest in Loan	-2

(ii) if such Collateral Debt Obligation is not rated by S&P or Fitch but another security or obligation of the obligor has a public and monitored rating by S&P or Fitch (a "**parallel security**"), then the rating of such parallel security will at the election of the Portfolio Manager be determined in accordance with the table set forth in sub-clause (b)(i) above, and the Moody's Derived Rating for purposes of the definitions of Moody's Rating and Moody's Default Probability Rating (as applicable) of such Collateral Debt Obligation will be determined in accordance with the methodology set forth in the following table (for such purposes treating the parallel security as if it were rated by Moody's at the rating determined pursuant to this sub-clause (b)(ii)):

Obligation Category of parallel security	**Rating of parallel security**	**Number of subcategories relative to rated security rating**
Senior secured obligation	greater than or equal to B2	-1
Senior secured obligation	less than B2	-2
Subordinated obligation	greater than or equal to B3	+1
Subordinated obligation	less than B3	0

(iii) or, if such Collateral Debt Obligation is a Corporate Rescue Loan, no Moody's Derived Rating may be determined based on a rating by S&P or Ftich or any other rating agency; *provided that* the Aggregate Principal Balance of the Collateral Debt Obligations that may have a Moody's Rating derived from an S&P Rating or a Fitch Rating as set forth in sub-clause (i) or (ii) of this clause (b) may not exceed 10 per cent. of the Aggregate Collateral Balance; and

(c) if not determined pursuant to clause (a) or (b) above and such Collateral Debt Obligation is not rated by Moody's, S&P or Fitch and no other security or obligation of the issuer of such Collateral Debt Obligation is rated by Moody's, S&P or Fitch, and if Moody's has been requested by the Issuer, the

Portfolio Manager or the issuer of such Collateral Debt Obligation to assign a rating or rating estimate with respect to such Collateral Debt Obligation but such rating or rating estimate has not been received, pending receipt of such estimate, the Moody's Derived Rating of such Collateral Debt Obligation for purposes of the definitions of Moody's Rating or Moody's Default Probability Rating shall be (i) "B3" if the Portfolio Manager confirms to the Trustee and the Collateral Administrator that the Portfolio Manager believes that such estimate shall be at least "B3" and if the Aggregate Principal Balance of Collateral Debt Obligations determined pursuant to this clause (c) and clause (a) above does not exceed 5 per cent. of the Aggregate Collateral Balance or (ii) otherwise, "Caa3".

"**Moody's Rating**" means:

(a) with respect to a Collateral Debt Obligation that is a Secured Senior Loan or Secured Senior Bond:

(i) if such Collateral Debt Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Debt Obligation has a CFR, then the Moody's rating that is one subcategory higher than such CFR;

(iii) if neither clause (i) nor (ii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Moody's rating that is two subcategories higher than the Assigned Moody's Rating on any such obligation as selected by the Portfolio Manager in its sole discretion;

(iv) if none of clauses (i) through (iii) above apply, at the election of the Portfolio Manager, the Moody's Derived Rating; and

(v) if none of clauses (i) through (iv) above apply, the Collateral Debt Obligation will be deemed to have a Moody's Rating of "Caa3"; and

(b) with respect to a Collateral Debt Obligation other than a Secured Senior Loan or Secured Senior Bond:

(i) if such Collateral Debt Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on any such obligation as selected by the Portfolio Manager in its sole discretion;

(iii) if neither clause (i) nor (ii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has a CFR, then the Moody's rating that is one subcategory lower than such CFR;

(iv) if none of clauses (i), (ii) or (iii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has one or more subordinated debt obligations with an Assigned Moody's Rating, then the Moody's rating that is one subcategory higher than the Assigned Moody's Rating on any such obligation as selected by the Portfolio Manager in its sole discretion;

(v) if none of clauses (i) through (iv) above apply, at the election of the Portfolio Manager, the Moody's Derived Rating; and

(vi) if none of clauses (i) through (v) above apply, the Collateral Debt Obligation will be deemed to have a Moody's Rating of "Caa3".

S&P Ratings Definitions

"**Information**" means S&P's "Credit Estimate Information Requirements" dated April 2011 and any other available information S&P reasonably requests in order to produce a credit estimate for a particular asset.

The "**S&P Rating**" means, with respect to any Collateral Debt Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) if there is an S&P Issuer Credit Rating of the issuer of such Collateral Debt Obligation by S&P as published by S&P, or the guarantor which unconditionally and irrevocably guarantees such Collateral Debt Obligation pursuant to a form of guarantee approved by S&P for use in connection with this transaction, then the S&P Rating shall be such rating (regardless of whether there is a published rating by S&P on the Collateral Debt Obligations of such issuer, held by the Issuer, *provided that* private ratings (that is, ratings provided at the request of the Obligor) may be used for purposes of this definition if the related Obligor has consented to the disclosure thereof and a copy of such consent has been provided to S&P);

(b) if there is no S&P Issuer Credit Rating of the issuer or guarantor by S&P but:

(i) there is a senior secured rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Debt Obligation shall be one sub-category below such rating;

(ii) if clause (i) above does not apply, but there is a senior unsecured rating on any obligation or security of the issuer, the S&P Rating of such Collateral Debt Obligation shall equal such rating; and

(iii) if neither clause (i) nor clause (ii) above applies, but there is a subordinated rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Debt Obligation shall be one sub-category above such rating;

(c) with respect to any Collateral Debt Obligation that is a Current Pay Obligation, the S&P Rating applicable to such obligation shall be the issue level rating thereof and if there is no such issue level rating, the S&P Rating applicable to such Current Pay Obligation shall be "CCC-";

(d) with respect to any Collateral Debt Obligation that is a Project Finance Loan, the S&P Rating applicable to such obligation shall be the issue level rating thereof and if there is no such issue level rating, the S&P Rating applicable to such Project Finance Loan shall be (i) "CC" if (A) neither the Obligor of such Collateral Debt Obligation nor any of its Affiliates are subject to any bankruptcy, reorganisation or similar proceedings; (B) the Obligor thereof has not defaulted on any payment obligation in respect of any debt security or other obligation of such Obligor at any time within the two year period ending on such date of determination and all such debt securities and other obligations of the Obligor are current and the Portfolio Manager reasonably expects them to remain current; and (C) the Collateral Debt Obligation is current and the Portfolio Manager reasonably expects it to remain current or (ii) otherwise, "CCC-";

(e) with respect to any Collateral Debt Obligation that is a Corporate Rescue Loan:

(i) falling within paragraph (a) of the definition of Corporate Rescue Loan, and if S&P has assigned a public rating to such Corporate Rescue Loan, the S&P Rating for such Corporate Rescue Loan shall be such public rating; or

(ii) falling within paragraph (b) of the definition of Corporate Rescue Loan, and if S&P has assigned an S&P Issuer Credit Rating or credit estimate to such Corporate Rescue Loan, the S&P Rating for such Corporate Rescue Loan shall be such S&P Issuer Credit Rating or credit estimate; or

(iii) if a credit estimate has not been obtained for 90 days following an application by the Issuer (or the Portfolio Manager on behalf of the Issuer) to S&P for a credit estimate, the applicable Corporate Rescue Loan shall be deemed to have an S&P Rating of "D";

(f) with respect to any Collateral Debt Obligation that is a Bridge Loan, the S&P Rating applicable to such obligation shall be the issue level rating thereof and if there is no such issue level rating, the S&P Rating applicable to such Bridge Loan shall be "CC"; and

(g) if there is not a rating by S&P on the issuer or on an obligation of the issuer, then the S&P Rating may be determined (other than in the case of Corporate Rescue Loans) pursuant to paragraphs (ii) and (iii) below:

(i) if an obligation of the issuer is not a Corporate Rescue Loan and is publicly rated by Moody's or Fitch and any successors thereto, then the S&P Rating will be determined in accordance with the methodologies for establishing the Moody's or the Fitch Rating except that the S&P Rating of such obligation will be (A) one sub-category below the S&P equivalent of the Moody's rating if such Moody's rating is "Baa3" or higher or the Fitch Rating if such Fitch Rating is "BBB" or higher and (B) two sub-categories below the S&P equivalent of either the Moody's Rating if such Moody's Rating is "Ba1" or lower or the Fitch Rating if such Fitch Rating is "B+" or lower, *provided that* in each case (1) the S&P Rating will be a further sub-category below the S&P equivalent of the Moody's rating of the applicable obligation if the relevant Moody's rating is on "credit watch negative" by Moody's and (2) if the Aggregate Principal Balance of Collateral Debt Obligations whose S&P Rating is determined pursuant to this paragraph (g)(i) exceeds 15 per cent. of the Adjusted Collateral Principal Amount, the S&P Rating of the excess of the Aggregate Principal Balance of the Collateral Debt Obligations where the S&P Rating is determined pursuant to this paragraph (g)(i) over an amount equal to 15 per cent. of the Adjusted Collateral Principal Amount shall be "CCC-" provided that (x) neither the Obligor of such Collateral Debt Obligation nor any of its Affiliates are subject to any bankruptcy, reorganisation or similar proceedings; and (y) the Collateral Debt Obligation is current and the Portfolio Manager reasonably expects such Collateral Debt Obligation to remain current (for the purposes of this paragraph (g)(i)(2), the Collateral Debt Obligations whose S&P Rating is determined pursuant to this paragraph (g)(i) with the lowest S&P Collateral Value (expressed as a percentage of the Principal Balance of such Collateral Debt Obligation as of the relevant date of determination) shall be determined to comprise such excess);

(ii) the S&P Rating may be based on a credit estimate provided by S&P, and in connection therewith, the Issuer, the Portfolio Manager on behalf of the Issuer or the issuer of such Collateral Debt Obligation shall, prior to or within thirty calendar days after the acquisition of such Collateral Debt Obligation, apply (and concurrently submit all available information in respect of such application) to S&P for a credit estimate which shall be its S&P Rating; provided that, if such information is submitted within such thirty day period, then, for a period of up to ninety calendar days after acquisition of such Collateral Debt Obligation shall have an S&P Rating as determined by the Portfolio Manager in its sole discretion if (A) the Portfolio Manager certifies to the Trustee and the Collateral Administrator that it believes that such S&P Rating determined by the Portfolio Manager is commercially reasonable and that the S&P Rating will be at least equal to such rating and (B) the Aggregate Principal Balance of the Collateral Debt Obligations subject to an S&P Rating determined by the Portfolio Manager in accordance with (A) does not exceed five per cent. of the Aggregate Collateral Balance (for such purpose, the Principal Balance of all Defaulted Obligations shall be their S&P Collateral Value); provided further that (x) if such information is not submitted within such thirty day period and (y) following the end of the ninety day period set forth above, pending receipt from S&P of such estimate, the Collateral Debt Obligation shall have an S&P Rating of "CCC-"; unless, in the case of clause (y) above, during such ninety day period, the Portfolio Manager has requested the extension of such period and S&P, in its sole discretion, has granted such request; provided further that if the Collateral Debt Obligation has had a public rating by S&P that S&P has withdrawn or suspended within six months prior to the date of such application for a credit estimate in respect of such Collateral Debt Obligation, the S&P Rating in respect thereof shall be "CCC-", pending receipt from S&P of such estimate and S&P may elect not to provide such estimate until a period of six months have elapsed after the withdrawal or suspension of the public rating; provided further that such credit estimate shall expire twelve months after the acquisition of such Collateral Debt Obligation, following which such Collateral Debt Obligation shall have an S&P Rating of "CCC-" unless, during such twelve month period, the Issuer (or the Portfolio Manager acting on behalf of the Issuer) applies for renewal thereof in accordance with the Portfolio Management Agreement in which case such credit estimate shall continue to be the S&P Rating of such Collateral Debt Obligation until S&P has confirmed or revised such credit estimate, upon which such confirmed or revised credit estimate shall be the S&P Rating of such Collateral Debt Obligation; provided further that such confirmed or revised credit estimate shall expire on the next succeeding twelve month anniversary of the date of the acquisition of such Collateral Debt Obligation and (when renewed annually in accordance with the Portfolio Management Agreement) on each twelve month anniversary thereafter; and

(iii) with respect to a Collateral Debt Obligation that is not a Defaulted Obligation, the S&P Rating of such Collateral Debt Obligation will at the election of the Issuer (at the direction of the Portfolio Manager) be "CCC-"; provided that (A) neither the Obligor of such Collateral Debt Obligation nor any of its Affiliates are subject to any bankruptcy or reorganisation proceedings; (B) the Obligor thereof has not defaulted on any payment obligation in respect of any debt security or other obligation of such Obligor at any time within the two year period ending on such date of determination and all such debt securities and other obligations of the Obligor are current and the Portfolio Manager reasonably expects them to remain current; and (C) the Collateral Debt Obligation is current and the Portfolio Manager reasonably expects it to remain current,

provided that, for purposes of the determination of the S&P Rating, (x) if the applicable rating assigned by S&P to an Obligor or its obligations is on "credit watch positive" by S&P, such rating will be treated as being one sub-category above such assigned rating, (y) if the applicable rating assigned by S&P to an Obligor or its obligations is on "credit watch negative" by S&P, such rating will be treated as being one sub-category below such assigned rating and (z) only ratings assigned on the basis of ongoing surveillance will be applicable for the purposes of this definition.

"**S&P Issuer Credit Rating**" means, in respect of a Collateral Debt Obligation, a publicly available issuer credit rating by S&P in respect of the Obligor thereof.

"**Fitch Rating**" means, as of any dates of determination, with respect of any Collateral Debt Obligation, the public or private rating issued by Fitch.

Fitch Equivalent Ratings

Fitch Rating	Moody's Rating	S&P Rating
AAA	Aaa	AAA
AA+	Aal	AA+
AA	Aa2	AA
AA-	Aa3	AA-
A+	Al	A+
A	A2	A
A-	A3	A-
BBB+	Baal	BBB+
BBB	Baa2	BBB
BBB-	Baa3	BBB-
BB+	·Bal	BB+
BB	Ba2	BB
BB-	Ba3	BB-
B+	Bl	B+

B	B2	B
B-	B3	B-
CCC+	Caal	CCC+
CCC	Caa2	CCC
CCC-	Caa3	CCC-
CC	Ca	CC
C	C	C

The Coverage Tests

The Coverage Tests will consist of the Class A/B Par Value Test, the Class C Par Value Test, the Class D Par Value Test, the Class E Par Value Test, the Class A/B Interest Coverage Test and the Class C Interest Coverage Test. The Coverage Tests will be used primarily to determine whether interest may be paid on the Class C Notes, the Class D Notes, the Class E Notes and the Class M Subordinated Notes and whether Principal Proceeds may be reinvested in Substitute Collateral Debt Obligations.

Each of the Class A/B Par Value Test, the Class A/B Interest Coverage Test, the Class C Par Value Test, the Class C Interest Coverage Test, the Class D Par Value Test and the Class E Par Value Test shall apply on a Measurement Date (a) on and after the Effective Date in respect of the Par Value Tests and (b) on and after the Determination Date immediately preceding the second Payment Date in the case of the Interest Coverage Test and shall be satisfied on a Measurement Date if the corresponding Par Value Ratio or Interest Coverage Ratio (as the case may be) is at least equal to the percentage specified in the table below in relation to that Coverage Test.

Coverage Test and Ratio	Percentage at Which Test is Satisfied
Class A/B Par Value	126.99%
Class A/B Interest Coverage	120.00%
Class C Par Value	118.60%
Class C Interest Coverage	110.00%
Class D Par Value	112.34%
Class E Par Value	106.61%

DESCRIPTION OF THE PORTFOLIO MANAGEMENT AGREEMENT

The following description of the Portfolio Management Agreement consists of a summary of certain provisions of the Portfolio Management Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement. Capitalised terms used in this section and not defined in this Offering Circular shall have the meaning given to them in the Portfolio Management Agreement.

Fees

As compensation for the performance of its obligations under the Portfolio Management Agreement, the Portfolio Manager (and/or, at its direction, an Affiliate of the Portfolio Manager) will receive from the Issuer a senior portfolio management fee equal to 0.15 per cent. per annum of the Fee Basis Amount, which senior portfolio management fee will be payable senior to the Notes, but subordinated to certain fees and expenses of the Issuer, specifically payment of taxes (excluding any VAT payable in respect of the Senior Portfolio Management Fee), the Trustee Fees and Expenses and the Administrative Expenses in accordance with the Priorities of Payments (such fee, the "**Senior Portfolio Management Fee**").

The Portfolio Management Agreement also provides that the Portfolio Manager (and/or, at its direction, an Affiliate of the Portfolio Manager) will receive from the Issuer a subordinated portfolio management fee equal to 0.35 per cent. per annum of the Fee Basis Amount, which subordinated portfolio management fee will be payable senior to the payments on the Class M Subordinated Notes, but subordinated to the Rated Notes in accordance with the Priorities of Payments (such fee, the "**Subordinated Portfolio Management Fee**").

Each of the Senior Portfolio Management Fee and the Subordinated Portfolio Management Fee shall be calculated semi-annually following the occurrence of a Frequency Switch Event and quarterly at all other times, and in each case, on the basis of a 360-day year and the actual number of days elapsed in such Due Period.

In addition to the Senior Portfolio Management Fee and the Subordinated Portfolio Management Fee, the Portfolio Manager (and/or, at its direction, an Affiliate of the Portfolio Manager) will receive an incentive Portfolio Management fee, payable on each Payment Date as provided below and subject to the Priorities of Payment, which incentive portfolio management fee will be payable subordinated to the Subordinated Portfolio Management Fee (such fee, the "**Incentive Portfolio Management Fee**" and, together with the Senior Portfolio Management Fee and the Subordinated Portfolio Management Fee, the "**Portfolio Management Fees**"), if the Incentive Portfolio Management Fee IRR Threshold of 10 per cent. has been met or exceeded, in an amount equal to 20 per cent. of any Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Class M Subordinated Noteholders in accordance with the Priorities of Payment. If any supply to which a Portfolio Management Fee relates is or becomes subject to VAT payable by the Portfolio Manager or the Issuer as the case may be, then an amount equal to such VAT shall be payable in addition to the relevant Portfolio Management Fee by the Issuer to the Portfolio Manager against delivery of a valid VAT invoice, or the relevant tax authority, as the case may be, subject to and in accordance with the Priorities of Payment.

If amounts distributable on any Payment Date in accordance with the Priorities of Payment are insufficient to pay the Senior Portfolio Management Fee in full, then a portion of the Senior Portfolio Management Fee equal to the shortfall will be deferred and will be payable on subsequent Payment Dates on which funds are available therefor according to the Priorities of Payment and the amounts so deferred shall not accrue any interest.

If amounts distributable on any Payment Date in accordance with the Priorities of Payment are insufficient to pay the Subordinated Portfolio Management Fee in full, then a portion of the Subordinated Portfolio Management Fee equal to the shortfall will be deferred and will be payable on subsequent Payment Dates on which funds are available therefor according to the Priorities of Payment. Any due and unpaid Deferred Senior Portfolio Management Amounts and Deferred Subordinated Portfolio Management Amounts shall not accrue any interest.

Notwithstanding the foregoing, if the Portfolio Management Agreement is terminated, or the Portfolio Manager resigns or is replaced as portfolio manager, any Incentive Portfolio Management Fee that may be due and payable in the future, including if the Incentive Portfolio Management Fee Threshold is satisfied after such date of termination, resignation or replacement will be payable to the former Portfolio Manager pro rata based on the number of days such Person acted as Portfolio Manager during the Reinvestment Period relative to the number of days in the Reinvestment Period and the remainder, if any, will be payable to the successor portfolio manager. Upon a termination of the Portfolio Management Agreement, or the Portfolio Manager resigns or is replaced as portfolio manager, any Senior Portfolio Management Fees and any Subordinated Portfolio

Management Fees shall be pro-rated for any partial periods between Payment Dates and shall be due and payable on the first Payment Date following the date of such termination subject to the Priorities of Payment.

On the Issue Date, the Portfolio Manager will be reimbursed by the Issuer for certain of its expenses incurred in connection with the offering of the Notes and the negotiation and documentation of the Transaction Documents, including the Portfolio Management Agreement (including legal fees and expenses).

Conflicts Review Board

The Portfolio Manager and its Affiliates may at certain times be simultaneously seeking to purchase or sell investments from or to the Issuer as principal. Under the Portfolio Management Agreement, the Portfolio Manager is permitted to effect or recommend principal transactions between such entities only upon disclosure to and with the prior consent of the Conflicts Review Board. The Conflicts Review Board will also be authorised by the Issuer to approve or decline to grant consent on the Issuer's behalf matters that the Portfolio Manager has determined in its sole discretion should be presented to the Issuer for its approval either for the purpose of compliance with the Investment Advisers Act or otherwise where an actual or potential conflict of interest may arise by reason of the involvement of the Portfolio Manager or an Affiliate of the Portfolio Manager.

The Issuer has appointed MaplesFS Limited to be the Conflicts Review Board. The fees and expenses of the Conflicts Review Board will be payable by the Issuer as part of its expenses in accordance with the Priorities of Payment (or, with respect to amounts due on the Issue Date, from the gross proceeds of the sale of the Notes). The Conflicts Review Board is also entitled to indemnification from the Issuer in relation to its performance of its services, which will be payable as part of the Issuer's expenses in accordance with the Priorities of Payment.

The Issuer in its sole discretion may at any time and from time to time, review the appointment of MaplesFS Limited as the Conflicts Review Board, may revoke such appointment, may appoint a successor Conflicts Review Board for the purposes set forth in the Portfolio Management Agreement and may establish new or different procedures to comply with the requirements of the Investment Advisers Act. In addition, the Portfolio Manager and its Affiliates, will be authorised to engage in certain cross transactions, including "agency cross" transactions (i.e., transactions in which an Affiliate of the Portfolio Manager or another person acts as a broker for both the Issuer and another person on the other side of the same transaction, which person may be an account or client for which the Portfolio Manager or any Affiliate serves as investment adviser). If the Portfolio Manager or a Portfolio Manager Related Person engages in such transactions, it will receive no compensation in connection therewith and will seek to comply with applicable law.

The Issuer has agreed to permit cross transactions; *provided that* such consent can be revoked at any time by the Issuer or the Conflicts Review Board and to the extent that the Issuer's consent with respect to any particular cross transaction is required by law, such cross transaction will be reviewed by and subject to the consent of the Conflicts Review Board. By purchasing a Note, a holder will be deemed to have consented to the procedures described herein relating to cross transactions and principal transactions and to the general authorisation of the Conflicts Review Board described above. The Portfolio Manager or its Affiliates may have a potentially conflicting division of loyalties and responsibilities regarding, both parties to any such principal transaction or cross transactions or other matter presented to the Conflicts Review Board for its approval on the Issuer's behalf. See "*Risk Factors — Certain Conflicts of Interest – Certain Conflicts of Interest Involving the Portfolio Manager and its Affiliates*".

Standard of Care of the Portfolio Manager

The Portfolio Management Agreement requires that the Portfolio Manager shall provide its services in relation to the Portfolio with reasonable skill, care and diligence and that it will perform its obligations under the Portfolio Management Agreement in a manner consistent with practices and procedures generally followed by reasonable institutional portfolio managers of international standing relating to assets of the nature and character of those comprised in the Portfolio (the "**Standard of Care**"). To the extent not inconsistent with the Standard of Care, the Portfolio Manager shall follow its customary standards, policies and procedures in performing its duties.

Limits on Responsibilities of the Portfolio Manager

The Portfolio Manager, its directors, employees, officers, shareholders and agents will not be liable to the Issuer, the Trustee or the holders of the Notes or any other person for claims, damages, obligations, losses, penalties,

actions, suits, any expenses, judgments, interest on judgments, assessments, costs, fees, charges, amounts paid in settlement or any other liabilities whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges and all legal fees and disbursements incurred in defending or disputing any of the foregoing and including any irrecoverable VAT or similar tax charged or chargeable in respect thereof) ("**Liabilities**") incurred by the Issuer, the Trustee or the holders of Notes or any other person that arise out of or in connection with the performance by the Portfolio Manager of its duties under the Portfolio Management Agreement, except that nothing shall relieve the Portfolio Manager from liability to such persons for Liabilities that they may incur (a) by reason of acts or omissions constituting fraud, wilful misconduct or negligence in the performance, or reckless disregard, of its obligations under the terms of the Portfolio Management Agreement or the Trust Deed or any other Transaction Document to which it is a party or breach by the Portfolio Manager of certain representations, warranties and covenants under the Portfolio Management Agreement (b) with respect to the information concerning the Portfolio Manager provided in writing to the Issuer by the Portfolio Manager expressly for inclusion in the Offering Circular, such information containing any untrue statement of material fact or omitting to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading or (c) with respect to any unauthorised offers or solicitations to investors by the Portfolio Manager. The matters described in paragraphs (a), (b) and (c) in the preceding sentence are collectively referred to for purposes of this Offering Circular as "**Portfolio Manager Breaches**". Notwithstanding any provision in the Portfolio Management Agreement to the contrary, in no event shall the Portfolio Manager be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), whether or not foreseeable, even if the Portfolio Manager has been advised of the likelihood of such loss or damage and regardless of the form of action.

Indemnification of Portfolio Manager

Subject to the above mentioned standard of conduct, the Portfolio Manager (any Affiliates of the Portfolio Manager, and their respective managers, directors, employees, officers, partners, shareholders, and agents) will be entitled to indemnification by the Issuer in relation to liabilities caused by, or arising out of, or in connection with, the performance of the Portfolio Manager's obligations arising under the Trust Deed or the Portfolio Management Agreement, except where such liability would not have been incurred but for any Portfolio Manager Breaches. Such indemnity will be payable in accordance with the Priorities of Payment. The Issuer shall make payment of all amounts required to be made pursuant to the Portfolio Manager's indemnity for the account of the Portfolio Manager from time to time promptly upon receipt of bills or invoices relating thereto or other evidence of such amounts which is reasonably satisfactory to the Issuer.

Indemnification by Portfolio Manager

The Issuer and the Trustee (and their respective managers, directors, officers, partners, agents or employees (each a "**Relevant Party**") will be entitled to indemnification by the Portfolio Manager in relation to Liabilities caused by, or arising out of, or in connection with, Portfolio Manager Breaches, except where such liability would not have been incurred but for any act or omission constituting wilful misconduct, fraud or negligence on the part of the Issuer or the Trustee or their applicable Relevant Parties, or reckless disregard by the Issuer or its applicable Relevant Parties of the Issuer's contractual obligations.

Resignation of the Portfolio Manager

The Portfolio Manager may resign upon 90 days' prior written notice to the Issuer, the Trustee, the Collateral Administrator and the Rating Agencies. The Issuer, upon receipt of such notice from the Portfolio Manager, shall provide written notification to the Noteholders (in accordance with Condition 16 (*Notices*)) and to each Hedge Counterparty of the Portfolio Manager's resignation.

Removal for Cause

The Portfolio Manager may be removed for Cause upon 30 days' prior written notice by (a) the Issuer at its discretion; or (b) the Trustee, if so directed in writing by the holders of either (i) the Class M Subordinated Notes, acting by Extraordinary Resolution, or (ii) the Controlling Class, acting by Extraordinary Resolution, *provided that* notice of such removal shall have been given to the holders of each Class of the Notes by the Issuer in accordance with the Portfolio Management Agreement.

For the purposes of determining "**Cause**" with respect to termination of the Portfolio Management Agreement such term shall mean any one of the following events:

(A) that the Portfolio Manager wilfully violated, or took any action which it knew was in breach of any provision (unrelated to the economic performance of the Collateral Debt Obligations) of the Portfolio Management Agreement or the Trust Deed as are applicable to it;

(B) that the Portfolio Manager breached in any respect any material provision of the Portfolio Management Agreement or the Trust Deed as are applicable to it (other than as specified in paragraph (A) above) which breach (i) has a material adverse effect on the Issuer or Noteholders of any Class and (ii) if capable of being cured, is not cured within 30 days of the Portfolio Manager's receipt of written notice of such breach from the Issuer (*provided that* upon becoming aware of any such breach, the Portfolio Manager shall give written notice thereof to the Issuer and the Trustee);

(C) the failure of any representation, warranty, certification or statement made or delivered by the Portfolio Manager in or pursuant to the Portfolio Management Agreement or the Trust Deed to be correct in any material respect when made and such failure (i) has a material adverse effect on the Issuer or the interests of the Noteholders of any Class and (ii) such failure is not remedied within a period of 30 days after the Portfolio Manager becoming aware of, or its receipt of notice from the Issuer or the Trustee of, such failure;

(D) the Portfolio Manager is wound up or dissolved or there is appointed over it or a substantial part of its assets a receiver, administrator, administrative receiver, trustee or similar officer; or the Portfolio Manager (i) ceases to be able to, or admits in writing that it is unable to pay its debts as they become due and payable, or makes a general assignment for the benefit of, or enters into any composition or arrangement with, its creditors generally; (ii) applies for or consents (by admission of material allegations of a petition or otherwise) to the appointment of a receiver, trustee, assignee, custodian, liquidator or sequestrator (or other similar official) of the Portfolio Manager or of any substantial part of its properties or assets, or authorises such an application or consent, or proceedings seeking such appointment are commenced against the Portfolio Manager without such authorisation, consent or application and either continue undismissed for 60 days or any such appointment is ordered by a court or regulatory body having jurisdiction; (iii) authorises or files a voluntary petition in bankruptcy, or applies for or consents (by admission of material allegations of a petition or otherwise) to the application of any bankruptcy, reorganisation, arrangement, readjustment of debt, insolvency, dissolution, or similar law, or authorises such application or consent, or proceedings to such end are instituted against the Portfolio Manager without such authorisation, application or consent and remain undismissed for 60 days or result in adjudication of bankruptcy or insolvency or the issuance of an order for relief; or (iv) permits or suffers all or any substantial part of its properties or assets to be sequestered or attached by court order and the order (if contested in good faith) remains undismissed for 60 days;

(E) that the Portfolio Manager has failed to change the location from which it provides its portfolio management services under the terms of the Portfolio Management Agreement within 90 days of the date that the Portfolio Manager first becomes aware of a Portfolio Manager UK Tax Event (where "**Portfolio Manager UK Tax Event**" means that the Issuer has become subject to United Kingdom corporation tax or income tax liability (other than income tax deducted at source) and such United Kingdom tax liability could be avoided by the Portfolio Manager changing the location from which it provides its portfolio management services) (*provided that* such 90 day period shall be extended by a further 90 days if the Portfolio Manager has notified the Issuer and the Trustee in writing before the end of the first 90 day period that it expects to have changed the place from which it provides its portfolio management services under the terms of the Portfolio Management Agreement within such further 90 day period); and

(F) the occurrence of an act by the Portfolio Manager (or any senior officer of the Portfolio Manager involved in its leveraged investment business) that constitutes fraud or criminal activity in the performance of the Portfolio Manager's obligations under the Portfolio Management Agreement or its other investment management activities or the Portfolio Manager (or any officer of the Portfolio Manager having responsibility for the performance by the Portfolio Manager of its obligations under the Portfolio Management Agreement) being found guilty of having committed a criminal offence materially related to the management of investments similar in nature and character to those which comprise the Collateral.

If any of the events specified in paragraphs (A) to (E) (inclusive) above shall occur, the Portfolio Manager shall give prompt written notice thereof to the Issuer, the Trustee, the Rating Agencies and the holders of all

Outstanding Notes (in accordance with Condition 16 (*Notices*)) upon the Portfolio Manager becoming aware of the occurrence of such event. The Issuer, upon receipt of such notice from the Portfolio Manager, shall give prompt written notice thereof to each Hedge Counterparty.

The Portfolio Management Agreement will automatically terminate upon the earliest to occur of (x) the repayment in full of all amounts owing under or in respect of the Notes and all other amounts owing the Secured Parties and the termination of the Trust Deed, in accordance with its terms, (y) the liquidation of the Portfolio and the final distribution of the proceeds of such liquidation as provided in the Transaction Documents, and (z) the determination in good faith by the Issuer that the Issuer or the Portfolio has become required to be registered under the Investment Company Act, and the Issuer notifies the Portfolio Manager thereof.

Any rights of the Portfolio Manager stated to survive the termination of the Portfolio Management Agreement shall remain vested in the Portfolio Manager after such termination in accordance with the terms of the Portfolio Management Agreement.

If Credit Suisse Asset Management Limited is removed as Portfolio Manager (other than an assignment or transfer to an affiliate thereof) the Issuer will be required pursuant to the Portfolio Management Agreement and in accordance with Condition 14(c)(xvi) (*Modification and Waiver*) to use commercially reasonable efforts, at its expense, to change its name so as not to make reference to "Cadogan Square", "Madison Park", "One Eleven", "Atrium" or "Edition"; provided that such change may not occur without the approval of an Ordinary Resolution of the Class M Subordinated Noteholders, and if such Class M Subordinated Noteholders do not approve of a new name within five days after such removal, the Issuer shall, within three days after such failure, propose another name, such proposed name to be approved by an Ordinary Resolution of the Class M Subordinated Noteholders, and if such Class M Subordinated Noteholders do not approve of such alternative name within five days after such alternative is first proposed by the Issuer, the Issuer shall propose another name, and use commercially reasonable effort to procure that such proposed name shall be the new name of the Issuer.

No Voting Rights

No Notes held in the form of PM Non-Voting Exchangeable Notes or PM Non-Voting Notes shall have any voting rights with respect to, and shall not be counted for the purposes of determining a quorum and the results of, voting on any PM Replacement Resolution or a PM Removal Resolution (but shall carry a right to vote and be so counted on all other matters in respect of which the PM Voting Notes have a right to vote and be counted).

Any Notes held by or on behalf of the Portfolio Manager or any Portfolio Manager Related Person at any time shall not vote with respect to, and shall not be counted for the purposes of determining a quorum and the results of voting on, any PM Removal Resolution or any PM Replacement Resolution upon the removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement, but shall carry a right to vote and be so counted on all other matters in respect of which any such Class of Notes have a right to vote and be counted.

The Portfolio Manager and any Portfolio Manager Related Persons will hold any Notes in the form of PM Voting Notes (and not PM Non-Voting Notes or PM Non-Voting Exchangeable Notes).

Delegation and Transfers

The Portfolio Manager, without the prior consent of either of the Issuer or any Noteholder or the Trustee, may employ third parties, including its Affiliates, to render asset management services (including investment advice) and assistance to it; provided however that the Portfolio Manager shall notify the Issuer and the Trustee as soon as is reasonably practicable of any such appointment.

The Portfolio Manager may also delegate to, solely with respect to certain operational or administrative functions that would otherwise be performed by the Portfolio Manager in connection with the performance of its duties under the Portfolio Management Agreement. In no circumstances shall the Portfolio Manager be relieved of any of its duties or liabilities under the Portfolio Management Agreement regardless of the performance of any services by third parties.

The Portfolio Manager may not assign or transfer its material rights or delegate material responsibilities (other than as provided above) under the Portfolio Management Agreement without the written consent of the Issuer and (a) the holders of the Controlling Class acting by Ordinary Resolution and (b) the holders of the Class M

Subordinated Notes acting by Ordinary Resolution, in each case excluding any Notes held by the Portfolio Manager or any Portfolio Manager Related Person and any Notes held in the form of PM Non-Voting Exchangeable Notes and PM Non-Voting Notes and subject to Rating Agency Confirmation; *provided that*, to the extent permitted by the Portfolio Management Agreement, such consent and Rating Agency Confirmation shall not be required in the case of certain assignments or transfers, including assignments or transfers to an Affiliate that constitutes a Permitted Assignee (but such assignments or transfers shall be notified to the Rating Agencies). A "**Permitted Assignee**", for the purposes of the Portfolio Management Agreement, means an Affiliate of the Portfolio Manager that (i) has demonstrated (or has officers and employees that have demonstrated) an ability to professionally and competently perform duties similar to those imposed upon the Portfolio Manager under the Portfolio Management Agreement, (ii) is legally qualified and has the regulatory capacity under Irish law and the law of the jurisdiction from which it provides its services in relation to the Portfolio to act as Portfolio Manager under the Portfolio Management Agreement, (iii) employs (or will have available to it either directly or indirectly, which may include through the use of a sub-delegation arrangement) the principal personnel performing the duties required under the Portfolio Management Agreement prior to such assignment and (iv) shall not cause, as a result of such assignment or otherwise, the Issuer to be subject to tax or any other regulatory requirements other than those contemplated in the Transaction Documents or imposed by the tax authorities of Ireland. Notwithstanding the foregoing, the Portfolio Manager will be permitted to assign or transfer its right to receive all or any portion of the Portfolio Management Fee without obtaining the consent of any Person.

No change in control of the Portfolio Manager, including any change in control resulting from a direct or indirect transfer or hypothecation of voting securities of the Portfolio Manager that constitutes an "assignment" within the meaning of the Investment Advisers Act, shall be treated as an assignment of the Portfolio Management Agreement; provided, however, if there is a change of control of the Portfolio Manager that constitutes an "assignment" for purposes of the Investment Advisers Act at any time when the Portfolio Manager is registered or required to be registered as an investment adviser under the Investment Advisers Act, the Portfolio Management Agreement may be continued only with the Issuer's consent, acting through its board of directors and without the consent of any Noteholder or other Person.

The Issuer may not assign or transfer its rights under the Portfolio Management Agreement without the prior written consent of the Portfolio Manager and the Trustee (acting at the direction of the holders of each Class of Notes acting by Ordinary Resolution, each voting as a separate Class, and subject to Rating Agency Confirmation), except in the case of an assignment or transfer by the Issuer (A) to an entity that is a successor to the Issuer permitted under the Trust Deed or (B) to the Trustee.

None of the functions of the Portfolio Manager under the Portfolio Management Agreement may be assigned, transferred or delegated to any person in (1) the UK if such assignment, transfer or delegation would result in the Issuer being subject to UK corporation tax or income tax (other than income tax deducted at source) or (2) any other jurisdiction if such assignment or delegation would result in the Issuer being subject to tax on its net income in that jurisdiction, and provided that in any event if such assignee, transferee or delegate provides regulated services directly to the Issuer, such person shall have the regulatory capacity (as a matter of Irish law) to provide such services to Irish residents.

Appointment of Successor

Upon any removal or resignation of the Portfolio Manager, the Portfolio Manager will continue to act in such capacity in all events until a successor portfolio manager has been appointed and begins to perform in accordance with the terms of the Portfolio Management Agreement. The successor portfolio manager will be selected by the Issuer and subject to, *inter alia*, the approval of the holders of the Class M Subordinated Notes (excluding, in the case of any removal for "Cause", any Class M Subordinated Notes held by the Portfolio Manager or any Portfolio Manager Related Person) acting by Ordinary Resolution; and *provided that* the holders of the Controlling Class, acting by Ordinary Resolution, do not object within 30 days after notice of such proposed action is given by the Issuer, and *provided that* (a) Moody's and S&P have been notified of the appointment of any successor portfolio manager, and S&P has provided Rating Agency Confirmation in respect of such successor portfolio manager; and (b) the proposed successor portfolio manager is legally qualified and has the regulatory capacity to act as Portfolio Manager including offering portfolio management services to Irish residents. If the holders of the Controlling Class have objected to such proposed successor manager within such 30 day period and no successor portfolio manager has been proposed without such objection within such 30 day period, the holders of the Class M Subordinated Notes (excluding any Class M Subordinated Notes held by the Portfolio Manager or any Portfolio Manager Related Person), in the case of removal for "Cause", acting by Ordinary Resolution, may propose to the Issuer a successor portfolio manager, *provided that* the holders of the

Controlling Class, acting by Ordinary Resolution do not object within 10 days after notice of such proposal is given, and *provided that* the proposed successor portfolio manager is legally qualified and has the regulatory capacity to act as portfolio manager including offering portfolio management services to Irish residents. If the holders of the Controlling Class have objected within such 10 day period, the holders of the Controlling Class, acting by Ordinary Resolution, may themselves select a successor portfolio manager. If no successor portfolio manager has been appointed within 180 days or if the Portfolio Manager is required to resign or is removed as a result of illegality, the appointment of a successor portfolio manager shall be determined by an arbitrator appointed by the Trustee (as directed by the Controlling Class acting by Ordinary Resolution) and approved by the Portfolio Manager, which approval shall not be unreasonably withheld or delayed and the determination of any such arbitrator shall be final. Such successor portfolio manager will be required to satisfy the criteria specified in the Portfolio Management Agreement, and the appointment will be subject to receipt of Rating Agency Confirmation (provided that Rating Agency Confirmation from Moody's shall not be required so long as Moody's is notified by or on behalf of the Issuer of such appointment).

For the avoidance of doubt, no Notes held in the form of PM Non-Voting Exchangeable Notes or PM Non-Voting Notes shall have any voting rights with respect to and shall not be counted for the purposes of determining a quorum and the results of voting on any PM Replacement Resolution or any PM Removal Resolution. Any Notes held by or on behalf of the Portfolio Manager or any Portfolio Manager Related Person shall not vote with respect to, and shall not be counted for the purposes of determining a quorum and the results of voting on, any PM Removal Resolution or any PM Replacement Resolution upon the removal of the Portfolio Manager for "cause" in accordance with the Portfolio Management Agreement.

Upon notice of removal or resignation of the Portfolio Manager

In the event that the Portfolio Manager has received notice that it will be removed or has given notice of its resignation, until a successor portfolio manager has been appointed and has accepted such appointment in accordance with the terms specified in the Portfolio Management Agreement, purchases and sales of Collateral Debt Obligations shall only be made in relation to sale of Margin Stock, Credit Impaired Obligations and Defaulted Obligations (in addition to any trades initiated prior to such notice of removal or resignation).

DESCRIPTION OF THE COLLATERAL ADMINISTRATOR

The information appearing in this section has been prepared by the Collateral Administrator and has not been independently verified by the Issuer, the Initial Purchaser or any other party. None of the Initial Purchaser or any other party other than the Collateral Administrator assumes any responsibility for the accuracy or completeness of such information.

The Bank of New York Mellon SA/NV

The Bank of New York Mellon SA/NV is a Belgian limited liability company established September 30, 2008 under the form of a Société Anonyme/Naamloze Vennootschap. It was granted its banking license by the CBFA (former Belgian supervisor prior to the implementation of the Twin Peaks model) on March 10 2009. It has its headquarters and main establishment at 46 rue Montoyerstraat, 1000 Bruxelles/Brussel. The Bank of New York Mellon SA/NV is a subsidiary of BNY Mellon (BNYM), the main banking subsidiary of The BNY Mellon Corporation. It is under the prudential supervision of the National Bank of Belgium and regulated by the Belgian Financial Services and Markets Authority in respect of Conduct of Business. The Bank of New York Mellon SA/NV engages in asset servicing, global collateral management, global markets, corporate trust and depositary receipts. The Bank of New York Mellon SA/NV operates from locations in Belgium, the Netherlands, Germany, London, Luxembourg, Paris and Dublin.

Termination and Resignation of Appointment of the Collateral Administrator

Pursuant to the terms of the Portfolio Management Agreement, the Collateral Administrator may be removed: (a) without cause at any time upon at least 90 days' prior written notice; or (b) with cause upon at least 10 days' prior written notice by the Issuer at its discretion or the Trustee acting upon the written directions of the holders of the Class M Subordinated Notes acting by way of Ordinary Resolution and subject to the Trustee being secured and/or indemnified and/or prefunded to its satisfaction. In addition the Collateral Administrator may also resign its appointment without cause on at least 45 days' prior written notice and with cause upon at least 10 days' prior written notice to the Issuer, the Trustee and the Portfolio Manager. No resignation or removal of the Collateral Administrator will be effective until a successor collateral administrator has been appointed pursuant to the terms of the Portfolio Management Agreement.

HEDGING ARRANGEMENTS

The following section consists of a summary of certain provisions which, pursuant to the Portfolio Management Agreement, are required to be contained in each Hedge Agreement and Hedge Transaction. Such summary does not purport to be complete and is qualified by reference to the detailed provisions of each Hedge Agreement and Hedge Transaction. The terms of a Hedge Agreement or Hedge Transaction may differ from the description provided herein, subject to receipt of Rating Agency Confirmation in respect thereof or without Rating Agency Confirmation if such Hedge Transaction constitutes a Form Approved Hedge.

Hedge Agreements

Subject to the satisfaction of the Hedging Condition, the Issuer (or the Portfolio Manager on its behalf) may enter into transactions documented under a 1992 ISDA Master Agreement (Multicurrency - Cross Border) or 2002 ISDA Master Agreement or such other form published by the International Swaps and Derivatives Association, Inc. ("**ISDA**"). Each Hedge Transaction will be evidenced by a confirmation entered into pursuant to a Hedge Agreement. For the avoidance of doubt, one or more Currency Hedge Transactions, FX Forward Transactions and/or Interest Rate Hedge Transactions may be entered into and documented under the same ISDA master agreement and schedule relating thereto.

Each Hedge Transaction will be for the purposes of:

(a) in the case of an Interest Rate Hedge Transaction, hedging any interest rate mismatch between the Rated Notes and the Collateral Debt Obligations;

(b) in the case of a Currency Hedge Transaction, exchanging payments of principal, interest and other amounts (including an initial exchange amount) in respect of any Non-Euro Obligation for amounts denominated in Euros (or, in the case of the initial exchange, non-Euro amounts) at the Currency Hedge Transaction Exchange Rate; and

(c) in the case of an FX Forward Transaction, exchanging certain amounts (including an initial exchange amount) in respect of Unhedged Collateral Debt Obligations denominated in a Qualifying Unhedged Obligation Currency for amounts denominated in Euros (or, in the case of the initial exchange, non-Euro amounts) at the Currency Hedge Transaction Exchange Rate,

in each case subject to receipt of Rating Agency Confirmation in respect thereof (save in the case of a Form Approved Hedge) and *provided that* each Hedge Counterparty satisfies the applicable Rating Requirement (taking into account any guarantor thereof) and any applicable regulatory requirements.

The Issuer (or the Portfolio Manager on behalf of the Issuer) may purchase Collateral Debt Obligations *provided that*, (i) such obligation is denominated in Euro, or (ii) such obligation is denominated in a Qualifying Currency and (A) if such obligation is denominated in a Qualifying Unhedged Obligation Currency, and within 180 calendar days of the later of the settlement of the purchase by the Issuer of such obligation and the Issue Date, or otherwise (B) no later than the settlement of the purchase by the Issuer of such obligation, the Issuer (or the Portfolio Manager on its behalf) enters into a Currency Hedge Transaction with a notional amount in the relevant currency equal to the aggregate principal amount of such obligation and otherwise complies with the requirements in respect of Currency Hedge Obligations hereunder (and such obligation is not convertible into or payable in any other currency).

For the avoidance of doubt, the ability of the Issuer or the Portfolio Manager on its behalf to enter into any Currency Hedge Transactions, and therefore the ability of the Issuer or the Portfolio Manager on its behalf to acquire Non-Euro Obligations that are denominated in a Qualifying Currency, is subject to the satisfaction of the Hedging Condition. In addition, the Issuer (or the Portfolio Manager acting on its behalf) may only enter into one FX Forward Transaction with respect to each Unhedged. Collateral Debt Obligation

Replacement Hedge Transactions

Currency Hedge Transactions: In the event that any Currency Hedge Transaction terminates in whole at any time other than in circumstances where the Portfolio Manager intends to sell the related Non-Euro Obligation on behalf of the Issuer or a Redemption Date has or is scheduled to occur, the Issuer (or the Portfolio Manager on its behalf) shall use commercially reasonable endeavours to enter into a replacement Currency Hedge Transaction within 30 days of the termination thereof with a counterparty which (or whose guarantor) satisfies

the applicable Rating Requirement and any applicable regulatory requirements, including, as a matter of Irish law, the regulatory capacity to enter into derivatives transactions with Irish residents.

Interest Rate Hedge Transactions: In the event that any Interest Rate Hedge Transaction terminates in whole at any time in circumstances in which the applicable Interest Rate Hedge Counterparty is the Defaulting Hedge Counterparty, the Issuer (or the Portfolio Manager on its behalf) shall use commercially reasonable endeavours to enter into a replacement Interest Rate Hedge Transaction within 30 days of the termination thereof with a counterparty which (or whose guarantor) satisfies the applicable Rating Requirement and any applicable regulatory requirements, including, as a matter of Irish law, the regulatory capacity to enter into derivatives transactions with Irish residents.

FX Forward Transactions: In the event that an FX Forward Transaction terminates in whole at any time in circumstances which the applicable FX Forward Counterparty is the Defaulting Hedge Counterparty, the Issuer, or the Portfolio Manager on its behalf, shall use commercially reasonable efforts to enter into a replacement FX Forward Transaction within 30 days of termination thereof with an FX Forward Counterparty which (or whose guarantor) satisfies the applicable Ratings Requirement and any applicable regulatory requirements including, as a matter of Irish law, the regulatory capacity to enter into derivatives transactions with Irish residents. For the avoidance of doubt, the entry into of such replacement FX Forward Transaction shall not breach the covenant of the Issuer (or the Portfolio Manager on its behalf) to only enter into one FX Forward Transaction with respect to each Unhedged Collateral Debt Obligation.

Standard Terms of Currency Hedge Transactions

Any Currency Hedge Transaction shall contain the following terms (*provided that* the Issuer may enter into Currency Hedge Transactions on different terms than those set forth below, subject to receipt of Rating Agency Confirmation in respect thereof or such Currency Hedge Transaction being a Form Approved Hedge):

(a) on the effective date of entry into such transaction, the Issuer pays to the Currency Hedge Counterparty an initial exchange amount in Euros equal to the purchase price of such Non-Euro Obligation, converted into Euros at the Currency Hedge Transaction Exchange Rate in exchange for payment by the Currency Hedge Counterparty of an initial exchange amount in the relevant currency equal to the purchase price of such Non-Euro Obligation;

(b) on the scheduled date of termination of such transaction, which shall be the date falling two Business Days after the date on which the Non-Euro Obligation is scheduled to mature or such later date as otherwise specified in the relevant confirmation, the Issuer pays to the Currency Hedge Counterparty a final exchange amount equal to the amount payable upon maturity of the Non-Euro Obligation in the relevant currency (the "**Proceeds on Maturity**") in exchange for payment by the Currency Hedge Counterparty of a final exchange amount denominated in Euros, such final exchange amount to be an amount equal to the Proceeds on Maturity converted into Euros at the Currency Hedge Transaction Exchange Rate;

(c) two Business Days following the date of each scheduled payment of interest on the related Non-Euro Obligation or such later date as otherwise specified in the relevant confirmation, the Issuer pays to the Currency Hedge Counterparty an amount in the relevant non-Euro currency based on the principal amount outstanding from time to time of the relevant Non-Euro Obligation (the "**Non-Euro Notional Amount**") and the interest payable in respect of the relevant Non-Euro Obligation and the Currency Hedge Counterparty will pay to the Issuer an amount based on the outstanding principal amount of the related Non-Euro Obligation and the interest payable in respect of the relevant Non-Euro Obligation converted into Euros at the Currency Hedge Transaction Exchange Rate (the "**Euro Notional Amount**"); and

(d) following the sale of any Non-Euro Obligation, the Issuer shall pay to the Currency Hedge Counterparty an amount equal to the sale proceeds of such Non-Euro Obligation in the relevant currency (the "**Proceeds on Sale**") in exchange for payment by the Currency Hedge Counterparty of an amount denominated in Euros, such amount to be an amount equal to the Proceeds on Sale converted into Euros at the Currency Hedge Transaction Exchange Rate less any amounts payable to the Currency Hedge Counterparty in respect of the early termination of the relevant Currency Hedge Transaction (but, for the avoidance of doubt, no breakage or other costs will be payable to the Currency Hedge Counterparty in connection with a prepayment, repayment or redemption of the related Non-Euro Obligation).

The Portfolio Manager (on behalf of the Issuer) is also authorised to enter into spot exchange transactions, as necessary, to fund the Issuer's payment obligations under any Currency Hedge Transaction.

All amounts received by the Issuer in respect of Non-Euro Obligations shall be paid into the appropriate Currency Account and all amounts payable by the Issuer under any Currency Hedge Transaction (other than any initial exchange amounts payable in Euros by the Issuer, any Currency Hedge Replacement Payments and any Currency Hedge Issuer Termination Payments save to the extent otherwise provided in Condition 3(j)(xi) (*Currency Accounts*)), will be paid out of the appropriate Currency Account, in each case to the extent amounts are available therein.

The Issuer shall only be obliged to pay Scheduled Periodic Hedge Issuer Payments and interim and final Currency Hedge Issuer Principal Exchange Amounts to a Currency Hedge Counterparty if and to the extent it actually receives the corresponding amount in respect of the relevant Non-Euro Obligation.

Upon the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*), and upon the Trustee (or any agent or appointee thereof), the Portfolio Manager or any other agent of the Issuer (including any insolvency practitioner, receiver or equivalent such person in any relevant jurisdiction), selling the relevant Non-Euro Obligation, the Currency Hedge Counterparty shall receive the proceeds of the sale of the Non-Euro Obligation from the Currency Account of the Issuer, outside of the Post-Acceleration Priority of Payments and return the Euro equivalent amount owing, less any amount payable to the Currency Hedge Counterparty in respect of the early termination of the Currency Hedge Transaction in connection with such sale and the Currency Hedge Transaction shall terminate in accordance with its terms.

Notwithstanding the above, upon the insolvency of the Issuer and/or the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*), the Currency Hedge Counterparty may, but shall not be obliged to, terminate any or all Currency Hedge Transactions in which case any Currency Hedge Issuer Termination Payment would be paid (following acceleration of the Notes) in accordance with Condition 10(b) (*Acceleration*) and the Post-Acceleration Priority of Payments.

Standard Terms of FX Forward Transactions

The Issuer (or the Portfolio Manager on behalf of the Issuer) may, enter into an FX Forward Transaction with respect to Unhedged Collateral Debt Obligations with one or more FX Forward Counterparties pursuant to the terms of which (a) the Issuer will be required to pay to the relevant FX Forward Counterparty on a date specified, an amount of Euro in exchange for an amount (which may or may not be equal to the principal amount of such Unhedged Collateral Debt Obligation) in the same currency as such Unhedged Collateral Debt Obligation, at the rate specified therein, and (b) the Issuer may be required to pay to the relevant FX Forward Counterparty non-Euro amounts representing principal received in respect of the relevant Collateral Debt Obligation in exchange for Euro amounts, in each case, in accordance with the terms of the applicable FX Forward Agreement. FX Forward Transactions may be entered into in respect of Unhedged Collateral Debt Obligations denominated in a Qualifying Unhedged Obligation Currency, subject to the Portfolio Manager believing in its reasonable judgment that the Issuer will be able to enter into a Currency Hedge Transaction in relation to such Unhedged Collateral Debt Obligation.

Transactions entered into under an FX Forward Agreement are documented in confirmations to such FX Forward Agreement. Each transaction will be evidenced by a confirmation entered into pursuant to an FX Forward Agreement (each an "**FX Forward Transaction**"). An FX Forward Transaction, if entered into, will be used to hedge the currency mismatch between the Notes and any Non-Euro Obligations.

Upon expiry of an FX Forward Transaction the Issuer may pay a non-Euro amount to the FX Forward Counterparty which amount shall be funded from one or more of the following: (i) the non-Euro amount payable by (A) a replacement FX Forward Counterparty (where a replacement FX Forward Transaction is entered into as a consequence of the original FX Forward Transaction terminating in whole at any time in circumstances where the applicable FX Forward Counterparty is the Defaulting Hedge Counterparty), or (B) a Currency Hedge Counterparty (where a Currency Hedge Transaction is entered into upon or prior to the expiry of the FX Forward Transaction), (ii) where a prepayment or a default of a Principal Hedged Obligation occurs, any proceeds received in respect of such Principal Hedged Obligation prior to the expiry of the FX Forward Transaction, (iii) the sale proceeds of the Principal Hedged Obligation (where the Principal Hedged Obligation is sold upon expiry of the FX Forward Transaction), or (iv) otherwise, amounts standing to the credit of the Principal Account converted into the relevant currency, provided that proceeds from the Principal Account may only be used in the event that there is a shortfall in the proceeds available to pay the FX Forward Counterparty

with respect to (i) to (iii) (inclusive), and in the case of (iii) above, the Principal Hedged Obligation was sold at a price below par, and in the case of (ii) above, the Principal Hedged Obligation defaulted before the FX Forward Transaction expired.

Where a Currency Hedge Transaction is to be entered into in respect of a Principal Hedged Obligation, such Currency Hedge Transaction shall be entered into prior to the expiry of the FX Forward Transaction related to such Currency Hedge Transaction and the non-Euro amount payable by the Currency Hedge Counterparty as an initial exchange amount under such Currency Hedge Transaction shall be applied in payment of the non-Euro amount payable to the FX Forward Counterparty on expiry of such FX Forward Transaction subject to the Hedging Condition.

Standard Terms of the Hedge Agreements

Each Hedge Agreement entered into by or on behalf of the Issuer shall contain the following standard provisions, save to the extent that any change thereto is (a) agreed by the Issuer and the applicable Hedge Counterparty and (b)(i) subject to receipt of Rating Agency Confirmation in respect thereof or (ii) is included in a Form Approved Hedge.

Gross up

Under each Hedge Agreement the Issuer will not be obliged to gross up any payments thereunder, however the applicable Hedge Counterparty may in certain circumstances be obliged to gross up a payment thereunder, in the event of any withholding or deduction for or on account of tax required to be paid on such payments. Any such event may however result in a "Tax Event" which is a "Termination Event" (each such term as defined in the applicable Hedge Agreement) for the purposes of the applicable Hedge Agreement. In the event of the occurrence of a Tax Event, each Hedge Agreement will include provision for the relevant "Affected Party" (as defined therein) to use reasonable endeavours to (a) (in the case of the Hedge Counterparty thereto) arrange for a transfer of all of its interests and obligations under the applicable Hedge Agreement and all "Transactions" (as defined therein) thereunder to an Affiliate that is incorporated in another jurisdiction so as to avoid the requirement to withhold or deduct for or on account of tax; or (b) (in the case of the Issuer) transfer its residence for tax purposes to another jurisdiction or if a substitute principal obligor under the Notes has been substituted for the Issuer in accordance with Condition 9 (*Taxation*), arrange for a transfer of all of its interest and obligations under the applicable Hedge Agreement and all Transactions thereunder to that substitute principal obligor so as to avoid the requirement to withhold or deduct for or on account of tax subject to satisfaction of the conditions specified therein (including receipt of Rating Agency Confirmation).

Limited Recourse and Non-Petition

The obligations of the Issuer under each Hedge Agreement will be limited to the proceeds of enforcement of the Collateral as applied in accordance with the Priorities of Payment set out in Condition 3(c) (*Priorities of Payment*); *provided that* any Counterparty Downgrade Collateral standing to the credit of a Counterparty Downgrade Collateral Account shall be applied and delivered by the Issuer (or by the Portfolio Manager on its behalf) in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*). The Issuer will have the benefit of non-petition language similar to the language set out in Condition 4(c) (*Limited Recourse*).

Termination Provisions

Each Hedge Agreement may terminate by its terms, whether or not the Notes have been paid in full prior to such termination, upon the occurrence of a number of events (which may include without limitation):

(a) certain events of bankruptcy, insolvency, receivership or reorganisation of the Issuer or the related Hedge Counterparty;

(b) failure on the part of the Issuer or the related Hedge Counterparty to make any payment under the applicable Hedge Agreement after taking into account the applicable grace period;

(c) a change in law making it illegal for either the Issuer or the related Hedge Counterparty to be a party to, or perform its obligations under, the applicable Hedge Agreement;

(d) in certain circumstances, upon a regulatory change or change in the regulatory status of the Issuer, each as further described in the relevant Hedge Agreement;

(e) any amendment to any provisions of the Transaction Documents without the written consent of the relevant Hedge Counterparty which has a material adverse effect on its rights or obligations thereunder, subject to the terms of the relevant Hedge Agreement;

(f) failure by a Hedge Counterparty to comply with the requirements of the Rating Agencies in the event that it (or, as relevant, its guarantor) is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement;

(g) upon the early redemption in full or acceleration of the Notes; and

(h) any other event as specified in the relevant Hedge Agreement.

A termination of a Hedge Agreement does not constitute an Event of Default under the Notes though the repayment in full of the Notes may be an additional termination event under a Hedge Agreement.

Upon the occurrence of any "Event of Default" or "Termination Event" (each such term as defined in the applicable Hedge Agreement), a Hedge Agreement may be terminated by the relevant Hedge Counterparty or the Issuer (or the Portfolio Manager on its behalf) in accordance with the detailed provisions thereof and a lump sum (the "**Termination Payment**") may become payable by the Issuer to the applicable Hedge Counterparty or vice versa. Such Termination Payment will be determined by the applicable Hedge Counterparty and/or Issuer (or the Portfolio Manager on its behalf) by reference to market quotations obtained in respect of the entry into of a replacement swap(s) on the same terms as that terminated or as otherwise described in the applicable Hedge Agreement or, subject to and in accordance with the relevant Hedge Agreement (including, for example, where such determination does not produce a commercially reasonable result), by reference to any loss suffered by a party.

Rating Downgrade Requirements

Each Hedge Agreement shall contain the terms and provisions required by the Rating Agencies (in accordance with the rating methodology of the Rating Agencies at the time of entry into such Hedge Agreements) for the type of derivative transaction represented by the Hedge Transactions in the event that the Hedge Counterparty thereto (or, as relevant, its guarantor) is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement. Such provisions may include a requirement that a Hedge Counterparty must post collateral or transfer the Hedge Agreement to another entity meeting the applicable Rating Requirement or procure that a guarantor meeting the applicable Rating Requirement guarantees its obligations under the Hedge Agreement or take other actions subject to Rating Agency Confirmation.

Transfer and Modification

The Portfolio Manager acting on behalf of the Issuer, may not modify any Hedge Transaction or Hedge Agreement without Rating Agency Confirmation in relation to such modification, save to the extent that it would constitute a Form Approved Hedge following such modification. A Hedge Counterparty may transfer its rights and obligations under a Hedge Agreement to any institution which (or whose credit support provider (as defined in the applicable Hedge Agreement)) satisfies the applicable Rating Requirement.

Any of the requirements set out herein may be modified in order to meet any new or additional requirements of any Rating Agency if then rating any Class of Notes.

Governing Law

Each Hedge Agreement together with each Hedge Transaction thereunder in each case, including any non-contractual obligations arising out of or in relation thereto, will be governed by, and construed in accordance with, the laws of England.

DESCRIPTION OF THE REPORTS

Monthly Reports

The Collateral Administrator, not later than the eighth Business Day after the 12th calendar day (or if such day is not a Business Day, the immediately following Business Day) of each month in which the Rated Notes are outstanding (save in respect of any month for which a Payment Date Report or the Effective Date Report has been prepared) commencing in April 2018, on behalf, and at the expense, of the Issuer and in consultation with the Portfolio Manager, shall compile a monthly report (the "**Monthly Report**") and make each such Monthly Report available via a secured website at https://gctinvestorreporting.bnymellon.com (or such other website as may be notified by the Collateral Administrator to the Issuer, the Trustee, the Initial Purchaser, each Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, the Portfolio Manager, each Rating Agency and the Noteholders from time to time) which shall be accessible by the Issuer, the Trustee, the Initial Purchaser, each Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, the Portfolio Manager, each Rating Agency and any Noteholder by way of a unique password which will be provided in writing by the Collateral Administrator to the Issuer, the Trustee, the Initial Purchaser, each Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, the Portfolio Manager, each Rating Agency prior to the date of the first Monthly Report and, in the case of each Noteholder which may be obtained from the Collateral Administrator, subject to receipt by the Collateral Administrator from such Noteholder of certification that it is a holder of a beneficial interest in any Note. Each Monthly Report shall be in pdf format and shall contain, without limitation, the information set out below with respect to the Portfolio, determined by the Collateral Administrator as at the 12th calendar day of each month (or if such day is not a Business Day, the immediately following Business Day) in consultation with the Portfolio Manager and, to the extent practicable, shall, in respect of the results of the Coverage Tests, the Portfolio Profile Tests, the Collateral Quality Tests and certain data in respect of the characteristics of the Collateral Debt Obligations, be available in "Excel" and/or CSV format (or similar). In addition, the Collateral Administrator shall (in consultation with the Portfolio Manager) compile and submit to the website referred to above, no later than the eighth Business Day following the end of the relevant month, a report (in excel or CSV format) containing the Principal Balances of each Collateral Debt Obligation in the Portfolio, in respect of each month following the month in which the Issue Date occurs and until the date the first Monthly Report is posted, as determined by the Collateral Administrator on the last day of each such month (or, if such day is not a Business Day, the following Business Day).

Portfolio

(a) the Aggregate Principal Balance of the Collateral Debt Obligations and Eligible Investments representing Principal Proceeds;

(b) the Aggregate Collateral Balance of the Collateral Debt Obligations;

(c) the Adjusted Collateral Principal Amount of the Collateral Debt Obligations;

(d) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Debt Obligation, its Principal Balance, LoanX ID, CUSIP number, ISIN or identification thereof, annual interest rate or spread (and EURIBOR floor (or other floor) if any), facility, Collateral Debt Obligation Stated Maturity, Obligor, the Domicile of the Obligor, the outstanding notional amount thereof (excluding any Purchased Accrued Interest), S&P Rating, Moody's Rating, Moody's Default Probability Rating (other than any confidential credit estimate), its S&P Industry Classification Group and Moody's industrial classification group and Moody's Recovery Rate and S&P Recovery Rate;

(e) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Debt Obligation, whether such Collateral Debt Obligation is a Secured Senior Loan, Secured Senior Bond, Unsecured Senior Obligation, Second Lien Loan, Mezzanine Loan or High Yield Bond, Fixed Rate Collateral Debt Obligation, Corporate Rescue Loan, PIK Security, Partial Deferrable Security, Current Pay Obligation, Annual Obligation, Revolving Obligation, Delayed Drawdown Obligation, Cov-Lite Loan, Discount Obligation, Unhedged Collateral Debt Obligation, Principal Hedged Obligation, Swapped Non-Discount Obligation or Purchased Discount Obligation;

(f) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Enhancement Obligation, Equity Security and Exchanged Security (to the extent applicable), its Principal Balance, face amount, annual interest rate, Collateral Debt Obligation Stated Maturity and

Obligor, details of the type of instrument it represents and details of any amounts payable thereunder or other rights accruing pursuant thereto;

(g) subject to any confidentiality obligations binding on the Issuer, the number, identity and, if applicable, Principal Balance of, respectively, any Collateral Debt Obligations, Collateral Enhancement Obligations, Equity Securities or Exchanged Securities that were released for sale or other disposition (specifying the reason for such sale or other disposition and the section in the Portfolio Management Agreement pursuant to which such sale or other disposition was made), the Aggregate Principal Balances of Collateral Debt Obligations released for sale or other disposition at the Portfolio Manager's discretion (expressed as a percentage of the Adjusted Collateral Principal Amount and measured at the date of determination of the last Monthly Report) and the sale price thereof and identity of any of the purchasers thereof (if any) that are Affiliated with the Portfolio Manager;

(h) subject to any confidentiality obligations binding on the Issuer, the purchase or sale price of each Collateral Debt Obligation, Eligible Investment and Collateral Enhancement Obligation acquired by the Issuer and in which the Issuer has granted a security interest to the Trustee, and each Collateral Debt Obligation, Eligible Investment and Collateral Enhancement Obligation sold by the Issuer since the date of determination of the last Monthly Report and the identity of the purchasers or sellers thereof, if any, that are Affiliated with the Issuer or the Portfolio Manager;

(i) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Debt Obligation which became a Defaulted Obligation or in respect of which an Exchanged Security has been received since the date of determination of the last Monthly Report and the identity and Principal Balance of each CCC Obligation, Caa Obligation and Current Pay Obligation;

(j) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Debt Obligation which became a Restructured Obligation and its Obligor, whether it is a Long-Dated Restructured Obligation, as well as, where applicable, the name of the Obligor prior to the restructuring and the Obligor's new name after the Restructuring Date;

(k) the Aggregate Principal Balance of Collateral Debt Obligations which were upgraded or downgraded since the most recent Monthly Report and of which the Collateral Administrator or the Portfolio Manager has actual knowledge;

(l) the approximate Market Value of, respectively, the Collateral Debt Obligations and the Collateral Enhancement Obligations;

(m) the Aggregate Principal Balance of Collateral Debt Obligations comprising Participations in respect of which the Selling Institutions are not the lenders of record;

(n) the Aggregate Principal Balance of Collateral Debt Obligations which have an S&P Rating or a Moody's Rating which is a public rating divided by the Aggregate Principal Balance of Collateral Debt Obligations which have an S&P Rating or a Moody's Rating which is a private rating; and

(o) in respect of the S&P CDO SDR, the S&P Expected Default Rate, the S&P Default Rate Dispersion, the S&P Obligor Diversity Measure, the S&P Industry Diversity Measure and the S&P Regional Diversity Measure.

Accounts

(a) the Balances standing to the credit of each of the Accounts; and

(b) the purchase price, principal amount, redemption price, annual interest rate, maturity date and Obligor under each Eligible Investment purchased from funds in the Accounts.

Hedge Transactions

(a) the outstanding notional amount of each Hedge Transaction and the current rate of EURIBOR;

(b) the amount scheduled to be received and paid by the Issuer pursuant to each Hedge Transaction on or before the next Payment Date;

(c) the then current Moody's rating and if applicable, S&P rating in respect of each Hedge Counterparty and whether such Hedge Counterparty satisfies the Rating Requirements; and

(d) in respect of each Principal Hedged Obligation, the outstanding notional amount thereof, the Currency Hedge Transaction Exchange Rate, the outstanding notional amount thereof converted into Euro at the Currency Hedge Transaction Exchange Rate and its Principal Balance.

Coverage Tests, Collateral Quality Tests and Reinvestment Overcollateralisation Tests

(a) a statement as to whether each of the Class A/B Par Value Test, the Class C Par Value Test, the Class D Par Value Test and the Class E Par Value Test is satisfied and details of the relevant Par Value Ratios;

(b) details of the Class A/B Par Value Ratio and the Class E Par Value Ratio, in each case, calculated ignoring paragraph (c)(ii) of the definition of Principal Balance (and provided further that for the purposes of calculating the Class A/B Par Value Ratio and the Class E Par Value Ratio for the purposes of inclusion in the Monthly Report pursuant to this paragraph (b), the Principal Balance of any Principal Hedged Obligation shall be its principal amount outstanding converted into Euro at the Applicable FX Rate);

(c) a statement as to whether each of the Class A/B Interest Coverage Test and the Class C Interest Coverage Test is satisfied and details of the relevant Interest Coverage Ratios;

(d) during the Reinvestment Period, a statement as to whether the Reinvestment Overcollateralisation Test is satisfied and details of the relevant Par Value Ratio;

(e) the Weighted Average Life calculated with respect to Collateral Debt Obligations and a statement as to whether the Weighted Average Life Test is satisfied;

(f) the Minimum Weighted Average Spread (including a detailed breakdown of the calculation thereof and on the basis of the Aggregate Funded Spread determined (i) with the EURIBOR Floor Adjustment and (ii) without the EURIBOR Floor Adjustment), the Excess Weighted Average Coupon, the Weighted Average Floating Spread (including a detailed breakdown of the calculation thereof, including, without limitation, the calculations set out in paragraph (b) of the definition thereof) plus the Excess Weighted Average Coupon (if applicable) and a statement as to whether the Minimum Weighted Average Spread Test is satisfied;

(g) the Minimum Weighted Average Fixed Coupon, the Excess Weighted Average Floating Spread, (during the Reinvestment Period only) the Weighted Average Fixed Coupon (including a detailed breakdown of the calculation thereof, including, without limitation, the calculations set out in paragraph (b) of the definition thereof) plus Excess Weighted Average Floating Spread (if applicable) and a statement as to whether the Minimum Weighted Average Fixed Coupon Test is satisfied;

(h) during the Reinvestment Period, a statement as to whether the S&P CDO Monitor Test is satisfied;

(i) a statement as to whether the S&P Minimum Weighted Average Recovery Rate Test is satisfied and the pass levels thereof;

(j) so long as any Notes rated by Moody's are Outstanding, the Adjusted Weighted Average Moody's Rating Factor, Moody's Weighed Average Recovery Adjustment and a statement as to whether the Moody's Maximum Weighted Average Rating Factor Test is satisfied;

(k) so long as any Notes rated by Moody's are Outstanding, the Weighted Average Moody's Recovery Rate, the Moody's Weighted Average Rating Factor Adjustment and a statement as to whether the Moody's Minimum Weighted Average Recovery Rate Test is satisfied;

(l) so long as any Notes rated by Moody's are Outstanding, the Diversity Score and (during the Reinvestment Period only) a statement as to whether the Moody's Minimum Diversity Test is satisfied; and

(m) a statement identifying any Collateral Debt Obligation in respect of which the Portfolio Manager has made its own determination of "Market Value" (pursuant to the definition thereof) for the purposes of any of the Coverage Tests.

Portfolio Profile Tests

(a) in respect of each Portfolio Profile Test, a statement as to whether such test is satisfied, together with details of the result of the calculations required to be made in order to make such determination which details shall include the applicable numbers, levels and/or percentages resulting from such calculations; *provided that* for the purposes of any Monthly Report to be delivered prior to the Effective Date, in respect of the Portfolio Profile Test at paragraph (s), such Portfolio Profile Test shall be satisfied for the purposes of such Monthly Reports only, if not more than 4.0 per cent. of the Aggregate Collateral Balance (calculated ignoring paragraph (c)(ii) of the definition of Principal Balance but instead on the basis that the Principal Balance of any Principal Hedged Obligation shall be its principal amount outstanding converted into Euro at the Applicable FX Rate) consists of Principal Hedged Obligations;

(b) the identity and Moody's Rating and S&P Rating of each Selling Institution, together with any changes in the identity of such entities since the date of determination of the last Monthly Report and details of the aggregate amount of Participations entered into with each such entity; and

(c) a statement as to whether the limits specified in the Bivariate Risk Table are met by reference to the Moody's rating and S&P rating of Selling Institutions and, if such limits are not met, a statement as to the nature of the non compliance.

Frequency Switch Event

A statement indicating whether a Frequency Switch Event has occurred during the relevant Due Period and, in the case of paragraph (a) of the definition of Frequency Switch Event, subject to the Portfolio Manager having confirmed the same to the Collateral Administrator in writing.

Risk Retention

Confirmation that the Collateral Administrator has received written confirmation from the Retention Holder that:

(a) it continues to comply with its undertaking to subscribe for and retain on an ongoing basis and for its own account not less than 5 per cent. of the Principal Amount Outstanding of each Class of Notes as the Retention Notes; and

(b) it has not sold, hedged or otherwise mitigated its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except to the extent permitted in accordance with the EU Retention Requirements and the U.S. Risk Retention Rules.

Currency Exchange

Each Spot Rate used in the compilation of the relevant Report.

Payment Date Report

The Collateral Administrator, on behalf, and at the expense, of the Issuer and in consultation with the Portfolio Manager, shall compile a report (the "**Payment Date Report**"), prepared and determined as of each Determination Date, and shall make each such Payment Date Report available not later than the Business Day preceding the related Payment Date via a secured website at https://gctinvestorreporting.bnymellon.com (or such other website as may be notified by the Collateral Administrator to the Issuer, the Trustee, the Initial Purchaser, each Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, the Portfolio Manager, each Rating Agency and the Noteholders from time to time) which shall be accessible by the Issuer, the Trustee, the Initial Purchaser, each Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, the Portfolio Manager, each Rating Agency and any Noteholder by way of a unique password which will be provided in writing by the Collateral Administrator to the Issuer, the Trustee, the Initial Purchaser, each Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, the Portfolio Manager, each Rating Agency prior to the date of the first Payment Date Report and, in the case of each Noteholder which may be

obtained from the Collateral Administrator, subject to receipt by the Collateral Administrator from such Noteholder of certification that it is a holder of a beneficial interest in any Note. Upon issue of each Payment Date Report, the Collateral Administrator, in the name and at the expense of the Issuer, shall notify the Irish Stock Exchange of the Principal Amount Outstanding of each Class of Notes after giving effect to the principal payments, if any, on the next Payment Date. Each Payment Date Report shall be in pdf format and shall contain, without limitation, the following information determined by the Collateral Administrator as at the Determination Date in consultation with the Portfolio Manager and, to the extent practicable, shall, in respect of the results of the Coverage Tests, the Portfolio Profile Tests, the Collateral Quality Tests and certain data in respect of the characteristics of the Collateral Debt Obligations be available in "Excel" and/or CSV format (or similar):

Portfolio

(a) the Aggregate Principal Balance of the Collateral Debt Obligations as of the close of business on such Determination Date, after giving effect to (i) Principal Proceeds received on the Collateral Debt Obligations with respect to the related Due Period and the reinvestment of such Principal Proceeds in Substitute Collateral Debt Obligations during such Due Period and (ii) the disposal of any Collateral Debt Obligations during such Due Period;

(b) subject to any confidentiality obligations binding on the Issuer, a list of, respectively, the Collateral Debt Obligations and Collateral Enhancement Obligations indicating the Principal Balance and Obligor of each; and

(c) the information required pursuant to "*Description of the Reports – Monthly Reports – Portfolio*" above.

Notes

(a) the Principal Amount Outstanding of the Notes of each Class and such aggregate amount as a percentage of the original aggregate Principal Amount Outstanding of the Notes of such Class at the beginning of the Accrual Period, the amount of principal payments to be made on the Notes of each Class on the related Payment Date, and the aggregate amount of the Notes of each Class Outstanding and such aggregate amount as a percentage of the original aggregate amount of the Notes of such Class Outstanding after giving effect to the principal payments, if any, on the next Payment Date;

(b) the interest payable in respect of each Class of Notes (as applicable), including the amount of any Deferred Interest payable on the related Payment Date (in the aggregate and by Class);

(c) the Interest Amount payable in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, on the next Payment Date; and

(d) EURIBOR for the related Due Period and the Floating Rate of Interest applicable to each Class of Floating Rate Notes during the related Due Period.

Payment Date Payments

(a) the amounts payable pursuant to the Interest Proceeds Priority of Payments, the Principal Proceeds Priority of Payments and the Post-Acceleration Priority of Payments;

(b) the Trustee Fees and Expenses, the amount of any Portfolio Management Fees and Administrative Expenses payable on the related Payment Date, in each case, on an itemised basis; and

(c) any Defaulted Hedge Termination Payments.

Accounts

(a) the Balance standing to the credit of the Interest Account at the end of the related Due Period;

(b) the Balance standing to the credit of the Principal Account at the end of the related Due Period;

(c) the Balance standing to the credit of the Interest Account immediately after all payments and deposits to be made on the next Payment Date;

(d) the Balance standing to the credit of the Principal Account immediately after all payments and deposits to be made on the next Payment Date;

(e) the amounts payable from the Interest Account through a transfer to the Payment Account pursuant to the Priorities of Payment on such Payment Date;

(f) the amounts payable from the Principal Account through a transfer to the Payment Account pursuant to the Priorities of Payment on such Payment Date;

(g) the amounts payable from any other Accounts (through a transfer to the Payment Account) pursuant to the Priorities of Payment on such Payment Date, together with details of whether such amounts constitute Interest Proceeds or Principal Proceeds;

(h) the Balance standing to the credit of each of the other Accounts at the end of the related Due Period;

(i) the purchase price, principal amount, redemption price, annual interest rate, maturity date of and Obligor of each Eligible Investment purchased from funds in the Accounts;

(j) the Principal Proceeds received during the related Due Period;

(k) the Interest Proceeds received during the related Due Period; and

(l) the Collateral Enhancement Obligation Proceeds received during the related Due Period.

Coverage Tests, Collateral Quality Tests and Portfolio Profile Tests

(a) the information required pursuant to "*Description of the Reports – Monthly Reports – Coverage Tests, Collateral Quality Tests and Reinvestment Overcollateralisation Tests*" above; and

(b) the information required pursuant to "*Description of the Reports – Monthly Reports – Portfolio Profile Tests*" above.

Hedge Transactions

The information required pursuant to "*Description of the Reports – Monthly Reports – Hedge Transactions*" above.

Frequency Switch Event

The information required pursuant to "*Description of the Reports – Monthly Reports – Frequency Switch Event*" above.

Risk Retention

The information required pursuant to "*Description of the Reports – Monthly Reports – Risk Retention*" above.

Currency Exchange

The information required pursuant to "*Monthly Reports – **Currency Exchange***" above.

Miscellaneous

Each report shall state that it is for the purposes of information only, that certain information included in the report is estimated, approximated or projected and that it is provided without any representations or warranties as to the accuracy or completeness thereof and that none of the Collateral Administrator, the Trustee, the Issuer or the Portfolio Manager will have any liability for estimates, approximations or projections contained therein.

In addition, the Collateral Administrator shall provide the Issuer with such other information and in such a format relating to the Portfolio as the Issuer may reasonably request and which is in the possession of the Collateral Administrator, in order for the Issuer to satisfy its obligation to make certain filings of information with the Central Bank and in respect of the preparation of its financial statements and tax returns.

TAX CONSIDERATIONS

1. General

Purchasers of Notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price of each Note.

POTENTIAL PURCHASERS ARE WHOLLY RESPONSIBLE FOR DETERMINING THEIR OWN TAX POSITION IN RESPECT OF THE NOTES. POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THEIR TAX POSITION ON PURCHASE, OWNERSHIP, TRANSFER OR EXERCISE OF ANY NOTE SHOULD CONSULT THEIR OWN TAX ADVISERS. IN PARTICULAR, NO REPRESENTATION IS MADE AS TO THE MANNER IN WHICH PAYMENTS UNDER THE NOTES WOULD BE CHARACTERISED BY ANY RELEVANT TAXING AUTHORITY. POTENTIAL INVESTORS SHOULD BE AWARE THAT THE RELEVANT FISCAL RULES OR THEIR INTERPRETATION MAY CHANGE, POSSIBLY WITH RETROSPECTIVE EFFECT, AND THAT THIS SUMMARY IS NOT EXHAUSTIVE. THIS SUMMARY DOES NOT CONSTITUTE LEGAL OR TAX ADVICE OR A GUARANTEE TO ANY POTENTIAL INVESTOR OF THE TAX CONSEQUENCES OF INVESTING IN THE NOTES.

2. Irish Taxation

The following is a summary of certain Irish tax consequences of the purchase, ownership and disposition of the Notes. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes. The summary relates only to the position of persons who are the absolute beneficial owners of the Notes and may not apply to certain other classes of persons such as dealers in securities.

The summary is based upon Irish tax laws and the practice of the Irish Revenue Commissioners as in effect on the date of this Offering Circular, which are subject to prospective or retroactive change. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their own advisors as to the Irish or other tax consequences of the purchase, beneficial ownership and disposition of the Notes including, in particular, the effect of any state or local tax laws.

Income Tax

In general, persons who are resident in Ireland are liable to Irish taxation on their world-wide income whereas persons who are not resident in Ireland are only liable to Irish taxation on their Irish source income. All persons are under a statutory obligation to account for Irish taxation on a self-assessment basis and there is no requirement for the Irish Revenue Commissioners to issue or raise an assessment.

A Note issued by the Issuer may be regarded as property situate in Ireland (and hence Irish source income) on the grounds that a debt is deemed to be situate where the debtor resides. However, the interest earned on such Notes is exempt from income tax if paid to a person who is not a resident of Ireland and who for the purposes of Section 198 of the Taxes Consolidation Act 1997 (as amended) ("**TCA**") is regarded as being a resident of a relevant territory. A relevant territory for this purpose is a Member State of the European Communities (other than Ireland) or not being such a Member State a territory with which Ireland has entered into a double tax treaty that has the force of law or, on completion of the necessary procedures, will have the force of law and such double tax treaty contains an article dealing with interest or income from debt claims. A list of the countries with which Ireland has entered into a double tax treaty is available on www.revenue.ie.

Relief from Irish income tax may also be available under other exemptions contained in Irish tax legislation or under the specific provisions of a double tax treaty between Ireland and the country of residence of the holder of the Notes.

If the above exemptions do not apply it is understood that there is a long standing unpublished practice whereby no action will be taken to pursue any liability to such Irish tax in respect of persons who are regarded as not being resident in Ireland except where such persons:

(i) are chargeable in the name of a person (including a trustee) or in the name of an agent or branch in Ireland having the management or control of the interest; or

(ii) seek to claim relief and / or repayment of tax deducted at source in respect of taxed income from Irish sources; or

(iii) are chargeable to Irish corporation tax on the income of an Irish branch or agency or to income tax on the profits of a trade carried on in Ireland to which the interest is attributable.

There can be no assurance that this practice will continue to apply.

Withholding Taxes

In general, withholding tax (currently at the rate of 20%.) must be deducted from interest payments made by an Irish company such as the Issuer. However, Section 246 TCA ("**Section 246**") provides that this general obligation to withhold tax does not apply in respect of, inter alia, interest payments made by the Issuer to a person, who by virtue of the law of the relevant territory, is resident for the purposes of tax in a relevant territory (see above for details). This exemption does not apply if the interest is paid to a company in connection with a trade or business which is carried on in Ireland by the company through a branch or agency.

Apart from Section 246, Section 64 TCA ("**Section 64**") provides for the payment of interest on a "*Quoted Eurobond*" without deduction of tax in certain circumstances. A Quoted Eurobond is defined in Section 64 as a security which:

(i) is issued by a company;

(ii) is quoted on a recognised stock exchange (this term is not defined but is understood to mean an exchange which is recognised in the country in which it is established such as the Irish Stock Exchange); and

(iii) carries a right to interest.

There is no obligation to withhold tax on Quoted Eurobonds where:

(i) the person by or through whom the payment is made is not in Ireland, or

(ii) the payment is made by or through a person in Ireland, and

  (a) the Quoted Eurobond is held in a recognised clearing system (Euroclear, Clearstream Banking SA, Clearstream Banking AG and the Depository Trust Company of New York have, amongst others, been designated as recognised clearing systems); or

  (b) the person who is the beneficial owner of the Quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made an appropriate written declaration to this effect.

In certain circumstances, Irish encashment tax may be required to be withheld at the standard rate (currently at the rate of 20%.) from interest on any Note, where such interest is collected by a person in Ireland on behalf of any holder of Notes.

Capital Gains Tax

A Noteholder will not be subject to Irish taxes on capital gains provided that such Noteholder is neither resident nor ordinarily resident in Ireland and such Noteholder does not have an enterprise, or an interest in an enterprise, which carries on business in Ireland through a branch or agency or a permanent representative to which or to whom the Notes are attributable.

Capital Acquisitions Tax

If the Notes are comprised in a gift or inheritance taken from an Irish domiciled, resident or ordinarily resident disponer or if the donee / successor is resident or ordinarily resident in Ireland, or if any of the Notes are regarded as property situate in Ireland, the donee / successor may be liable to Irish capital acquisitions tax. As a result, a donee / successor may be liable to Irish capital acquisitions tax, even though neither the disponer nor the donee / successor may be domiciled, resident or ordinarily resident in Ireland at the relevant time.

Stamp duty

For as long as the Issuer is a qualifying company within the meaning of Section 110 of the TCA, no Irish stamp duty will be payable on either the issue or transfer of the Notes, provided that the money raised by the issue of the Notes is used in the course of the Issuer's business.

3. Certain U.S. Federal Income Tax Considerations

General

The following discussion summarises certain of the material U.S. federal income tax consequences of the purchase, beneficial ownership and disposition of the Notes.

For purposes of this summary, a "**U.S. Holder**" is a beneficial owner of a Note that is, for U.S. federal income tax purposes:

- an individual who is a citizen or a resident of the United States;
- a corporation that is created or organised in or under the laws of the United States, any State thereof, or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust if a court within the United States is able to exercise primary supervision over its administration, and one or more United States persons have the authority to control all of its substantial decisions.

For purposes of this summary, a "**Non-U.S. Holder**" is a beneficial owner of a Note that is neither a partnership nor a U.S. Holder.

In the case of an investor that is a partnership for U.S. federal income tax purposes, the U.S. federal income tax treatment of such partnership and its partners will generally depend on the partnership's activities and status of the partners. Such a partner or partnership should consult its own tax advisor as to the consequences of the acquisition, ownership, disposition and retirement of the Notes. This summary is based on the Internal Revenue Code of 1986, as amended (the "**Code**"), regulations issued thereunder, and rulings and decisions currently in effect (or in some cases proposed), all of which are subject to change. Any such change may be applied retroactively and may adversely affect the federal income tax consequences described herein. Furthermore, there are no cases or rulings by the U.S. Internal Revenue Service (the "**IRS**") addressing entities similar to the Issuer or securities similar to the Notes. As a result, the IRS might disagree with all or part of the discussion below. No rulings will be requested of the IRS regarding whether the Issuer is engaged in a trade or business within the United States, the U.S. federal income tax characterisation of the Notes or the other issues discussed below.

Except as expressly set out below, this discussion does not describe all of the tax consequences that may be relevant to investors in light of their particular circumstances, nor does it address any aspect of state, local or non-U.S. tax laws, alternative minimum tax and net investment tax consequences or the possible application of U.S. federal gift or estate taxes. In particular, except as expressly set out below, this discussion does not address differing tax consequences that may apply to an investor subject to special treatment, for instance:

(a) a financial institution, insurance company, real estate investment trust, regulated investment company or grantor trust;

(b) a dealer or trader in securities that uses a mark-to-market method of tax accounting with respect to the notes;

(c) an investor holding notes as part of a "straddle" or integrated transaction;

(d) a former citizen or resident of the United States;

(e) a U.S. Holder whose functional currency is not the U.S. dollar;

(f) a tax-exempt entity; or

(g) a partnership or other pass through entity for U.S. federal income tax purposes.

This discussion considers only investors that will hold Notes as capital assets, is generally limited to the tax consequences to initial investors that purchase Notes upon their initial issue at their initial issue price, and, except as expressly set forth below, does not address the tax consequences to a Contributor of a Contribution as described in Condition 2(k) (*Contributions*).

PROSPECTIVE PURCHASERS OF NOTES SHOULD CONSULT THEIR TAX ADVISERS AS TO THE FEDERAL, STATE AND LOCAL TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES, AS WELL AS ANY CONSEQUENCES ARISING UNDER THE LAWS OF ANY OTHER TAXING JURISDICTION TO WHICH THEY MAY BE SUBJECT.

U.S. Federal Tax Treatment of the Issuer

Generally. The Issuer will be treated as a foreign corporation for U.S. federal income tax purposes.

United States Federal Income Taxes. Upon the issuance of the Notes, Clifford Chance US LLP, special U.S. tax counsel to the Portfolio Manager, will deliver an opinion generally to the effect that, under current law, assuming compliance with the Transaction Documents and based upon certain factual representations made by the Issuer and/or the Portfolio Manager, and assuming the correctness of all opinions and advice of counsel that permit the Issuer to take or fail to take any action under the Transaction Documents based upon such opinions or advice, although the matter is not free from doubt, the Issuer will not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes, and accordingly, the Issuer will not be subject to U.S. federal income tax on its net income. The opinion of Clifford Chance US LLP will be based on certain factual assumptions, covenants and representations as to the Issuer's contemplated activities. The remainder of this summary assumes that the Issuer will not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes. In addition, you should be aware that the opinion referred to above will be predicated upon the Issuer's and the Portfolio Manager's compliance with certain U.S. tax restrictions set out in the Portfolio Management Agreement (the "**U.S. Tax Guidelines**"), which are intended to prevent the Issuer from engaging in activities which could give rise to a trade or business within the United States. Although the Issuer and the Portfolio Manager have generally undertaken to comply with the U.S. Tax Guidelines, the U.S. Tax Guidelines may be amended if the Issuer receives an opinion from nationally recognised U.S. tax counsel that the amendment will not cause the Issuer to be treated as engaged in a trade or business within the United States. Any such amendments would not be covered by the opinion of Clifford Chance US LLP referred to above and the opinion of Clifford Chance US LLP will assume the correctness of any such advice. Furthermore, neither the Issuer nor the Portfolio Manager is obligated to monitor (and, in some cases, conform the Issuer's activities in order to comply with) changes in law, and accordingly, any such changes could adversely affect whether the Issuer is treated as engaged in a U.S. trade or business. The Portfolio Manager might act in accordance with the U.S. Tax Guidelines notwithstanding the issuance of new decisions by the courts, new legislation or official guidance (regardless of whether such new interpretation, legislation or guidance would either merely increase the risk that the Issuer would be, or actually cause the Issuer to be, engaged in a U.S. trade or business). In addition, the opinion of Clifford Chance US LLP is not binding on the IRS or the courts, and no ruling will be sought from the IRS regarding this, or any other, aspect of the U.S. federal income tax treatment of the Issuer. Accordingly, in the absence of authority on point, the U.S. federal income tax treatment of the Issuer is not entirely free from doubt, and there can be no assurance that positions contrary to those stated in the opinion of Clifford Chance US LLP may not be asserted successfully by the IRS. If the IRS were to successfully assert that the Issuer is engaged in a U.S. trade or business, however, there could be material adverse financial consequences to the Issuer and to persons who hold the Notes. There can be no assurance that the Issuer's net income will not become subject to U.S. federal net income tax as a result of unanticipated activities by the Issuer, changes in law, contrary conclusions by U.S. tax authorities or other causes. In addition, the Trust Deed could be amended in a manner that permits or causes the Issuer to be engaged in a trade or business in the United States for U.S. federal income tax purposes.

If it is determined that the Issuer is engaged in a trade or business in the United States for U.S. federal income tax purposes, and the Issuer has taxable income that is effectively connected with such U.S. trade or business, the Issuer will be subject under the Code to the regular U.S. federal corporate income tax on its effectively connected taxable income, possibly on a gross basis, and possibly to a 30 per cent. branch profits tax and state and local taxes as well. The imposition of such a tax liability could materially adversely affect the Issuer's ability to make payments on the Notes. The balance of this summary assumes that the Issuer is not subject to U.S. federal income tax on its net income.

Withholding and Gross Income Taxes. Although the Issuer does not intend to be subject to U.S. federal income tax with respect to its net income, income derived by the Issuer may be subject to withholding or gross income taxes imposed by the United States or other countries, and the imposition of such taxes could materially affect its financial ability to make payments on the Notes. In this regard and subject to certain exceptions, the Issuer may generally only acquire a particular Collateral Debt Obligation if, at the time of commitment to purchase, either the interest payments thereon are not subject to withholding tax or the issuer of the Collateral Debt Obligation is required to make "gross-up" payments. Notwithstanding the foregoing, there can be no assurance that income derived by the Issuer will not become subject to withholding or gross income taxes as a result of changes in law, contrary conclusions by the IRS, or other causes. In that event, such withholding or gross income taxes could be applied retroactively to fees or other income previously received by the Issuer. To the extent that withholding or gross income taxes are imposed and not paid through withholding, the Issuer may be directly liable to the taxing authority to pay such taxes.

Representations. Each holder and beneficial owner of a Class E Note, Class F Note or Class M Subordinated Note that is not a "United States person" (as defined in Section 7701(a)(30) of the Code) will make, or by acquiring such Note or an interest therein will be deemed to make, a representation to the effect that (a) either (i) it is not a bank, (ii) it is a person that is eligible for benefits under an income tax treaty with the United States that eliminates U.S. federal income taxation of U.S. source interest not attributable to a permanent establishment in the United States or (iii) all payments received or to be received by it from the Issuer are effectively connected with the conduct of a trade or business in the United States and (b) it is not purchasing the Note in order to reduce its U.S. federal income tax liability pursuant to a tax avoidance plan within the meaning of U.S. Treasury Regulation Section 1.881-3.

U.S. Federal Tax Treatment of the Notes

Upon the issuance of the Notes, Allen & Overy LLP will deliver an opinion generally to the effect that under current law, assuming compliance with the Transaction Documents, and based on certain assumptions and factual representations made by the Issuer and/or the Portfolio Manager, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be treated, and the Class E Notes should be treated, as debt of the Issuer for U.S. federal income tax purposes. No opinion will be given with respect to the Class F Notes, but the Issuer intends to treat the Class F Notes as debt for U.S. federal income tax purposes.

The Issuer has agreed and, by its acceptance of a Rated Note, each Noteholder of a Rated Note (or any interest therein) will be deemed to have agreed, to treat the Rated Notes as debt of the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law. The determination of whether a Rated Note will or should be treated as debt for U.S. federal income tax purposes is based on the facts and circumstances existing at the time the Rated Note is issued. Prospective investors should be aware that opinions of counsel are not binding on the IRS, and there can be no assurance that the IRS will not seek to characterise as something other than indebtedness any particular Class or Classes of the Rated Notes. Except as discussed under "*U.S. Federal Tax Treatment of the Notes — Alternative Characterisation of the Rated Notes*" below, the balance of this discussion assumes that the Rated Notes of all Classes will be characterised as debt of the Issuer for U.S. federal income tax purposes.

The Issuer intends to treat the Class M Subordinated Notes as equity in the Issuer for U.S. federal income tax purposes, and each holder, by its purchase of a Class M Subordinated Note, agrees to treat the Class M Subordinated Notes consistently with this treatment.

Payments of Interest on the Rated Notes. A U.S. Holder of a Rated Note that uses the cash method of accounting must include in income the U.S. dollar value of Euro interest paid when received. Euro interest received is translated at the U.S. dollar spot rate of Euro, as applicable, on the date of receipt, regardless of whether the payment is converted into U.S. dollars on the date of receipt. A cash method U.S. Holder therefore generally will not have foreign currency gain or loss on receipt of a Euro interest payment but may have foreign currency gain or loss upon disposing of the Euro received.

A U.S. Holder of a Rated Note that uses the accrual method of accounting or any U.S. Holder required to accrue original issue discount ("**OID**") will be required to include in income the U.S. dollar value of Euro, as applicable interest accrued during the accrual period. An accrual basis U.S. Holder may determine the amount of income recognised with respect to such interest using either of two methods, in either case regardless of whether the payments are in fact converted into U.S. dollars on the date of receipt. Under the first method, the U.S. dollar value of accrued interest is translated at the average Euro rate for the interest accrual period (or, with respect to an accrual period that spans two taxable years, the partial period within the taxable year). An accrual method U.S. Holder of a Rated Note that uses this first method will therefore recognise foreign currency gain or loss, as the case may be, on interest paid to the extent that the U.S. dollar/Euro exchange rate, as applicable, on the date the interest is received differs from the rate at which the interest income was accrued. Under the second method, the U.S. Holder can elect to accrue interest at the Euro spot rate, on the last day of an interest accrual period (or, in the case of an accrual period that spans two taxable years, at the relevant exchange rate in effect on the last day of the partial period within the taxable year) or, if the last day of an interest accrual period is within five business days of the receipt of such interest, the spot rate on the date of receipt. An election to accrue interest at the spot rate generally will apply to all foreign currency denominated debt instruments held by the U.S. Holder, and is irrevocable without the consent of the IRS. Regardless of the method used to accrue interest, a U.S. Holder may have additional foreign currency gain or loss upon a subsequent disposition of the Euro received.

Under recently enacted legislation, for tax years beginning on or after January 1, 2018, U.S. Holders that use an accrual method of accounting for tax purposes may be required to accrue income earlier than would be the case under the general tax rules described above and below. U.S. Holders that use an accrual method of accounting should consult with their tax advisors regarding the potential application of this legislation to their particular situation.

For U.S. federal income tax purposes, OID is the excess of the "stated redemption price at maturity" of a debt instrument over its "issue price", if that excess equals or exceeds ¼ of 1 per cent. of the debt instrument's stated redemption price at maturity multiplied by the number of complete years from its issue date to its maturity or weighted average maturity in the case of instalment obligations (the "**OID de minimis amount**"). The "**stated redemption price at maturity**" of a debt instrument such as the Rated Notes is the sum of all payments required to be made on the Rated Note other than "qualified stated interest" payments. The "**issue price**" of a Rated Note generally is the first offering price to the public at which a substantial amount of the debt instrument is sold. The term "**qualified stated interest**" generally means stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer), or that is treated as constructively received, at least annually at a single fixed rate or, under certain conditions discussed below, at a variable rate.

Prospective U.S. Holders should note that to the extent that interest payments on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (together the "**Deferrable Notes**") are not made on a relevant Payment Date, such unpaid interest amounts will be deferred and the amount thereof added to the aggregate principal amount of such Notes. Consequently, such interest is not unconditionally payable in cash or property at least annually and will not be treated as "qualified stated interest". Therefore, all of the stated interest payments on each of the Deferrable Notes, will be included in the stated redemption price at maturity of such Notes, and as a result the Deferrable Notes will be treated as issued with OID.

It is possible, however, that the IRS could assert, and a court ultimately hold, that some other method of accruing OID, such as the provisions of Section 1272(a)(6) of the Code (debt instruments that may be accelerated by reason of the prepayment of other debt obligations securing such debt instruments) are applicable to the Rated Notes that are treated as issued with OID. Special tax rules principally relating to the accrual of OID, market discount, and bond premium apply to debt instruments described in Section 1272(a)(6). Further, those debt instruments may not be treated for U.S. federal income tax purposes as part of an integrated transaction with a related hedge under Treasury Regulation Section 1.1275-6. Prospective investors should consult with their own tax advisors regarding the effects of Section 1272(a)(6) of the Code.

If a U.S. Holder holds a Rated Note with OID (an "**OID Note**") such U.S. Holder may be required to include OID in income before receipt of the associated cash payment, regardless of the U.S. Holder's accounting method for tax purposes. If the U.S. Holder is an initial purchaser of an OID Note, the amount of the OID includible in income is the sum of the daily accruals of the OID for the Note for each day during the taxable year (or portion of the taxable year) in which such U.S. Holder held the OID Note. The daily portion is determined by allocating the OID for each day of the accrual period. An accrual period may be of any length and the accrual periods may even vary in length over the term of the OID Note, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs either on the first day of an accrual period or on the final day of an accrual period. The amount of OID allocable to an accrual period is equal to the difference

between: (a) the product of the "adjusted issue price" of the OID Note at the beginning of the accrual period and its yield to maturity (computed generally on a constant yield method and compounded at the end of each accrual period, taking into account the length of the particular accrual period); and (b) the amount of any qualified stated interest allocable to the accrual period. The "adjusted issue price" of an OID Note at the beginning of any accrual period is the sum of the issue price of the OID Note plus the amount of OID allocable to all prior accrual periods reduced by any payments the U.S. Holder received on the OID Note that were not qualified stated interest. Under these rules, the U.S. Holder generally will have to include in income increasingly greater amounts of OID in successive accrual periods.

Each class of Rated Notes will be "variable rate debt instruments" if such class of Rated Notes (a) has an issue price that does not exceed the total non-contingent principal payments on such class of Rated Notes by more than an amount equal to the lesser of: (i) 0.015 multiplied by the product of such total non-contingent principal payments and the number of complete years to maturity of such class of Rated Notes; and (ii) 15 per cent. of the total non-contingent principal payments on such class of Rated Notes; (b) provides for stated interest (compounded or paid at least annually) at the current value of one or more qualified floating rates, including the EURIBOR rate, on such class of Rated Notes; and (c) does not provide for any principal payments that are contingent. The Rated Notes will qualify as variable rate debt instruments, provided the issue price is not more than 115,000 Euro per 100,000 Euro principal amount. Interest payments on certain "variable rate debt instruments" may be considered qualified stated interest.

If a debt instrument that provides for a variable rate of interest does not qualify as a variable rate debt instrument, the debt instrument will be treated as a contingent payment debt instrument. Thus, if any class of the Rated Notes does not qualify as a variable rate debt instrument, a U.S. Holder would be required to report income in respect of such Notes in accordance with U.S. Treasury regulations relating to contingent payment debt instruments, which generally require a U.S. Holder to accrue interest on a constant yield basis based on a projected payment schedule determined by the Issuer. The contingent payment debt instrument rules are complex and investors should consult with their own tax advisors with respect to the potential taxation of the Notes under the contingent payment debt instrument rules.

The OID rules are complex. In addition, recently enacted legislation may affect the timing of OID inclusions for the Rated Notes. Each U.S. Holder of an OID Note should consult with its own tax advisor regarding the acquisition, ownership, disposition and retirement of such OID Note.

Interest on the Notes received by a U.S. Holder will generally be treated as foreign source "passive income" for U.S. foreign tax credit purposes, or, in certain cases, "general category income".

Noteholders should consult their own tax advisors with respect to the federal income tax treatment of any Contribution, including the likelihood that such Contribution will be treated as an equity interest in the Issuer.

Sale, Exchange or Retirement. Unless a non-recognition provision applies, a U.S. Holder generally will recognise gain or loss on the sale, exchange, repayment or other disposition of a Rated Note equal to the difference between the amount realised plus the fair market value of any property received on the disposition (other than amounts attributable to accrued but unpaid interest) and the U.S. Holder's adjusted tax basis in such Rated Note.

The amount realised on the sale, exchange, redemption or repayment of a Rated Note generally is determined by translating the Euro proceeds into U.S. dollars at the spot rate on the date the Rated Note is disposed of, while a U.S. Holder's adjusted tax basis in a Rated Note generally will be the cost of the Rated Note to the U.S. Holder, determined by translating the Euro purchase price into U.S. dollars at the spot rate on the date the Rated Note was purchased, and increased by the amount of any OID accrued and reduced by any payments other than payments of qualified stated interest of such Note. If, however, the Rated Notes are traded on an established securities market, a cash basis U.S. Holder or electing accrual basis U.S. Holder will determine the amount realised on the settlement date. An election by an accrual basis U.S. Holder to apply the spot exchange rate on the settlement date will be subject to the rules regarding currency translation elections described above, and cannot be changed without the consent of the IRS. The amount of foreign currency gain or loss realised with respect to accrued but unpaid interest is the difference between the U.S. Dollar value of the interest based on the spot exchange rate on the date the Rated Notes are disposed of and the U.S. Dollar value at which the interest was previously accrued. A U.S. Holder will have a tax basis in Euro received on the sale, exchange or retirement of a Rated Note equal to the U.S. dollar value of the Euro on the relevant date. Foreign currency gain or loss on a sale, exchange, redemption or repayment of a Rated Note is recognised only to the extent of total gain or loss on the transaction.

Foreign currency gain or loss recognised by a U.S. Holder on the sale, exchange or other disposition of a Rated Note (including repayment at maturity) generally will be treated as ordinary income or loss. Gain or loss in excess of foreign currency gain or loss on a Rated Note generally will be treated as capital gain or loss. The deductibility of capital losses is subject to limitations. In the case of a non-corporate U.S. Holder, preferential rates may apply to any capital gain if such U.S. Holder's holding period for such Rated Notes exceeds one year.

Alternative Characterisation of the Rated Notes

It is possible that the IRS may contend that any Class of Rated Notes should be treated in whole or in part as equity interests in the Issuer. Such a recharacterisation might result in material adverse U.S. federal income tax consequences to U.S. Holders. If U.S. Holders of one or more Classes of the Rated Notes were treated as owning equity interests in the Issuer, the U.S. federal income tax consequences to those U.S. Holders would be as described under "*U.S. Federal Tax Treatment of the Notes — U.S. Tax Treatment of U.S. Noteholders of the Class M Subordinated Notes*" and "*US Federal Tax Treatment of the Notes – Transfer and Other Reporting Requirements*".

U.S. Tax Treatment of U.S. Noteholders of the Class M Subordinated Notes

The Issuer has agreed and, by its acceptance of a Class M Subordinated Note, each Noteholder of a Class M Subordinated Note will be deemed to have agreed, to treat all Class M Subordinated Notes as equity in the Issuer for U.S. federal income tax purposes, except as otherwise required by any governmental authority. The balance of this discussion assumes that the Class M Subordinated Notes will properly be characterised as equity in the Issuer. Prospective investors should consult their own tax advisors regarding the consequences of acquiring, holding or disposing of the Class M Subordinated Notes.

Amounts contributed to the Issuer as a Contribution that otherwise would have been distributed on the Notes will be deemed (for federal income tax purposes) paid to the contributing Noteholder and then contributed to the Issuer. In addition, a Contribution may be treated as equity in the Issuer and could affect the allocation of income to all of the Class M Subordinated Notes under the QEF and CFC rules discussed below. Prospective Noteholders should consult their own tax advisors with respect to the federal income tax treatment of a Contribution (including the likelihood that such Contribution will be treated as an equity interest in the Issuer).

Investment in a Passive Foreign Investment Company. A non-U.S. corporation will be classified as a passive foreign investment company (a "**PFIC**") for U.S. federal income tax purposes if 75 per cent. or more of its gross income (including the pro rata share of the gross income of any corporation in which the non-U.S. corporation is considered to own 25 per cent. or more of the shares by value) in a taxable year is passive income. Alternatively, a non-U.S. corporation will be classified as a PFIC if at least 50 per cent. of its assets, averaged over the year and generally determined based on fair market value (including the pro rata share of the assets of any corporation in which the Issuer is considered to own 25 per cent. or more of the shares by value) are held for the production of, or produce, passive income.

Based on the assets that the Issuer expects to hold and the income anticipated thereon, it is highly likely that the Issuer will be classified as a PFIC for U.S. federal income tax purposes. Accordingly, the following discussion assumes that the Issuer will be a PFIC throughout the term of the Class M Subordinated Notes, and U.S. Noteholders of Class M Subordinated Notes should assume that they will be subject to the U.S. federal income tax consequences described below that result from owning stock in a PFIC (subject to the discussion below under "Investment in a Controlled Foreign Corporation").

Unless a U.S. Noteholder elects to treat the Issuer as a "**qualified electing fund**" (as described in the next paragraph), upon certain distributions ("**excess distributions**") by the Issuer and upon a disposition of the Class M Subordinated Notes at a gain, the U.S. Noteholder will be liable to pay tax at the highest tax rate on ordinary income in effect for each period to which the income is allocated plus interest on the tax, as if such distributions and gain had been recognised rateably over the U.S. Noteholder's holding period for the Class M Subordinated Notes. An interest charge is also applied to the deferred tax amount resulting from the deemed rateable distribution.

If a U.S. Noteholder elects to treat the Issuer as a "qualified electing fund" (a "**QEF**"), distributions and gain will not be taxed as if recognised rateably over the U.S. Noteholder's holding period or subject to an interest charge. Instead, a U.S. Noteholder that makes a QEF election is required for each taxable year to include in income the U.S. Noteholder's pro rata share of the ordinary earnings of the qualified electing fund as ordinary income and a pro rata share of the net capital gain of the qualified electing fund as capital gain, regardless of

whether such earnings or gain have in fact been distributed (assuming the discussion below under "Investment in a Controlled Foreign Corporation" does not apply), and subject to a separate election to defer payment of taxes, which deferral is subject to an interest charge. Consequently, in order to comply with the requirements of a QEF election, a U.S. Noteholder must receive from the Issuer certain information ("**QEF Information**"). The Issuer will provide, or cause its independent accountants to provide, U.S. Noteholders of the Class M Subordinated Notes, upon reasonable request by such U.S. Noteholder with the information reasonably available to the Issuer that a U.S. Noteholder would need to make a QEF election. Except as expressly noted, the discussion below assumes that a QEF election will not be made.

As a result of the nature of the Collateral Obligations that the Issuer intends to hold, the Issuer may hold investments treated as equity of foreign corporations that are PFICs. In such a case, assuming that the Issuer is a PFIC, a U.S. Holder would be treated as owning its pro rata share of the stock of the PFIC owned by the Issuer. Such a U.S. Holder would be subject to the rules generally applicable to shareholders of PFICs discussed above with respect to distributions received by the Issuer from such PFIC and dispositions by the Issuer of the stock of such PFIC (even though the U.S. Holder may not have received the proceeds of such distribution or disposition). Assuming the Issuer receives the necessary information from the PFIC in which it owns stock, certain U.S. Holders may make the QEF election discussed above with respect to the stock of such PFIC at the Issuer's expense (as discussed above). However, no assurance can be given that the Issuer will be able to provide U.S. Holders with such information.

Each U.S. Noteholder of a Class M Subordinated Note must make an annual return on IRS Form 8621, reporting distributions received and gains realised with respect to each PFIC in which the U.S. Noteholder holds a direct or indirect interest. Prospective purchasers should consult their tax advisors regarding the potential application of the PFIC rules. If a U.S. Noteholder does not file Form 8621, the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. Noteholder for the related tax year may not close before the date which is three years after the date on which such report is filed. Prospective investors should consult their own tax advisors regarding the potential application of the PFIC rules.

Investment in a Controlled Foreign Corporation. Depending on the degree of ownership of the Class M Subordinated Notes and other equity interests in the Issuer by U.S. Noteholders and whether the Class M Subordinated Notes are treated as voting securities, the Issuer may constitute a controlled foreign corporation ("**CFC**"). In general, a foreign corporation will constitute a CFC if more than 50 per cent. of the shares of the corporation, measured by reference to combined voting power or value, are owned, directly or indirectly, by "U.S. 10 per cent. Shareholders". A "**U.S. 10 per cent. Shareholder**", for this purpose, is any U.S. person that owns or is treated as owning under specified attribution rules, 10 per cent. or more of the combined voting power or, for taxable years beginning on or after January 1, 2018, 10 per cent. or more of the total value of all classes of shares of a corporation. If more than 50 per cent. of the Class M Subordinated Notes and other equity interests in the Issuer are held by such U.S. 10 per cent. Shareholders, the Issuer would be treated as a CFC.

If the Issuer were treated as a CFC, a U.S. 10 per cent. Shareholder of the Issuer would be treated, subject to certain exceptions, as receiving a dividend at the end of the taxable year of the Issuer in an amount equal to that person's pro rata share of the "subpart F income" and investments in U.S. property of the Issuer. Among other items, and subject to certain exceptions, "subpart F income" includes dividends, interest, annuities, gains from the sale of shares and securities, certain gains from commodities transactions, certain types of insurance income and income from certain transactions with related parties. It is likely that, if the Issuer were to constitute a CFC, substantially all of its income would be subpart F income. In addition, special rules apply to determine the appropriate exchange rate to be used to translate such amounts treated as a dividend and the amount of any foreign currency gain or loss with respect to distributions of previously taxed amounts attributable to movements in exchange rates between the times of deemed and actual distributions and certain "dividends" from such CFC could be recharacterised as U.S. source income for U.S. foreign tax credit purposes. Unless otherwise noted, the discussion below assumes that the Issuer is not a CFC. U.S. Noteholders should consult their tax advisors regarding these special rules.

If the Issuer were to constitute a CFC, for the period during which a U.S. Noteholder of Class M Subordinated Notes is a U.S. 10 per cent. Shareholder of the Issuer, such Noteholder generally would be taxable on the subpart F income and investments in U.S. property of the Issuer under rules described in the preceding paragraph and not under the PFIC rules previously described. A U.S. Noteholder that is a U.S. 10 per cent. Shareholder of the Issuer subject to the CFC rules for only a portion of the time during which it holds Class M Subordinated Notes should consult its own tax advisor regarding the interaction of the PFIC and CFC rules.

If the Issuer is a CFC, the Issuer intends to supply U.S. Noteholders of the Class M Subordinated Notes with the information needed for such U.S. Noteholders to comply with the CFC rules.

Distributions on the Class M Subordinated Notes. Except to the extent that distributions are attributable to amounts previously taxed pursuant to the CFC rules or a QEF election is made, some or all of any distributions with respect to the Class M Subordinated Notes may constitute excess distributions, taxable as previously described. Distributions of current or accumulated earnings and profits of the Issuer which are not excess distributions will be taxed as dividends when received. The amount of such income is determined by translating the foreign currency received into U.S. dollars at the spot rate on the date of receipt. A U.S. Noteholder may realise foreign currency gain or loss on a subsequent disposition of the foreign currency received.

Disposition of the Class M Subordinated Notes. In general, a U.S. Noteholder of a Class M Subordinated Note will recognise gain or loss upon the sale or exchange of the Class M Subordinated Note equal to the difference between the amount realised and such Noteholder's adjusted tax basis in such Class M Subordinated Note. Initially, the tax basis of a U.S. Noteholder should equal the amount paid for a Class M Subordinated Note. Such basis will be increased by amounts taxable to such Noteholder by virtue of the QEF or CFC rules (if applicable), and decreased by actual distributions from the Issuer that are deemed to consist of such previously taxed amounts or are treated as a non-taxable return of capital. A U.S. Noteholder that receives foreign currency upon the sale or other disposition of the Class M Subordinated Notes generally will realise an amount equal to the U.S. Dollar value of the foreign currency on the date of sale. A U.S. Noteholder will have a tax basis in the foreign currency received equal to the U.S. Dollar amount realised. Any gain or loss realised by a U.S. Noteholder on a subsequent conversion of the foreign currency for a different amount will be foreign currency gain or loss. If, however, the Class M Subordinated Notes are traded on an established securities market, a cash basis U.S. Noteholder or electing accrual basis U.S. Noteholder will determine the amount realised on the settlement date.

Unless a QEF election is made, it is highly likely that any gain realised on the sale or exchange of a Class M Subordinated Note will be treated as an excess distribution and taxed as ordinary income under the special tax rules described above (assuming that the PFIC rules apply and not the CFC rules).

Subject to a special limitation for individual U.S. Noteholders that have held the Class M Subordinated Notes for more than one year, if the Issuer were treated as a CFC and a U.S. Noteholder were treated as a U.S. 10 per cent. Shareholder therein, then any gain realised by such Noteholder upon the disposition of Class M Subordinated Notes would be treated as ordinary income to the extent of the U.S. Noteholder's pro rata share of current and accumulated earnings and profits of the Issuer. In this respect, earnings and profits would not include any amounts previously taxed pursuant to the CFC rules.

Foreign Currency Gain or Loss. A U.S. Noteholder of Class M Subordinated Notes (or other Notes treated as equity interests in the Issuer) that recognises income from the Class M Subordinated Notes under the QEF or CFC rules discussed above will recognise foreign currency gain or loss attributable to movement in foreign exchange rates between the date when it recognised income under those rules and the date when the income actually is distributed. Any such foreign currency gain or loss will be treated as ordinary income or loss from the same source as the associated income inclusion.

A U.S. Noteholder that purchases Class M Subordinated Notes with previously owned foreign currency generally will recognise foreign currency gain or loss in an amount equal to any difference between the U.S. Noteholder's tax basis in the foreign currency and the U.S. dollar value of the foreign currency at the spot rate on the date the Notes are purchased. A U.S. Noteholder that receives foreign currency upon the sale or other disposition of the Class M Subordinated Notes generally will realise an amount equal to the U.S. dollar value of the foreign currency on the date of sale. A U.S. Noteholder will have a tax basis in the foreign currency received equal to the U.S. dollar amount realised. Any gain or loss realised by a U.S. Noteholder on a subsequent conversion of the foreign currency for a different amount will be foreign currency gain or loss.

Transfer and Other Reporting Requirements

In general, U.S. Noteholders who acquire Class M Subordinated Notes (or any Class of Notes that is recharacterised as equity in the Issuer) for cash may be required to file a Form 926 with the IRS and to supply certain additional information to the IRS if (i) such U.S. Noteholder owns (directly or indirectly) immediately after the transfer, at least 10 per cent. by vote or value of the Issuer or (ii) the transfer when aggregated with all related transfers under applicable regulations, exceeds U.S.$100,000.

In addition, a U.S. Noteholder of Class M Subordinated Notes (or any Class of Notes that is recharacterised as equity in the Issuer) that owns (actually or constructively) at least 10 per cent. by vote or value of the Issuer (and each officer or director of the Issuer that is a U.S. citizen or resident) may be required to file an information return on IRS Form 5471. A U.S. Noteholder of Class M Subordinated Notes generally is required to provide additional information regarding the Issuer annually on IRS Form 5471 if it owns (actually or constructively) more than 50 per cent. by vote or value of the Issuer.

Prospective investors in the Class M Subordinated Notes (or any Class of Notes or other interest that could be recharacterised as equity in the Issuer) should consult with their own tax advisors regarding whether they are required to file IRS Form 8886 in respect of this transaction. Such filing generally will be required if such investors file U.S. federal income tax returns or U.S. federal information returns and recognise losses in excess of a specified threshold. Such filing will also generally be required by a U.S. Noteholder of the Class M Subordinated Notes if the Issuer both participates in certain types of transactions that are treated as "reportable transactions," such as a transaction in which its loss exceeds a specified threshold, and either (x) such U.S. Noteholder owns 10 per cent. or more of the aggregate amount of the Class M Subordinated Notes and makes a QEF Election with respect to the Issuer or (y) the Issuer is treated as a CFC and such U.S. Noteholder is a "U.S. Shareholder" (as defined above) of the Issuer. If the Issuer does participate in a reportable transaction, it will make reasonable efforts to make such information available.

Certain U.S. Noteholders will be subject to reporting obligations with respect to their Notes if they do not hold them in an account maintained by a financial institution and the aggregate value of their Notes and certain other "specified foreign financial assets" exceeds certain U.S. dollar thresholds.

A U.S. Holder of Class M Subordinated Notes (or any Class of Notes that are treated as equity in the Issuer for U.S. federal income tax purposes) may be required to file FinCEN Form 114 with respect to foreign financial accounts in which the Issuer has a financial interest if the U.S. Holder holds more than 50 per cent. of the aggregate outstanding principal amount of such Notes or is otherwise treated as owning more than 50 per cent. of the total value or voting power of the Issuer's outstanding equity.

U.S. Holders that fail to comply with applicable reporting requirements may be subject to adverse tax consequences, including a "tolling" of the statute of limitations with respect to their U.S. tax returns and in some cases significant penalties. U.S. Holders should consult their tax advisors with respect to these and any other reporting requirements that may apply with respect to their acquisition or ownership of the Notes.

U.S. Federal Tax Treatment of Non-U.S. Holders of Notes

In general, payments on the Notes to a Non-U.S. Holder that provides appropriate tax certifications to the Issuer and gain realised on the sale, exchange or retirement of the Notes by the Non-U.S. Holder will not be subject to U.S. federal income or withholding tax unless (a) such income is effectively connected with a trade or business conducted by such Non-U.S. Holder in the United States, or (b) in the case of gain, such Non-U.S. Holder is a nonresident alien individual who holds the Notes as a capital asset and is present in the United States for more than 182 days in the taxable year of the sale and certain other conditions are satisfied.

Information Reporting and Backup Withholding

Under certain circumstances, the Code requires "information reporting" annually to the IRS and to each holder, and "backup withholding", with respect to certain payments made on or with respect to the Notes. Backup withholding will apply to a U.S. Holder only if the U.S. Holder (a) fails to furnish its Taxpayer Identification Number ("**TIN**") which, for an individual, would be his or her Social Security Number, (b) furnishes an incorrect TIN, (c) is notified by the IRS that it has failed to properly report payments of interest and dividends, or (d) under certain circumstances, fails to certify, under penalties of perjury, that it has furnished a correct TIN and has not been notified by the IRS that it is subject to backup withholding for failure to report interest and dividend payments. The exemption generally is available to U.S. Holders that provide a properly completed IRS Form W-9.

A Non-U.S. Holder that provides an applicable IRS Form W-8, together with all appropriate attachments, signed under penalties of perjury, identifying the Non-U.S. Holder and stating that the Non-U.S. Holder is not a United States person, will not be subject to IRS reporting requirements and U.S. backup withholding.

Backup withholding is not an additional tax and may be refunded (or credited against the holder's U.S. federal income tax liability, if any), *provided that* certain required information is furnished. The information reporting

requirements may apply regardless of whether withholding is required. Copies of the information returns also may be made available to the tax authorities in the country in which a Non-U.S. Holder is a resident under the provisions of an applicable income tax treaty or agreement.

FATCA

Pursuant to FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer expects to be a foreign financial institution for these purposes. A number of jurisdictions (including Ireland) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019 and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

Each Noteholder may be required to provide certifications and identifying information about itself and its owners (or beneficial owners) in order to enable the Issuer (or an Intermediary) to identify and report on the Noteholder and certain of the Noteholder's direct and indirect U.S. beneficial owners to the IRS or a Dutch authority. Further, the Noteholder will be required to permit the Issuer to share such information with the relevant taxing authority. Although certain exceptions to these disclosure requirements could apply, each Noteholder should assume that if it fails to provide the required information or otherwise prevents the Issuer from complying with FATCA, the Issuer will generally have the right to force the sale of the Noteholder's Notes (and such sale could be for less than its then fair market value).

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form.

Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR NOTEHOLDER. EACH PROSPECTIVE NOTEHOLDER IS STRONGLY URGED TO CONSULT ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES UNDER THE NOTEHOLDER'S OWN CIRCUMSTANCES.

CERTAIN ERISA CONSIDERATIONS

ERISA imposes certain requirements on "**employee benefit plans**" subject thereto, on entities (such as collective investment funds, insurance company separate accounts and some insurance company general accounts) the underlying assets of which include the assets of such plans (collectively, "**ERISA Plans**"), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirements of prudence, diversification and investments being made in accordance with the documents governing the plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan, as well as assets of those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts and Keogh plans, and entities the underlying assets of which include the assets of such plans (together with ERISA Plans, "**Plans**") and certain persons (referred to as "**parties in interest**" under ERISA or "**disqualified persons**" under the Code (collectively, "**Parties in Interest**")) having certain relationships to such Plans, unless a statutory or administrative exception or exemption is applicable to the transaction. A Party in Interest who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code and the transaction may have to be rescinded at significant cost to the Issuer.

Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and certain non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not subject to the fiduciary responsibility or prohibited transaction provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to substantially similar rules under Federal, state, local or non-U.S. law or regulation, and may be subject to the prohibited transaction rules of Section 503 of the Code.

Under ERISA and a regulation issued by the United States Department of Labor (29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA, the "**Plan Asset Regulation**"), if a Plan invests in an "**equity interest**" of an entity that is neither a "**publicly offered security**" nor a security issued by an investment company registered under the Investment Company Act of 1940, the Plan's assets are deemed to include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established (a) that the entity is an "**operating company**", as that term is defined in the Plan Asset Regulation, or (b) that less than 25 per cent. of the total value of each class of equity interest in the entity, disregarding the value of any equity interests held by persons (other than Benefit Plan Investors) with discretionary authority or control over the assets of the entity or who provide investment advice for a fee (direct or indirect) with respect to such assets (such as the Portfolio Manager), and their respective Affiliates (each a "**Controlling Person**"), is held by Benefit Plan Investors (the "**25 per cent. Limitation**"). A "**Benefit Plan Investor**" means (i) an employee benefit plan (as defined in Section 3(3) of ERISA), subject to the provisions of part 4 of Subtitle B of Title I of ERISA, (ii) a plan to which Section 4975 of the Code applies, or (iii) any entity whose underlying assets include plan assets by reason of such an employee benefit plan's or plan's investment in such entity.

If the underlying assets of the Issuer are deemed to be Plan assets, the obligations and other responsibilities of Plan sponsors, Plan fiduciaries and Plan administrators, and of Parties in Interest, under Parts 1 and 4 of Subtitle B of Title I of ERISA and Section 4975 of the Code, as applicable, may be expanded, and there may be an increase in their liability under these and other provisions of ERISA and the Code. In addition, various providers of fiduciary or other services to the entity, and any other parties with authority or control with respect to the Issuer, could be deemed to be Plan fiduciaries or otherwise parties in interest or disqualified persons by virtue of their provision of such services (and there could be an improper delegation of authority to such providers).

The Plan Asset Regulation defines an "equity interest" as any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and that has no substantial equity features. Although it is not free from doubt, the Issuer intends to treat the Class A-1 Notes, Class A-2 Notes, Class B-1 Notes, Class B-2 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes and Class D-2 Notes offered hereby as indebtedness with no substantial equity features for purposes of ERISA. The treatment of the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, Class C-2 Notes, Class D-1 Notes and the Class D-2 Notes as not being equity interests in the Issuer could, however, be affected, subsequent to their issuance, by certain changes in the structure or financial condition of the Issuer. However, the characteristics of the Class E Notes, the Class F Notes and the Class M Subordinated Notes for purposes of the Plan Asset Regulation are less certain. The Class E Notes, the Class F Notes and the Class M Subordinated Notes may be considered "equity interests" for purposes of the Plan Asset Regulation. Accordingly, the Issuer intends to

prohibit investments by Benefit Plan Investors in such Class E Notes, Class F Notes and Class M Subordinated Notes. Each prospective purchaser (including a transferee) of a Class E Note, Class F Note or a Class M Subordinated Note will be required or deemed to make certain representations regarding its status as a Benefit Plan Investor and other related matters as described under "*Transfer Restrictions*" below. No Class E Notes, Class F Notes or Class M Subordinated Notes will be sold or transferred to purchasers that have represented that they are Benefit Plan Investors.

Each purchaser and transferee of any Note or interest therein that is a Benefit Plan Investor shall be required or deemed to represent and warrant to the Issuer, on each day from the date on which such beneficial owner acquires such Note or interest through and including the date on which it disposes of such Note or interest, and at any time when regulation 29 C.F.R. Section 2510.3-21, as modified in 2016, is applicable, that the fiduciary making the decision to invest in the Notes on its behalf (the "**Independent Fiduciary**") (a) is a bank, insurance company, registered investment adviser, broker-dealer or other person with financial expertise, in each case as described in 29 C.F.R. Section 2510.3-21(c)(1)(i); (b) is an independent plan fiduciary within the meaning of 29 C.F.R. Section 2510.3-21(c); (c) is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies; (d) is responsible for exercising independent judgement in evaluating the acquisition, holding and disposition of the Notes; and (e) neither the Benefit Plan Investor nor the Independent Fiduciary is paying or has paid any fee or other compensation to any of the Issuer, the Initial Purchaser, the Trustee or the Portfolio Manager for investment advice (as opposed to other services) in connection with its acquisition or holding of the Notes. In addition, each such purchaser or transferee will be required or deemed to acknowledge and agree that the Independent Fiduciary (x) has been informed that none of the Issuer, the Initial Purchaser or the Portfolio Manager, or other persons that provide marketing services, nor any of their affiliates, has provided, and none of them will provide, impartial investment advice and they are not giving any advice in a fiduciary capacity, in connection with the purchaser's or transferee's acquisition or holding of the Notes and (y) has received and understands the disclosure of the existence and nature of the financial interests contained in the offering circular and related materials.

Even if the Class A-1 Notes, Class A-2 Notes, Class B-1 Notes, Class B-2 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes and Class D-2 Notes would not be treated as equity interests in the Issuer for purposes of ERISA, it is possible that an investment in such Notes by a Benefit Plan Investor (or with the use of the assets of a Benefit Plan Investor) could be treated as a prohibited transaction under ERISA and/or Section 4975 of the Code. Such a prohibited transaction, however, may be subject to a statutory or administrative exemption. Even if an exemption were to apply, such exemption may not, however, apply to all of the transactions that could be deemed prohibited transactions in connection with an investment in the Notes by a Benefit Plan Investor.

Each of the Issuer, the Initial Purchaser, the Portfolio Manager, a Portfolio Manager Related Person, or their respective Affiliates may be the sponsor of, or investment adviser with respect to one, or more Plans. Because such parties may receive certain benefits in connection with the sale of the Notes to such Plans, whether or not the Notes are treated as equity interests in the Issuer, the purchase of such Notes using the assets of a Plan over which any of such parties has investment authority might be deemed to be a violation of the prohibited transaction rules of ERISA and/or Section 4975 of the Code for which no exemption may be available. Accordingly, the Class A-1 Notes, Class A-2 Notes, Class B-1 Notes, Class B-2 Notes, Class C-1 Notes, Class C-2 Notes, Class D-1 Notes and Class D-2 Notes may not be acquired using the assets of any Plan if any of the Issuer, the Initial Purchaser, the Portfolio Manager, a Portfolio Manager Related Person or their respective affiliates has investment authority with respect to such assets (except to the extent (if any) that a favourable statutory or administrative exemption or exception applies or the transaction is not otherwise prohibited).

It should be noted that an insurance company's general account may be deemed to include assets of Plans under certain circumstances, e.g., where a Plan purchases an annuity contract issued by such an insurance company, based on the reasoning of the United States Supreme Court in John Hancock Mutual Life Ins. Co. v. Harris Trust and Savings Bank, 510 U.S. 86 (1993). An insurance company considering the purchase of Notes with assets of its general account should consider such purchase and the insurance company's ability to make the representations described above in light of John Hancock Mutual Life Ins. Co. v. Harris Trust and Savings Bank, Section 401(c) of ERISA and a regulation promulgated by the U.S. Department of Labor under that Section of ERISA, 29 C.F.R. Section 2550.401c-1.

Each purchaser and transferee of a Class A-1 Note, Class A-2 Note, Class B-1 Note, Class B-2 Note, Class C-1 Note, Class C-2 Note, Class D-1 Note or Class D-2 Note or any interest in such Note will be deemed to have represented, warranted and agreed that (A) either (1) it is not and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law or

regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code ("**Other Plan Law**"), and no part of the assets to be used by it to acquire or hold such Note or any interest therein constitutes the assets of any Benefit Plan Investor or such governmental, church, non-U.S. or other plan, or (2) its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of a governmental, church, non-U.S. or other plan, a violation of any Other Plan Law, and (B) it will not sell or transfer such Note (or interest therein) to a transferee acquiring such Note (or interest therein) unless the transferee makes the foregoing representations, warranties and agreements described in clause (A) hereof.

Each purchaser on the Issue Date of a Class E Note, Class F Note or Class M Subordinated Note in the form of a Global Certificate and each purchaser or transferee of a Class E Note, Class F Note or Class M Subordinated Note in the form of a Definitive Certificate will be required to represent, warrant and agree, and each purchaser or transferee of a Class E Note, Class F Note or Class M Subordinated Note in the form of a Global Certificate on a date other than the Issue Date will be deemed to represent, warrant and agree that (I) (a) for so long as it holds such Note or an interest therein it is not and is not acting on behalf of, a Benefit Plan Investor, and (b) if it is a governmental, church, non-U.S. or other plan, (i) it is not, and for so long as it holds such Note or interest therein will not be, subject to any federal, state, local or non-U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer or the Portfolio Manager (or other persons responsible for the investment and operation of the Issuer's assets) to Other Plan Law ("**Similar Law**") and (ii) its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a violation of any Other Plan Law and (II) it will agree to certain transfer restrictions regarding its interest in such Note.

Any Plan fiduciary considering whether to acquire a Note on behalf of a Plan or a plan not subject to ERISA or Section 4975 of the Code should consult with its counsel regarding the potential consequences of such investment, the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code and/or provisions of Similar Plan Law or Other Plan Law, and the scope of any available exemption relating to such investment.

The sale of Notes to a Plan or an employee benefit plan not subject to ERISA or Section 4975 of the Code is in no respect a representation or warranty by the Issuer, or any other person that this investment meets all relevant legal requirements with respect to investments by Plans or such other plans generally or any particular plan, that any prohibited transaction exemption would apply to the acquisition, holding, or disposition of this investment by such plans in general or any particular plan, or that this investment is appropriate for such plans generally or any particular plan.

This Offering Circular is not directed to any particular purchaser, nor does it address the needs of any particular purchaser. None of the Issuer, the Initial Purchaser, the Portfolio Manager, Portfolio Manager Related Person or any of their affiliates shall provide any advice or recommendation with respect to the management of any interests in a Class A Note, Class B Note, Class C Note or Class D Note or the advisability of acquiring holding, disposing or exchanging of such interest.

PLAN OF DISTRIBUTION

The following description consists of a summary of certain provisions of the Subscription Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement. Capitalised terms used in this section and not otherwise defined herein or in this Offering Circular shall have the meaning given to them in Condition 1 (Definitions) of the terms and conditions of the Notes.

Barclays Bank PLC in its capacity as initial purchaser (the "**Initial Purchaser**") has agreed with the Issuer, subject to the satisfaction of certain conditions, to facilitate the sale of the Notes pursuant to the Subscription Agreement. The Subscription Agreement entitles the Initial Purchaser to terminate it in certain circumstances prior to payment being made to the Issuer. Either the Initial Purchaser or the Issuer may offer the Notes at prices as may be privately negotiated at the time of sale which may vary among different purchasers and which may be different from the issue price of the Notes.

The Retention Holder shall agree to purchase the Retention Notes from the Initial Purchaser at the relevant initial offer prices set out herein.

It is a condition of the issue of the Notes of each Class that the Notes of each other Class be issued in the following principal amounts: Class A-1 Notes: €253,500,000, Class A-2 Notes: €21,000,000, Class B-1 Notes: €22,000,000, Class B-2 Notes: €32,000,000, Class C-1 Notes: €17,820,000, Class C-2 Notes: €10,530,000, Class D-1 Notes: €16,030,000, Class D-2 Notes: €7,370,000, Class E Notes: €24,750,000, Class F Notes: €12,150,000 and Class M Subordinated Notes: €49,550,000.

Pursuant to the Subscription Agreement, the Issuer has agreed to indemnify the Initial Purchaser against certain liabilities or to contribute to payments they may be required to make in respect thereof.

Certain of the Collateral Debt Obligations may have been originally underwritten or placed by the Initial Purchaser. In addition, the Initial Purchaser may have in the past performed and may in the future perform investment banking services or other services for issuers of the Collateral Debt Obligations. In addition, the Initial Purchaser and its Affiliates may from time to time as a principal or through one or more investment funds that it or they manage, make investments in the equity securities of one or more of the issuers of the Collateral Debt Obligations, with a result that one or more of such issuers may be or may become controlled by the Initial Purchaser or its Affiliates.

In addition, in the ordinary course of their business activities, the Initial Purchaser and its Affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments (including the Notes) of the Issuer. The Initial Purchaser and its Affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

No action has been or will be taken by the Issuer, the Initial Purchaser, the Portfolio Manager, or the Retention Holder that would permit a public offering of the Notes or possession or distribution of this Offering Circular or any other offering material in relation to the Notes in any jurisdiction where action for the purpose is required, other than the application for the approval of this Offering Circular to and by the Irish Stock Exchange. No offers, sales or deliveries of any Notes, or distribution of this Offering Circular or any other offering material relating to the Notes, may be made in or from any jurisdiction, except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer, the Initial Purchaser.

United States of America - General

The Notes have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. Persons or to U.S. Residents except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act and in the manner so as not to require the registration of the Issuer as an "investment company" pursuant to the Investment Company Act.

The Issuer has been advised that the Initial Purchaser proposes to resell each Class of the Notes (a) outside the United States to non-U.S. Persons in offshore transactions in reliance on Regulation S and in accordance with applicable law and (b) in the United States (directly or through its U.S. broker dealer Affiliate) in reliance on

Rule 144A only to or for the accounts of QIBs, provided that each of such purchasers or accountholders is also a QP.

Notes of each Class of Rated Notes in the form of Regulation S Notes will be issued in minimum denominations of €100,000 and integral multiples of €500 in excess thereof.

Each Class of Rated Note in the form of Rule 144A Notes will be issued in minimum denominations of €250,000 and integral multiples of €500 in excess thereof.

Any offer or sale of Rule 144A Notes in reliance on Rule 144A will be made by broker dealers who are registered as such under the Exchange Act. After the Notes are released for sale, the offering price and other selling terms may from time to time be varied by the Initial Purchaser.

The Initial Purchaser has acknowledged and agreed that it will not offer, sell or deliver any Regulation S Notes to, or for the account or benefit of, any U.S. Person or U.S. Resident as part of their distribution at any time and that it will send to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Regulation S Notes a confirmation or other notice setting forth the prohibition on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, any U.S. Person or U.S. Resident.

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Notes and for the listing of the Notes of each Class on the Global Exchange Market of the Irish Stock Exchange. The Issuer and the Initial Purchaser each reserves the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than the principal amount of Notes which may be offered. This Offering Circular does not constitute an offer to any person in the United States or to any U.S. Person. Distribution of this Offering Circular to any such U.S. Person or to any person within the United States, other than in accordance with the procedures described above, is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer and the Initial Purchaser, is prohibited.

The Initial Purchaser has agreed to comply with the following selling restrictions:

(i) **State of Connecticut**: The Notes have not been registered under the Connecticut Securities Law. The Notes are subject to restrictions on transferability and sale.

(ii) **State of Florida**: The Notes offered hereby will be sold to, and acquired by, the holder in a transaction exempt under Section 517.061 of the Florida Securities Act. The Notes have not been registered under the Florida Securities Act in the state of Florida. In addition, if sales are made to five or more persons in Florida, all Florida purchasers other than exempt institutions specified in Section 517.061(7) of the Florida Securities Act shall have the privilege of voiding the purchase within three (3) days after the first tender of consideration is made by such purchaser to the Issuer, an agent of the Issuer, or an escrow agent.

(iii) **State of Georgia**: The Notes have been issued or sold in reliance on paragraph (14) of Code Section 10–5–11 of the Georgia Securities Act of 2008, as amended, and will therefore not be sold or transferred except in a transaction which is exempt under such Act or pursuant to an effective registration under such Act.

Other Selling Restrictions

The Initial Purchaser has agreed to comply with the following selling restrictions:

(a) **United Kingdom**

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (as amended) ("**FSMA**") received by it in connection with the issue or sale of the Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

(b) **Prohibition of Sales to EEA Retail Investors**: The Initial Purchaser has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

(c) **Australia**: Neither this Offering Circular nor any other prospectus or disclosure document (as defined in the Corporations Act 2001 (the "**Corporations Act**")) in relation to the Notes has been or will be lodged with the Australian Securities and Investments Commission. The Initial Purchaser has therefore represented and agreed that:

(i) the Notes will not be offered or sold, directly or indirectly, in Australia, its territories or possessions, or to any resident of Australia, except by way of an offer or sale not required to be disclosed pursuant to Part 6D.2 or Part 7.9 of the Corporations Act; and

(ii) no recommendation to acquire, offer or invitation for issue or sale, offer or invitation to arrange the issue or sale, or issue or sale, has been or will be made to a 'retail client' (as defined in Section 761G of the Corporations Act and applicable regulations) in Australia. This document will only be provided to 'professional investors' as defined in the Corporations Act.

(d) **Austria**: No prospectus has been or will be approved and/or published pursuant to the Austrian Capital Markets Act (*Kapitalmarktgesetz – KMG*) (the "**KMG**") as amended. Neither this Offering Circular nor any other document connected therewith constitutes a prospectus according to the KMG and neither this Offering Circular nor any other document connected therewith may be distributed, passed on or disclosed to any other person in Austria, save as specifically agreed with the Initial Purchaser. No document pursuant to Directive 2003/71/EC has been or will be drawn up and approved in Austria and no document pursuant to Directive 2003/71/EC has been or will be passported into Austria as the Notes will be offered in Austria in reliance an on exemption from the document publication requirement under the KMG. The Initial Purchaser have represented and agreed that it will offer the Notes in Austria only in compliance with the provisions of the KMG, and Notes will therefore not be publicly offered or (re)sold in Austria without a document being published or an applicable exemption from such requirement being relied upon.

(e) **Bahrain**: This Offering Circular has not been approved by the Central Bank of Bahrain which takes no responsibility for its contents. The Initial Purchaser has represented and agreed that no offer to the public to purchase the Notes will be made in the Kingdom of Bahrain and this Offering Circular is intended to be read by the addressee only and will not be passed to, issued to, or shown to the public generally.

(f) **Belgium**: The offering of Notes has not been and will not be notified to the Belgian Financial Services and Markets Authority (*autoriteit voor financiële diensten en markten/autorité des services et marchés financiers*) nor has this Offering Circular been, nor will it be, approved by the Belgian Financial Services and Markets Authority. The Notes may not be distributed in Belgium by way of an offer of the Notes to the public, as defined in Article 3, §1 of the Act of 16 June 2006 relating to public offers of investment instruments, as amended or replaced from time to time and taking into account the provisions of Directive 2010/73/EU that are sufficiently clear, precise and unconditional to be capable of vertical direct effect, save in those circumstances (commonly called 'private placement') set out in Article 3 §2 of the Act of 16 June 2006 relating to public offers of investment instruments, as amended or replaced from time to time and taking into account the provisions of Directive 2010/73/EU that are sufficiently clear, precise and unconditional to be capable of vertical direct effect. This document will be distributed in Belgium only to such investors for their personal use and exclusively for the purposes of this offering of Notes. The Initial Purchaser has represented and agreed that it will not:

(i) offer for sale, sell or market the Notes in Belgium otherwise than in conformity with the Act of 16 June 2006 taking into account the provisions of Directive 2010/73/EU that are sufficiently clear, precise and unconditional to be capable of vertical direct effect; and

(ii) offer for sale, sell or market the Notes to any person qualifying as a consumer within the meaning of Article I.1 of the Code of Economic Law, as modified, otherwise than in conformity with such code and its implementing regulations.

(g) **Cayman Islands**: The Initial Purchaser has represented and agreed that it will not make any invitation to the public in the Cayman Islands to subscribe for the Notes.

(h) **Cyprus**: This document does not constitute an offer or solicitation to the public in Cyprus or to anyone in Cyprus other than a firm offering investment services, an insurance company or an undertaking for collective investment in transferable securities. This document does not constitute an offer or solicitation to any person to whom it is unlawful to make such an offer or solicitation.

(i) **Denmark**: The Initial Purchaser has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any of the Notes to the public in Denmark unless in accordance with Chapter 6 or Chapter 12 of the Danish Notes Trading Act (Consolidated Act No. 883 of 9 August 2011, as amended from time to time) and the Danish Executive Order No. 223 of 10 March 2010 or the Danish Executive Order No. 222 of 10 March 2010, as amended from time to time, issued pursuant thereto.

For the purposes of this provision, an offer of the Notes in Denmark means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

(j) **France**: Neither this Offering Circular nor any other offering material relating to the Notes has been submitted to the clearance procedures of the Autorité des Marchés Financiers ("**AMF**") or to the competent authority of another member state of the European Economic Area and subsequently notified to the AMF.

The Initial Purchaser has represented and agreed that:

(i) the Notes have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France;

(ii) neither this Offering Circular nor any other offering material relating to the Notes has been or will be:

(A) released, issued, distributed or caused to be released, issued or distributed to the public in France; or

(B) used in connection with any offer for subscription or sale of the Notes to the public in France; and

(iii) such offers, sales and distributions will be made in France only:

(A) to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d'investisseurs*), in each case investing for their own account, all as defined in, and in accordance with, Articles l.411–2, D.411–1, D.411–2, D.734–1, D.744–1, D.754–1 and D.764–1 of the French Code Monétaire et Financier ("**CMF**");

(B) to investment services providers authorised to engage in portfolio management on behalf of third parties; or

(C) in a transaction that, in accordance with Article l.411–2 of the CMF and Article 211–2 of the *Règlement Général* of the AMF, does not constitute a public offer.

(k) **Germany**: The Notes will not be registered for public distribution in Germany. This Offering Circular does not constitute a sales document pursuant to the German Capital Investment Act

(*Vermögensanlagengesetz*). Accordingly, the Initial Purchaser has represented and agreed that no offer of the Notes will be made to the public in Germany. This Offering Circular and any other document relating to the Notes, as well as information or statements contained therein, will not be supplied to the public in Germany or used in connection with any offer for subscription of the Notes to the public in Germany or any other means of public marketing.

(l) **Hong Kong**: The contents of this Offering Circular have not been reviewed by any regulatory authority in Hong Kong. The Initial Purchaser has therefore represented and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a 'structured products' as defined in the Securities and Futures Ordinance (cap. 571) of Hong Kong) other than (a) to 'professional investors' as defined in the Securities and Futures Ordinance and any rules made under that ordinance ("**professional investors**"); or (b) in other circumstances which do not result in the document being a 'prospectus' as defined in the Companies Ordinance (cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that ordinance; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the Securities Laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors.

(m) **India**: This Offering Circular has not been and will not be registered as a prospectus with the Registrar of Companies in India or with the Securities and Exchange Board of India. This Offering Circular or any other material relating to these Notes is for information purposes only and may not be circulated or distributed, directly or indirectly, to the public or any members of the public in India and in any event to not more than 50 persons in India. Further, persons into whose possession this Offering Circular comes are required to inform themselves about and to observe any such restrictions. Each prospective investor is advised to consult its advisors about the particular consequences to it of an investment in these Notes. Each prospective investor is also advised that any investment in these Notes by it is subject to the regulations prescribed by the Reserve Bank of India and the Foreign Exchange Management Act and any regulations framed thereunder.

(n) **Ireland**: The Initial Purchaser has represented, warranted and agreed that it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite the Notes, or do anything in Ireland in respect of the Notes, otherwise than in conformity with the provisions of:

(i) the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any Central Bank of Ireland ("**Central Bank**") rules issued and / or in force pursuant to Section 1363 of the Companies Act 2014;

(ii) the Companies Act 2014;

(iii) the European Communities (Markets in Financial Instruments) Regulations 2007 (as amended) and it will conduct itself in accordance with any rules or codes of conduct and any conditions or requirements, or any other enactment, imposed or approved by the Central Bank;

(iv) Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the European Union (Market Abuse) Regulations 2016 and any Central Bank rules issued and / or in force pursuant to Section 1370 of the Companies Act 2014; and

(v) the Central Bank Acts 1942 to 2015 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989.

(o) **Israel**: This Offering Circular has not been approved by the Israeli Securities Authority and will only be distributed to Israeli residents in a manner that will not constitute 'an offer to the public' under sections 15 and 15a of the Israel Securities Law, 5728–1968 (the "**Securities Law**").

The Initial Purchaser has represented and agreed that the Notes will be offered to a limited number of investors (35 investors or fewer during any given 12 month period) and/or those categories of investors listed in the First Addendum (the "**Addendum**") to the Securities Law ("**Sophisticated Investors**"), namely joint investment funds or mutual trust funds, provident funds, insurance companies, banking corporations (purchasing the Notes for themselves or for clients who are Sophisticated Investors), portfolio managers (purchasing the Notes for themselves or for clients who are Sophisticated Investors), investment advisors or investment marketers (purchasing the Notes for themselves), members of the Tel–Aviv Stock Exchange (purchasing the Notes for themselves or for clients who are Sophisticated Investors), underwriters (purchasing the Notes for themselves), venture capital funds engaging mainly in the capital market, an entity which is wholly–owned by Sophisticated Investors, corporations, other than formed for the specific purpose of an acquisition pursuant to an offer, with a shareholder's equity in excess of NIS 50 million, and individuals in respect of whom the terms of item 9 in the Schedule to the Investment Advice Law hold true, investing for their own account, each as defined in the said Addendum, as amended from time to time, and who in each case have provided written confirmation that they qualify as Sophisticated Investors, and that they are aware of the consequences of such designation and agree thereto; in all cases under circumstances that will fall within the private placement or other exemptions of the Securities Law and any applicable guidelines, pronouncements or rulings issued from time to time by the Israeli Securities Authority.

(p) **Italy**: The sale of the Notes has not been cleared by CONSOB (the Italian Securities Exchange Commission) and the Bank of Italy pursuant to Italian Securities Legislation and, accordingly, the Initial Purchaser has represented and agreed that no Notes will be offered, sold or delivered, nor will copies of this Offering Circular or of any other document relating to the Notes be distributed in the Republic of Italy, except:

(i) to qualified investors (*investitori qualificati*) as defined under Article 34, paragraph 1, letter b), of CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**Regulation 11971/1999**"); or

(ii) in circumstances which are exempted from the rules on offers of notes to be made to the public pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998 ("**Financial Services Act**") and Article 34, first paragraph, of Regulation 11971/1999.

The Initial Purchaser acknowledges that any offer, sale or delivery of the Notes in the Republic of Italy or distribution of copies of this Offering Circular or any other document relating to the Notes in the Republic of Italy under paragraphs (i) and (ii) above must be:

(A) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 and Legislative Decree No. 385 of 1 September 1993, as amended; and

(B) in compliance with any other applicable laws and regulations.

Investors should also note that in accordance with Article 100–BIS of the Financial Services Act, where no exemption under paragraph (ii) above applies, any subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the rules on offers of notes to be made to the public provided under the Financial Services Act and the regulation 11971/1999. Failure to comply with such rules may result, *inter alia*, in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by the investors.

(q) **Japan**: The Notes have not been and will not be registered pursuant to Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, the Initial Purchaser has represented and agreed that none of the Notes nor any interest therein will be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any Japanese person or to others for re–offering or resale, directly or indirectly, in Japan or to any Japanese person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For this purpose, a "**Japanese person**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

(r) **Jersey**: The Notes may not be offered to, sold to or purchased or held by persons (other than financial institutions) resident for income tax purposes in Jersey.

The Notes may only be issued or allotted exclusively to:

(i) a person whose ordinary activities involve him in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of his business or who it is reasonable to expect will acquire, hold, arrange or dispose of investments (as principal or agent) for the purposes of his business; or

(ii) a person who has received and acknowledged a warning to the effect that (a) the securities are only suitable for acquisition by a person who (i) has a significantly substantial asset base such as would enable him to sustain any loss that might be incurred as a result of acquiring the securities; and (ii) is sufficiently financially sophisticated to be reasonably expected to know the risks involved in acquiring the securities and (b) neither the issue of the securities nor the activities of any functionary with regard to the issue of the Notes are subject to all the provisions of the Financial Services (Jersey) Law 1998.

Each person who acquires securities will be deemed, by such acquisition, to have represented that he or it is one of the foregoing persons.

(s) **The Grand Duchy of Luxembourg**:

The Notes may not be offered to the public in Luxembourg, except that they may be offered in Luxembourg in the following circumstances:

(i) in the period beginning on the date of publication of a prospectus in relation to those Notes which have been approved by the Commission de surveillance du secteur financier (the "**CSSF**") in Luxembourg or, where appropriate, approved in another relevant European Union Member State and notified to the CSSF, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;

(ii) at any time to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(iii) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or

(iv) at any time in any other circumstances which do not require the publication by the Issuers of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Securities to the public" in relation to any Notes in Luxembourg means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase the Notes, as defined in the Law of 10 July 2005 on prospectuses for securities and implementing Directive 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading (the "**Prospectus Directive**"), or any variation thereof or amendment thereto.

(t) **Netherlands**: The Notes may only be offered, sold or delivered in The Netherlands to qualified investors (as defined in the Dutch FSA) that do not qualify as "public" (within the meaning of the article 4(1) of the CRR).

(u) **New Zealand**: This offer of Notes does not constitute an 'offer of securities to the public' for the purposes of the Securities Act 1978 and, accordingly, there is neither a registered prospectus nor an investment statement available in respect of the offer. The Initial Purchaser has therefore represented and agreed that the Notes will only be offered to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money in accordance with the Securities Act 1978 and the Securities Regulations 2009.

(v) **Norway**: The Initial Purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in Norway (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes to the public in Norway except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Notes to the public in Norway at any time:

(i) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in notes;

(ii) to professional investors as defined in Section 1 of Annex II to Directive 2004/29/EC (as implemented in Norway); or

(iii) in any other circumstances which do not require the publication by the Issuer or any other entity of a document pursuant to Article 3 of the Prospectus Directive.

For the purposes of the provision above, the expression an 'offer of notes to the public' in relation to any Notes in Norway means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in Norway by any measure implementing the Prospectus Directive in Norway and the expression 'Prospectus Directive' means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in Norway.

(w) **Portugal**: The Initial Purchaser has represented and agreed with the Issuers that: (i) it has not advertised, offered or sold and will not, directly or indirectly, advertise, offer or sell the Notes in circumstances which could qualify as a public offer of Notes pursuant to the Portuguese Securities Code (*Código dos Valores Mobiliário*s, the "**CVM**") which would require the publication by the Issuer of a prospectus under the Prospectus Directive or in circumstances which would qualify as an issue or public placement of Notes in the Portuguese market; (ii) it has not distributed or caused to be distributed to the public in the Republic of Portugal this Offering Circular or any other offering material relating to the Notes; (iii) all applicable provisions of the CVM, any applicable *Comissão do Mercado de Valores Mobiliários* (Portuguese Securities Market Commission, the "**CMVM**") Regulations and all applicable provisions of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003/Prospectus Directive have been complied with regarding the Notes, in any matters involving the Republic of Portugal.

(x) **Qatar**: The Initial Purchaser has represented and agreed that the Notes will only be offered to a limited number of investors who are willing and able to conduct an independent investigation of the risks involved in an investment in such Notes.

(y) **Saudi Arabia**: This Offering Circular may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Saudi Arabian Capital Market Authority.

(z) **Singapore**: This Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Initial Purchaser has represented and agreed that the Notes will not be offered or sold or made the subject of an invitation for subscription or purchase, nor will this Offering Circular or any other offering document or material in connection with the offer or sale, or invitation for subscription or purchase of such Notes be circulated or distributed, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1) of the SFA or any person pursuant to Section 275(1a) of the SFA, and in each case in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where notes are subscribed or purchased under Section 275 by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

'securities' (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(A) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA or to any person where the transfer arises from an offer referred to in Section 275(1a) or Section 276(4)(i)(b) of the SFA;

(B) where no consideration is or will be given for the transfer;

(C) where the transfer is by operation of law; or

(D) as specified in Section 276(7) of the SFA.

(aa) **South Korea**: The Notes have not been registered with the Financial Services Commission of Korea for a public offering in Korea. The Initial Purchaser has therefore represented and agreed that the Notes have not been and will not be offered, sold or delivered directly or indirectly, or offered, sold or delivered to any person for re–offering or resale, directly or indirectly, in Korea or to any resident of Korea, except as otherwise permitted under applicable Korean Laws and regulations, including the Financial Investment Services and Capital Markets Act and the Foreign Exchange Transaction Law and the decrees and regulations thereunder.

(bb) **Spain**: Neither the Notes nor this Offering Circular have been approved or registered with the Spanish Notes Markets Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Initial Purchaser has represented and agreed that the Notes will not be offered or sold in Spain except in circumstances which do not constitute a public offering of notes within the meaning of Article 30–BIS of the Spanish Notes Market Law of 28 July 1988 (*LEY 24/1988, de 28 de julio, del Mercado de Valores*), as amended and restated, and supplemental rules enacted thereunder.

(cc) **Switzerland**: The Initial Purchaser acknowledges that this Offering Circular is being distributed in or from Switzerland to a small number of selected investors only and that the Notes are not being offered to the public in or from Switzerland, and neither this Offering Circular, nor any other offering materials relating to the Notes may be distributed in Switzerland in connection with any such public offering.

(dd) **Taiwan**: The Notes may be made available outside Taiwan for purchase by investors residing in Taiwan (either directly or through properly licensed Taiwan intermediaries acting on behalf of such investors) but may not be offered or sold in Taiwan.

(ee) **Turkey**: The offered Notes have not been and will not be registered with the Turkish Capital Market Board (the "**CMB**") under the provisions of the Capital Market Law (Law No. 2499). Accordingly neither this Offering Circular nor any other offering material related to the offering may be utilised in connection with any offering to the public within the Republic of Turkey without the prior approval of the CMB. However, according to Article 15(d)(ii) of the Decree No. 32 there is no restriction on the purchase or sale of the offered Notes by residents of the Republic of Turkey, provided that: they purchase or sell such offered Notes in the financial markets outside of the Republic of Turkey; and such sale and purchase is made through banks and/or licensed brokerage institutions in the Republic of Turkey.

TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Notes.

The Notes have not been registered under the Securities Act or any state securities or "Blue Sky" laws or the securities laws of any other jurisdiction and, accordingly, may not be reoffered, resold, pledged or otherwise transferred except in accordance with the restrictions described herein and set forth in the Trust Deed.

Without limiting the foregoing, by holding a Note, holders of Notes will acknowledge and agree, among other things, that such Noteholder understands that the Issuer is not registered as an investment company under the Investment Company Act, and that the Issuer intends to rely on an exclusion from registration by virtue of Section 3(c)(7) of the Investment Company Act. Section 3(c)(7) excepts from registration under the Investment Company Act those issuers who privately place their securities solely to, and whose securities are held solely by, persons who at the time of purchase are "qualified purchasers" or entities owned exclusively by "qualified purchasers" as such term is defined in the Investment Company Act. In general terms, qualified purchaser includes any natural person who owns not less than U.S.$5,000,000 in investments as such term is defined in the Investment Company Act; any person who in the aggregate owns and invests on a discretionary basis, not less than U.S.$25,000,000 in investments; and trusts as to which both the settlor and the decision-making trustee are qualified purchasers (but only if such trust was not formed for the specific purpose of making such investment).

Rule 144A Notes

Each prospective purchaser of Rule 144A Notes, by accepting delivery of this Offering Circular, will be deemed to have represented and agreed that such person acknowledges that this Offering Circular is personal to it and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Notes other than pursuant to Rule 144A or in offshore transactions in accordance with Regulation S. Distribution of this Offering Circular, or disclosure of any of its contents to any person other than such offeree and those persons, if any, retained to advise it with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.

Each purchaser of (i) Notes represented by a Rule 144A Global Certificate will be deemed to have represented and agreed and (ii) Rule 144A Notes represented by Definitive Certificates will be required to represent and agree, as follows:

1. The purchaser (a) is a QIB/QP, (b) is aware that the sale of such Notes to it is being made in reliance on Rule 144A, (c) is acquiring such Notes for its own account or for the account of a QIB as to which the purchaser exercises sole investment discretion, and in a principal amount of not less than €250,000 for the purchaser and for each such account and (d) will provide notice of the transfer restrictions described in the "Notice to Investors" to any subsequent transferees.

2. The purchaser understands that such Rule 144A Notes have not been and will not be registered under the Securities Act, and may be reoffered, resold or pledged or otherwise transferred only (a)(i) to a person whom the purchaser reasonably believes is a QIB purchasing for its own account or for the account of a QIB as to which the purchaser exercises sole investment discretion in a transaction meeting the requirements of Rule 144A or (ii) to a non-U.S. Person, in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S and (b) in accordance with all applicable securities laws including the securities laws of any state of the United States. The purchaser understands that the Issuer has not been registered under the Investment Company Act, and that the Issuer intends to rely on an exclusion from registration by virtue of Section 3(c)(7) of the Investment Company Act. The purchaser understands that before any interest in a Rule 144A Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Notes, the Registrar is required to receive a written certification from the purchaser (in the form provided in the Trust Deed) as to compliance with the transfer restrictions described herein. The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (2) shall be null and void *ab initio*.

3. The purchaser is not purchasing such Rule 144A Notes with a view toward the resale, distribution or other disposition thereof in violation of the Securities Act. The purchaser understands that an investment in the Rule 144A Notes involves certain risks, including the risk of loss of its entire

investment in the Rule 144A Notes under certain circumstances. The purchaser has had access to such financial and other information concerning the Issuer and the Notes as it deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the Rule 144A Notes, including an opportunity to ask questions of, and request information from, the Issuer.

4. In connection with the purchase of the Rule 144A Notes: (a) none of the Issuer, the Initial Purchaser, the Trustee, the Portfolio Manager or the Collateral Administrator is acting as a fiduciary or financial or portfolio manager for the purchaser; (b) the purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Initial Purchaser, the Trustee, the Portfolio Manager or the Collateral Administrator other than in this Offering Circular for such Notes and any representations expressly set forth in a written agreement with such party; (c) none of the Issuer, the Initial Purchaser, the Trustee, the Portfolio Manager or the Collateral Administrator has given to the purchaser (directly or indirectly through any other person) any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Rule 144A Notes; (d) the purchaser has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Trust Deed) based upon its own judgment and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the Issuer, the Initial Purchaser, the Trustee, the Portfolio Manager or the Collateral Administrator; (e) the purchaser has evaluated the rates, prices or amounts and other terms and conditions of the purchase and sale of the Rule 144A Notes with a full understanding of all of the risks thereof (economic and otherwise), and it is capable of assuming and willing to assume (financially and otherwise) those risks; and (f) the purchaser is a sophisticated investor.

5. The purchaser and each account for which the purchaser is acquiring such Rule 144A Notes is a QP. The purchaser is acquiring the Rule 144A Notes in a principal amount of not less than €250,000. The purchaser and each such account is acquiring the Rule 144A Notes as principal for its own account for investment and not for sale in connection with any distribution thereof. The purchaser and each such account: (a) was not formed for the specific purpose of investing in the Rule 144A Notes (except when each beneficial owner of the purchaser and each such account is a QP); (b) to the extent the purchaser is a private investment company formed before April 30, 1996, the purchaser has received the necessary consent from its beneficial owners; (c) is not a pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants, as applicable, may designate the particular investments to be made; and (d) is not a broker dealer that owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of unaffiliated issues. Further, the purchaser agrees with respect to itself and each such account: (x) that it shall not hold such Rule 144A Notes for the benefit of any other person and shall be the sole holder or beneficial owner thereof for all purposes; (y) that it shall not sell participation interests in the Rule 144A Notes or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Rule 144A Notes; and (z) that the Rule 144A Notes purchased directly or indirectly by it constitute an investment of no more than 40 per cent. of the purchaser's and each such account's assets (except when each beneficial owner of the purchaser and each such account is a QP). The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (5) will be of no force and effect, will be void *ab initio* and the Issuer will have the right to direct the purchaser to transfer its Rule 144A Notes to a Person who meets the foregoing criteria.

6. (a) With respect to the purchase, holding and disposition of any Class A-1 Note, Class A-2 Note, Class B-1 Note, Class B-2 Note, Class C-1 Note, Class C-2 Note, Class D-1 Note or Class D-2 Note or any interest in such Note (i) either (A) it is not and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a governmental, church, non-U.S. or other plan which is subject to any Other Plan Law, and no part of the assets to be used by it to acquire or hold such Note or any interest therein constitutes the assets of any Benefit Plan Investor or such governmental, church, non-U.S. or other plan, or (B) its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of a governmental, church, non-U.S. or other plan, a violation of any Other Plan Law, and (ii) it will not sell or transfer such Note (or interest therein) to an acquiror acquiring such Note (or

interest therein) unless the acquiror makes the foregoing representations, warranties and agreements described in clause (i) hereof. Any purported transfer of the Notes in violation of the requirements set forth in this paragraph 6(a) shall be null and void *ab initio* and the acquiror understands that the Issuer will have the right to cause the sale of such Notes to another acquiror that complies with the requirements of this paragraph 6(a) in accordance with the terms of the Trust Deed.

(b) A purchaser or transferee of Class E Notes, Class F Notes or Class M Subordinated Notes will be deemed to represent, warrant and agree that (i) for so long as it holds such Notes or interest therein, it is not, and is not acting on behalf of, a Benefit Plan Investor, and (ii) that if it is a governmental, church, non-U.S. or other plan, (A) it is not, and for so long as it holds such Notes or interest therein will not be, subject to Similar Law and (B) its acquisition, holding and disposition of such Notes or interest therein will not constitute or result in a violation of any Other Plan Law. Any purported transfer of the Class E Notes, Class F Notes or Class M Subordinated Notes in violation of the requirements set forth in this paragraph 6(b) shall be null and void *ab initio* and the acquiror understands that the Issuer will have the right to cause the sale of such Class E Notes, Class F Notes or Class M Subordinated Notes to another acquiror that complies with the requirements of this paragraph 6(b) in accordance with the terms of the Trust Deed.

7. Each purchaser and transferee of any Note or interest therein that is a Benefit Plan Investor shall be required or deemed to represent and warrant to the Issuer, on each day from the date on which such beneficial owner acquires such Note or interest through and including the date on which it disposes of such Note or interest, and at any time when regulation 29 C.F.R. Section 2510.3-21, as modified in 2016, is applicable, that the fiduciary making the decision to invest in the Notes on its behalf (the **Independent Fiduciary**) (a) is a bank, insurance company, registered investment adviser, broker-dealer or other person with financial expertise, in each case as described in 29 C.F.R. Section 2510.3-21(c)(l)(i); (b) is an independent plan fiduciary within the meaning of 29 C.F.R. Section 2510.3-21(c), (c) is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies; (d) is responsible for exercising independent judgment in evaluating the acquisition, holding and disposition of the Notes; and (e) neither the Benefit Plan Investor nor the Independent Fiduciary is paying or has paid any fee or other compensation to any of the Issuer, the Initial Purchaser, the Trustee or the Portfolio Manager for investment advice (as opposed to other services) in connection with its acquisition or holding of the Notes. In addition, each such purchaser or transferee will be required or deemed to acknowledge and agree that the Independent Fiduciary (x) has been informed that none of the Issuer, the Initial Purchaser or the Portfolio Manager, or other persons that provide marketing services, nor any of their affiliates, has provided, and none of them will provide, impartial investment advice and they are not giving any advice in a fiduciary capacity, in connection with the purchaser's or transferee's acquisition or holding of the Notes and (y) has received and understands the disclosure of the existence and nature of the financial interests contained in the offering circular and related materials.

8. The purchaser understands that pursuant to the terms of the Trust Deed, the Issuer has agreed that the Rule 144A Global Certificates or Definitive Certificates representing Rule 144A Notes, as applicable, offered in reliance on Rule 144A will bear the legend set forth below, and will be represented by one or more Rule 144A Global Certificates or Definitive Certificates representing Rule 144A Notes, as applicable. The Rule 144A Global Certificates may not at any time be held by or on behalf of, within the United States, persons, or outside the United States, U.S. Persons that are not QIB/QPs. Before any interest in a Rule 144A Global Certificate may be offered, resold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate, the transferor will be required to provide the Transfer Agent and the Issuer with a written certification (in the form provided in the Trust Deed) as to compliance with the transfer restrictions.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER

WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON, IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S OF THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, AND IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IN THE EVENT OF A VIOLATION OF (V) THROUGH (Z), THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE REGISTRAR.

TRANSFERS OF THIS NOTE OR OF PORTIONS OF THIS NOTE SHOULD BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED REFERRED TO HEREIN.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B-1 NOTES, CLASS B-2 NOTES, CLASS C-1 NOTES, CLASS C-2 NOTES, CLASS D-1 NOTES AND CLASS D-2 NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF) AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY ("**BENEFIT PLAN INVESTOR**"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD

THIS NOTE OR ANY INTEREST HEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER THIS NOTE (OR INTEREST HEREIN) TO AN ACQUIROR ACQUIRING THIS NOTE (OR INTEREST HEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND CLASS M SUBORDINATED NOTES IN THE FORM OF RULE 144A GLOBAL CERTIFICATES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR AND (II) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (A) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE PORTFOLIO MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") AND/OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") ("**SIMILAR LAW**"), AND (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR AN INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING TO SELL ITS INTEREST IN THE NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND CLASS M SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*]

[EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED TO REPRESENT, WARRANT AND AGREE THAT (I) FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR AND (II) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (A) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE PORTFOLIO MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") AND/OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") ("**SIMILAR LAW**"), AND (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR AN INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING TO SELL ITS INTEREST IN THE NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

EACH PURCHASER AND TRANSFEREE OF THIS NOTE OR INTEREST HEREIN THAT IS A BENEFIT PLAN INVESTOR SHALL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT TO THE ISSUER, ON EACH DAY FROM THE DATE ON WHICH SUCH BENEFICIAL OWNER ACQUIRES THIS NOTE OR INTEREST THROUGH AND INCLUDING THE DATE ON WHICH IT DISPOSES OF THIS NOTE OR INTEREST, AND AT ANY TIME WHEN REGULATION 29 C.F.R. SECTION 2510.3-21, AS MODIFIED IN 2016, IS APPLICABLE, THAT THE FIDUCIARY MAKING THE DECISION TO INVEST IN THE NOTES ON ITS BEHALF (THE "**INDEPENDENT FIDUCIARY**") (A) IS A BANK, INSURANCE COMPANY, REGISTERED INVESTMENT ADVISER, BROKER-DEALER OR OTHER PERSON WITH FINANCIAL EXPERTISE, IN EACH CASE AS DESCRIBED IN 29 C.F.R. SECTION 2510.3-21(C)(1)(I); (B) IS AN INDEPENDENT PLAN FIDUCIARY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-21(C); (C) IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH REGARD TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES; (D) IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGMENT IN EVALUATING THE ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE; AND (E) NEITHER THE BENEFIT PLAN INVESTOR NOR THE INDEPENDENT FIDUCIARY IS PAYING OR HAS PAID ANY FEE OR OTHER COMPENSATION TO ANY OF THE ISSUER, THE INITIAL PURCHASER, THE TRUSTEE OR THE PORTFOLIO MANAGER FOR INVESTMENT ADVICE (AS OPPOSED TO OTHER SERVICES) IN CONNECTION WITH ITS ACQUISITION OR HOLDING OF THIS NOTE. IN

ADDITION, EACH SUCH PURCHASER OR TRANSFEREE WILL BE REQUIRED OR DEEMED TO ACKNOWLEDGE AND AGREE THAT THE INDEPENDENT FIDUCIARY (X) HAS BEEN INFORMED THAT NONE OF THE ISSUER, THE INITIAL PURCHASER OR THE PORTFOLIO MANAGER, OR OTHER PERSONS THAT PROVIDE MARKETING SERVICES, NOR ANY OF THEIR AFFILIATES, HAS PROVIDED, AND NONE OF THEM WILL PROVIDE, IMPARTIAL INVESTMENT ADVICE AND THEY ARE NOT GIVING ANY ADVICE IN A FIDUCIARY CAPACITY, IN CONNECTION WITH THE PURCHASER'S OR TRANSFEREE'S ACQUISITION OR HOLDING OF THIS NOTE AND (Y) HAS RECEIVED AND UNDERSTANDS THE DISCLOSURE OF THE EXISTENCE AND NATURE OF THE FINANCIAL INTERESTS CONTAINED IN THE OFFERING CIRCULAR AND RELATED MATERIALS.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS C-1 NOTES, THE CLASS C-2 NOTES, CLASS D-1 NOTES, CLASS D-2 NOTES, CLASS E NOTES AND CLASS F NOTES*] [THIS NOTE WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**"). THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE ISSUER AT 3RD FLOOR, KILMORE HOUSE, PARK LANE, SPENCER DOCK, DUBLIN 1, IRELAND.]

[LEGEND TO BE INCLUDED IN RELATION TO CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B-1 NOTES, CLASS B-2 NOTES, CLASS C-1 NOTES, CLASS C-2 NOTES, CLASS D-1 NOTES, CLASS D-2 NOTES, CLASS E NOTES AND THE CLASS F NOTES IN THE FORM OF PM NON-VOTING NOTES AND PM NON-VOTING EXCHANGEABLE NOTES ONLY] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL NOT CARRY ANY RIGHT TO VOTE IN RESPECT OF, OR BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON A PM REMOVAL RESOLUTION OR A PM REPLACEMENT RESOLUTION.]

[LEGEND TO BE INCLUDED IN RELATION TO CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B-1 NOTES, CLASS B-2 NOTES, CLASS C-1 NOTES, CLASS C-2 NOTES, CLASS D-1 NOTES, CLASS D-2 NOTES, CLASS E NOTES AND THE CLASS F NOTES IN THE FORM OF PM VOTING NOTES AND CLASS M SUBORDINATED NOTES ONLY] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL CARRY A RIGHT TO VOTE IN RESPECT OF, AND BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON A PM REMOVAL RESOLUTION OR A PM REPLACEMENT RESOLUTION.]

9. The purchaser will not, at any time, offer to buy or offer to sell the Notes by any form of general solicitation or advertising, including, but not limited to, any advertisement, article, notice or other communication published in any newspaper, magazine or similar medium or broadcast over television or radio or seminar or meeting whose attendees have been invited by general solicitations or advertising.

10. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

11. The purchaser will treat the Issuer and the Notes as described in the "*Tax Considerations – Certain U.S. Federal Income Tax Considerations*" section of the Offering Circular for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law.

12. The purchaser will timely furnish the Issuer or its agents with any tax forms or certifications (including, without limitation, IRS Form W-9, an applicable IRS Form W-8, or any successors to such IRS forms) that the Issuer or its agents may reasonably request in order to (A) make payments to the purchaser without, or at a reduced rate of, deduction or withholding, (B) qualify for a reduced rate of withholding or deduction in any jurisdiction from or through which the Issuer or its agents receive payments, and (C) satisfy reporting and other obligations under the Code and Treasury Regulations, and under any other applicable law, and will update or replace any tax forms or certifications as appropriate or in accordance with their terms or subsequent amendments thereto. The purchaser acknowledges that the failure to provide, update or replace any such tax forms or certifications may result in the imposition of

withholding or back up withholding upon payments to the purchaser, or to the Issuer. Amounts withheld pursuant to applicable tax laws by the Issuer or its agents will be treated as having been paid to the purchaser by the Issuer.

13. The purchaser will provide the Issuer or its agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA and the CRS and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer. In the event the purchaser fails to provide such information or documentation, or to the extent that its ownership of Notes would otherwise cause the Issuer to be subject to any tax under FATCA, (A) the Issuer or its agents are authorised to withhold amounts otherwise distributable to the purchaser as compensation for any amounts withheld from payments to or for the benefit of the Issuer as a result of such failure or such ownership, and (B) except with respect to the Retention Holder's ownership of Retention Notes, to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or such ownership, the Issuer will have the right to compel the purchaser to sell its Notes and, if the purchaser does not sell its Notes within 10 Business Days after notice from the Issuer or its agents, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any taxes incurred by the Issuer in connection with such sale) to such purchaser as payment in full for such Notes. The Issuer may also assign each such Note, a separate securities identifier in the Issuer's sole discretion. The purchaser agrees that the Issuer, the Trustee or their agents or representatives may (1) provide any information and documentation concerning its investment in its Notes to the Office of Revenue Commissioners of Ireland, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA and the CRS.

14. Each purchaser of Class E Notes, Class F Notes or Class M Subordinated Notes that is not a "United States person" (as defined in Section 7701(a)(30) of the Code) either:

    (a) is not a bank (within the meaning of Section 881(c)(3)(A) of the Code);

    (b) (x) after giving effect to its purchase of Notes, will not directly or indirectly own more than 33-1/3 per cent., by value, of the aggregate of the Notes within such Class and any other Notes that are ranked *pari passu* with or are subordinated to such Notes, and will not otherwise be related to the Issuer (within the meaning of Treasury regulations section 1.881-3) and (y) it has not purchased the Notes in whole or in part to avoid any U.S. federal tax liability (including, without limitation, any U.S. withholding Tax that would be imposed on payments on the Collateral Debt Obligations if the Collateral Debt Obligations were held directly by such Noteholder); or

    (c) has provided an IRS Form W-8ECI representing that all payments received or to be received by it from the Issuer are effectively connected with the conduct of a trade or business in the United States and includible in its gross income.

15. Each purchaser that owns more than 50 per cent, of the Class M Subordinated Notes by value or is otherwise treated as a member of the Issuer's "expanded affiliated group" (as defined in Treasury regulations section 1.1471-5(i) (or any successor provision)) represents that it will (A) confirm that any member of such expanded affiliated group (assuming that the Issuer is a "participating FFI" within the meaning of Treasury regulations section 1.1471-1(b)(91) (or any successor provision)) that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury regulations promulgated thereunder is either a "participating FFI", a "registered deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471-4(e) (or any successor provision), and (B) promptly notify the Issuer in the event that any member of such expanded affiliated group that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury regulations promulgated thereunder is not either a "participating FFI", a "registered deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471-4(e) (or any successor provision), in each case except to the extent that the Issuer or its agents have provided the purchaser with an express waiver of this requirement.

16. No purchaser of Class M Subordinated Notes will treat any income with respect to its Class M Subordinated Notes as derived in connection with the Issuer's active conduct of a banking, financing, insurance, or other similar business for purposes of Section 954(h)(2) of the Code.

17. The purchaser understands and acknowledges that the Issuer has the right under the Trust Deed to compel any Non-Permitted Holder or Non-Permitted ERISA Holder to sell its interest in the Notes, or may sell such interest in its Notes on behalf of such Non-Permitted Holder or Non-Permitted ERISA Holder.

18. The purchaser acknowledges that the Issuer, the Initial Purchaser, the Trustee, the Portfolio Manager and the Collateral Administrator and their Affiliates, and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Regulation S Notes

Each purchaser of Regulation S Notes will be deemed to have made the representations set forth in clauses (3), (4), (6), (7), (11), (17) and (18) above (except that references to Rule 144A Notes shall be deemed to be references to Regulation S Notes) and to have further represented and agreed as follows:

1. The purchaser is located outside the United States and is not a U.S. Person.

2. The purchaser understands that the Notes have not been and will not be registered under the Securities Act and that the Issuer has not registered and will not register under the Investment Company Act and that the Issuer intends to rely on an exclusion from registration by virtue of Section 3(c)(7) of the Investment Company Act. It agrees, for the benefit of the Issuer, the Initial Purchaser and any of its Affiliates, that, if it decides to resell, pledge or otherwise transfer such Notes (or any beneficial interest or participation therein) purchased by it, any offer, sale or transfer of such Notes (or any beneficial interest or participation therein) will be made in compliance with the Securities Act and only (a) to a person (i) it reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a nominal amount of not less than €250,000 for it and each such account, in a transaction that meets the requirements of Rule 144A and takes delivery in the form of a Rule 144A Note and (ii) constitutes a QP; or (b) to a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 (as applicable) under Regulation S.

3. The purchaser understands that unless the Issuer determines otherwise in compliance with applicable law, such Notes will bear a legend set forth below.

   THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON, IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S OF THE SECURITIES ACT AND IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, AND IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH

THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IN THE EVENT OF A VIOLATION OF (V) THROUGH (Z), THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

TRANSFERS OF THIS NOTE OR OF PORTIONS OF THIS NOTE SHOULD BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED REFERRED TO HEREIN.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE REGISTRAR.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B-1 NOTES, CLASS B-2 NOTES, CLASS C-1 NOTES, CLASS C-2 NOTES, CLASS D-1 NOTES AND CLASS D-2 NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF) AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY ("**BENEFIT PLAN INVESTOR**"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD THIS NOTE OR ANY INTEREST HEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER THIS NOTE (OR INTEREST HEREIN) TO AN ACQUIROR ACQUIRING THIS NOTE (OR INTEREST HEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND CLASS M SUBORDINATED NOTES IN THE FORM OF REGULATION S GLOBAL CERTIFICATES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR AND (II) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (A) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE PORTFOLIO MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") AND/OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") ("**SIMILAR LAW**"), AND (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR AN INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING TO SELL ITS INTEREST IN THE NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND CLASS M SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED TO REPRESENT, WARRANT AND AGREE THAT (I) FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR AND (II) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (A) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE PORTFOLIO MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") AND/OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") ("**SIMILAR LAW**"), AND (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR AN INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A VIOLATION

OF ANY APPLICABLE, STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING TO SELL ITS INTEREST IN THE NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

EACH PURCHASER AND TRANSFEREE OF THIS NOTE OR INTEREST HEREIN THAT IS A BENEFIT PLAN INVESTOR SHALL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT TO THE ISSUER, ON EACH DAY FROM THE DATE ON WHICH SUCH BENEFICIAL OWNER ACQUIRES THIS NOTE OR INTEREST THROUGH AND INCLUDING THE DATE ON WHICH IT DISPOSES OF THIS NOTE OR INTEREST, AND AT ANY TIME WHEN REGULATION 29 C.F.R. SECTION 2510.3-21, AS MODIFIED IN 2016, IS APPLICABLE, THAT THE FIDUCIARY MAKING THE DECISION TO INVEST IN THE NOTES ON ITS BEHALF (THE "**INDEPENDENT FIDUCIARY**") (A) IS A BANK, INSURANCE COMPANY, REGISTERED INVESTMENT ADVISER, BROKER-DEALER OR OTHER PERSON WITH FINANCIAL EXPERTISE, IN EACH CASE AS DESCRIBED IN 29 C.F.R. SECTION 2510.3-21(C)(1)(I); (B) IS AN INDEPENDENT PLAN FIDUCIARY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-21(C); (C) IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH REGARD TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES; (D) IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGMENT IN EVALUATING THE ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE; AND (E) NEITHER THE BENEFIT PLAN INVESTOR NOR THE INDEPENDENT FIDUCIARY IS PAYING OR HAS PAID ANY FEE OR OTHER COMPENSATION TO ANY OF THE ISSUER, THE INITIAL PURCHASER, THE TRUSTEE OR THE PORTFOLIO MANAGER FOR INVESTMENT ADVICE (AS OPPOSED TO OTHER SERVICES) IN CONNECTION WITH ITS ACQUISITION OR HOLDING OF THIS NOTE. IN ADDITION, EACH SUCH PURCHASER OR TRANSFEREE WILL BE REQUIRED OR DEEMED TO ACKNOWLEDGE AND AGREE THAT THE INDEPENDENT FIDUCIARY (X) HAS BEEN INFORMED THAT NONE OF THE ISSUER, THE INITIAL PURCHASER OR THE PORTFOLIO MANAGER, OR OTHER PERSONS THAT PROVIDE MARKETING SERVICES, NOR ANY OF THEIR AFFILIATES, HAS PROVIDED, AND NONE OF THEM WILL PROVIDE, IMPARTIAL INVESTMENT ADVICE AND THEY ARE NOT GIVING ANY ADVICE IN A FIDUCIARY CAPACITY, IN CONNECTION WITH THE PURCHASER'S OR TRANSFEREE'S ACQUISITION OR HOLDING OF THIS NOTE AND (Y) HAS RECEIVED AND UNDERSTANDS THE DISCLOSURE OF THE EXISTENCE AND NATURE OF THE FINANCIAL INTERESTS CONTAINED IN THE OFFERING CIRCULAR AND RELATED MATERIALS.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS C-1 NOTES, CLASS C-2 NOTES, CLASS D-1 NOTES, CLASS D-2 NOTES, CLASS E NOTES AND CLASS F NOTES*] [THIS NOTE WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**"). THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE ISSUER AT 3RD FLOOR, KILMORE HOUSE, PARK LANE, SPENCER DOCK, DUBLIN 1, IRELAND.]

[*LEGEND TO BE INCLUDED IN RELATION TO CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B-1 NOTES, CLASS B-2 NOTES, CLASS C-1 NOTES, CLASS C-2 NOTES, CLASS D-1 NOTES, CLASS D-2 NOTES, CLASS E NOTES AND CLASS F NOTES IN THE FORM OF PM NON-VOTING NOTES AND PM NON-VOTING EXCHANGEABLE NOTES ONLY]* [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL NOT CARRY ANY RIGHT TO VOTE IN RESPECT OF, OR BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON A PM REMOVAL RESOLUTION OR A PM REPLACEMENT RESOLUTION.]

[LEGEND TO BE INCLUDED IN RELATION TO CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B-1 NOTES, CLASS B-2 NOTES, CLASS C-1 NOTES, CLASS C-2 NOTES, CLASS D-1 NOTES, CLASS D-2 NOTES, CLASS E NOTES AND CLASS F NOTES IN THE FORM OF PM VOTING NOTES AND CLASS M SUBORDINATED NOTES ONLY] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL CARRY A RIGHT TO VOTE IN RESPECT OF, AND BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON A PM REMOVAL RESOLUTION OR A PM REPLACEMENT RESOLUTION.]

4. The purchaser understands that the Regulation S Notes may not, at any time, be held by, or on behalf of, U.S. Persons.

5. The purchaser will treat the Issuer and the Notes as described in the "*Tax Considerations – Certain U.S. Federal Income Tax Considerations*" section of the Offering Circular for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law.

6. The purchaser will timely furnish the Issuer or its agents with any tax forms or certifications (including, without limitation, IRS Form W-9, an applicable IRS Form W-8, or any successors to such IRS forms) that the Issuer or its agents may reasonably request in order to (A) make payments to the purchaser without, or at a reduced rate of, deduction or withholding, (B) qualify for a reduced rate of withholding or deduction in any jurisdiction from or through which the Issuer or its agents receive payments, and (C) satisfy reporting and other obligations under the Code and Treasury Regulations, and under any other applicable law, and will update or replace any tax forms or certifications as appropriate or in accordance with their terms or subsequent amendments thereto. The purchaser acknowledges that the failure to provide, update or replace any such tax forms or certifications may result in the imposition of withholding or back up withholding upon payments to the purchaser, or to the Issuer. Amounts withheld pursuant to applicable tax laws by the Issuer or its agents will be treated as having been paid to the purchaser by the Issuer.

7. The purchaser will provide the Issuer or its agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA and the CRS, and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer. In the event the purchaser fails to provide such information or documentation, or to the extent that its ownership of Notes would otherwise cause the Issuer to be subject to any tax under FATCA, (A) the Issuer or its agents are authorised to withhold amounts otherwise distributable to the purchaser as compensation for any amounts withheld from payments to or for the benefit of the Issuer as a result of such failure or such ownership, and (B) except with respect to the Retention Holder's ownership of Retention Notes, to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or such ownership, the Issuer will have the right to compel the purchaser to sell its Notes and, if the purchaser does not sell its Notes within 10 Business Days after notice from the Issuer or its agents, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any taxes incurred by the Issuer in connection with such sale) to such purchaser as payment in full for such Notes. The Issuer may also assign each such Note a separate securities identifier in the Issuer's sole discretion. The purchaser agrees that the Issuer, the Trustee or their agents or representatives may (1) provide any information and documentation concerning its investment in its Notes to the Office of Revenue Commissioners of Ireland, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA and the CRS.

8. Each purchaser of Class E Notes, Class F Notes or Class M Subordinated Notes that is not a "United States person" (as defined in Section 7701(a)(30) of the Code) either:

   (a) is not a bank (within the meaning of Section 881(c)(3)(A) of the Code);

   (b) (x) after giving effect to its purchase of Notes, will not directly or indirectly own more than 33-1/3 per cent., by value, of the aggregate of the Notes within such Class and any other Notes that are ranked pari passu with or are subordinated to such Notes, and will not otherwise be related to the Issuer (within the meaning of Treasury regulations section 1.881-3) and (y) it has not purchased the Notes in whole or in part to avoid any U.S. federal tax liability (including, without limitation, any U.S. withholding Tax that would be imposed on payments on the Collateral Debt Obligations if the Collateral Debt Obligations were held directly by such Noteholder); or

   (c) has provided an IRS Form W-8ECI representing that all payments received or to be received by it from the Issuer are effectively connected with the conduct of a trade or business in the United States and includible in its gross income.

9. Each purchaser that owns more than 50 per cent. of the Class M Subordinated Notes by value or is otherwise treated as a member of the Issuer's "expanded affiliated group" (as defined in Treasury regulations section 1.1471-5(i) (or any successor provision)), represents that it will (A) confirm that any member of such expanded affiliated group (assuming that the Issuer is a "participating FFI" within the meaning of Treasury regulations section 1.1471-1(b)(91) (or any successor provision)) that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury regulations promulgated thereunder is either a "participating FFI", a "registered deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471-4(e) (or any successor provision), and (B) promptly notify the Issuer in the event that any member of such expanded affiliated group that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury regulations promulgated thereunder is not either a "participating FFI", a "registered deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471-4(e) (or any successor provision), in each case except to the extent that the Issuer or its agents have provided the purchaser with an express waiver of this requirement.

10. No purchaser of Class M Subordinated Notes will treat any income with respect to its Class M Subordinated Notes as derived in connection with the Issuer's active conduct of a banking, financing, insurance, or other similar business for purposes of Section 954(h)(2) of the Code.

A transferor who transfers an interest in a Regulation S Note to a transferee who will hold the interest in the same form is not required to make any additional representation or certification.

GENERAL INFORMATION

Clearing Systems

The Notes of each Class have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The Common Code and International Securities Identification Number ("**ISIN**") for the Notes of each Class:

	Regulation S Notes		Rule 144A Notes	
	ISIN	**Common Code**	**ISIN**	**Common Code**
Class A-1 PM Voting Notes	XS1725823204	172582320	XS1725823469	172582346
Class A-1 PM Non-Voting Exchangeable Notes	XS1725824277	172582427	XS1725824434	172582443
Class A-1 PM Non-Voting Notes	XS1725823386	172582338	XS1725823543	172582354
Class A-2 PM Voting Notes	XS1725823626	172582362	XS1725823972	172582397
Class A-2 PM Non-Voting Exchangeable Notes	XS1725824863	172582486	XS1725825084	172582508
Class A-2 PM Non-Voting Notes	XS1725823899	172582389	XS1725824194	172582419
Class B-1PM Voting Notes	XS1725824350	172582435	XS1725824608	172582460
Class B-1 PM Non-Voting Exchangeable Notes	XS1725825241	172582524	XS1725825670	172582567
Class B-1 PM Non-Voting Notes	XS1725824517	172582451	XS1725824780	172582478
Class B-2 PM Voting Notes	XS1725824947	172582494	XS1725825324	172582532
Class B-2 PM Non-Voting Exchangeable Notes	XS1725825837	172582583	XS1725826132	172582613
Class B-2 PM Non-Voting Notes	XS1725825167	172582516	XS1725825597	172582559
Class C-1 PM Voting Notes	XS1725825753	172582575	XS1725826058	172582605
Class C-1 PM Non-Voting Exchangeable Notes	XS1725826215	172582621	XS1725826561	172582656
Class C-1 PM Non-Voting Notes	XS1725825910	172582591	XS1725826488	172582648
Class C-2 PM Voting Notes	XS1726288001	172628800	XS1726289314	172628931
Class C-2 PM Non-Voting Exchangeable Notes	XS1726288340	172628834	XS1726289074	172628907
Class C-2 PM Non-Voting Notes	XS1726288266	172628826	XS1726289587	172628958
Class D-1 PM Voting Notes	XS1725826306	172582630	XS1725826728	172582672
Class D-1 PM Non-Voting Exchangeable Notes	XS1725826991	172582699	XS1725827379	172582737
Class D-1 PM Non-Voting Notes	XS1725826645	172582664	XS1725827023	172582702
Class D-2 PM Voting Notes	XS1726289744	172628974	XS1726290320	172629032
Class D-2 PM Non-Voting Exchangeable Notes	XS1726290163	172629016	XS1726291302	172629130
Class D-2 PM Non-Voting Notes	XS1726289827	172628982	XS1726291211	172629121
Class E PM Voting Notes	XS1725827296	172582729	XS1725827536	172582753
Class E PM Non-Voting Exchangeable Notes	XS1725827619	172582761	XS1725827882	172582788
Class E PM Non-Voting Notes	XS1725827452	172582745	XS1725827700	172582770
Class F PM Voting Notes	XS1725828005	172582800	XS1725839465	172583946
Class F PM Non-Voting Exchangeable Notes	XS1725837253	172583725	XS1725840802	172584080

Class F PM Non-Voting Notes	XS1725828187	172582818	XS1725840125	172584012
Class M Subordinated Notes	XS1725842410	172584241	XS1725843145	172584314

Listing

Application will be made to the Irish Stock Exchange for the Notes to be admitted to the Official List and to trading on its Global Exchange Market. There can be no assurance that any such approval will be granted or, if granted that such listing will be maintained. It is expected that the total expenses related to admission to trading will be approximately €20,641.20.

Legal Entity Identifier (LEI)

The Issuer's LEI is 635400JUSH8DJJMKPH69.

Consents and Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Ireland (if any) in connection with the issue and performance of the Notes. The issue of the Notes was authorised by resolutions of the board of Directors of the Issuer passed on or around 12 January 2018.

No Significant or Material Change

There has been no significant change in the financial or trading position or prospects of the Issuer since its incorporation on 12 July 2017 and there has been no material adverse change in the financial position or prospects of the Issuer since its incorporation on 12 July 2017.

No Litigation

The Issuer is not involved, and has not been involved, in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had since the date of its incorporation a significant effect on the Issuer's financial position or profitability.

Accounts

Since the date of its incorporation on 12 July 2017, other than entering into certain documentation which has now been terminated, without any net assets or liabilities for the Issuer relating to a transaction which did not proceed, the Issuer has not commenced operations other than in respect of entering into the warehouse agreements in respect of the acquisition of certain assets to be comprised in the Portfolio on or prior to the Issue Date and has not produced accounts as at the date of this Offering Circular.

So long as any Note remains outstanding, copies of the most recent annual audited financial statements of the Issuer can be obtained at the specified offices of the Issuer during normal business hours. The first financial statements of the Issuer will be in respect of the period from incorporation to 31 December 2018. The annual accounts of the Issuer will be audited. The Issuer will not prepare interim financial statements.

The Trust Deed requires the Issuer to provide written confirmation to the Trustee on an annual basis and otherwise promptly on request that no Event of Default or other matter which is required to be brought to the Trustee's attention has occurred.

Documents Available

Copies of the following documents may be inspected in electronic format (and, in the case of each of clause (e) and (f) below, will be available for collection free of charge) at the registered offices of Issuer during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes:

(a) the constitution of the Issuer;

(b) the Trust Deed (which includes the form of each Note of each Class);

(c) the Agency Agreement;

(d) the Portfolio Management Agreement;

(e) each Monthly Report;

(f) each Payment Date Report; and

(g) the Risk Retention Letter.

Enforceability of Judgments

The Issuer is a designated activity company incorporated under the laws of Ireland. None of the directors and officers of the Issuer are residents of the United States, and all or a substantial portion of the assets of the Issuer and such persons may be located outside of the United States at any time. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon civil liability provisions of the securities laws of the United States or any State or territory within the United States.

As the United States is not a party to a convention with Ireland in respect of the enforcement of judgments, common law rules apply in order to determine whether a judgment of the United States courts is enforceable in Ireland. A judgment of the United States courts will be enforced by the courts of Ireland if the following general requirements are met:

(i) the United States courts must have had jurisdiction in relation to the particular defendant according to Irish conflict of law rules (the submission to jurisdiction by the defendant would satisfy this rule); and

(ii) the judgment must be final and conclusive and the decree must be final and unalterable in the court which pronounces it. A judgment can be final and conclusive even if it is subject to appeal or even if an appeal is pending. Where, however, the effect of lodging an appeal under the applicable law is to stay execution of the judgment, it is possible that, in the meantime, the judgment should not be actionable in Ireland. It remains to be determined whether final judgment given in default of appearance is final and conclusive.

However, the Irish courts may refuse to enforce a judgment of the United States courts which meets the above requirements for one of the following reasons:

(A) if the judgment is not for a definite sum of money;

(B) if the judgment was obtained by fraud;

(C) the enforcement of the judgment in Ireland would be contrary to natural or constitutional justice;

(D) the judgment is contrary to Irish public policy or involves certain United States laws which will not be enforced in Ireland;

(E) jurisdiction cannot be obtained by the Irish courts over the judgment debtors in the enforcement proceedings by personal service in Ireland or outside Ireland under Order 11 of the Superior Courts Rules;

(F) there is no practical benefit to the party in whose favour the foreign judgment is made in seeking to have that judgment enforced in Ireland;

(G) the judgment is inconsistent with a judgment of the courts of Ireland in relation to the same matter; or

(H) enforcement proceedings are not instituted in Ireland within six years of the date of the judgment.

Irish Listing Agent

Matheson is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to trading on the Global Exchange Market of the Irish Stock Exchange.

INDEX OF DEFINED TERMS

REGISTERED OFFICE OF THE ISSUER

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London E14 5AL
United Kingdom

TRUSTEE

BNY Mellon Corporate Trustee Services Limited
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London E14 5AL
United Kingdom

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